



2011/12 Annual Report



Contents



List of Tables	11
List of Figures.....	23
List of Graphs	23
CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	25
Component A: Mayor's Foreword.....	26
Component B: Executive Summary	28
1.1 <i>Municipal Manager's Overview</i>	28
1.2 <i>Municipal Overview</i>.....	31
1.2.1 Vision and Mission.....	31
1.3 <i>Municipal Functions, Population and Environmental Overview</i>	31
1.3.1 Population.....	32
1.3.2 Socio Economic Information.....	35
1.3.3 Demographic Information	37
1.4 <i>Service Delivery Overview</i>.....	40
1.4.1 Basic services delivery Performance highlights	40
1.4.2 Basic services delivery challenges	40
1.4.3 Proportion of Households with access to Basic Services	41
1.5 <i>Financial Health Overview</i>.....	41
1.5.1 Financial Viability Highlights	41
1.5.2 Financial Viability Challenges.....	42
1.5.3 National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)	42
1.5.4 Financial Overview	42
1.5.5 Operating Ratios.....	43
1.5.6 Total Capital Expenditure	43
1.6 <i>Organisational Development Overview</i>.....	44
1.6.1 Municipal Transformation and Organisational Development Highlights.....	44
1.6.2 Municipal Transformation and Organisational Development Challenges	45

Contents



1.6.3	MFMA Competencies	45
1.7	<i>Auditor General Report</i>	46
1.7.1	Audited Outcomes	46
CHAPTER 2: GOVERNANCE		48
Component A: Political and Administrative Governance		49
2.1	<i>National Key Performance Indicators - Good Governance and Public Participation</i>	49
2.2	<i>Performance Highlights - Good Governance and Public Participation</i>	49
2.3	<i>Challenges - Good Governance and Public Participation</i>	50
2.4	<i>Governance Structure</i>	50
2.4.1	Political Governance Structure	50
2.4.2	Administrative Governance Structure	52
Component B: Intergovernmental relations		52
2.5	<i>Intergovernmental Relations</i>	53
2.5.1	National Intergovernmental Structures	53
2.5.2	Provincial Intergovernmental Structures	53
2.5.3	District Intergovernmental Structures	53
Component C: Public Accountability and Participation		54
2.6	<i>Public Meetings</i>	54
2.7	<i>Ward Committees</i>	57
2.8	<i>Functionality of Ward Committee</i>	61
2.9	<i>Representative Forums</i>	62
2.9.1	Labour Forum	62
2.9.2	IDP Forum (Cape Agulhas Municipal Advisory Forum).....	63
2.9.3	Risk committee	64
Component D: Corporate Governance		65
2.10	<i>Risk Management</i>	65
2.11	<i>Anti-Corruption and Anti-Fraud</i>	66

Contents



2.11.1	Developed Strategies	66
2.11.2	Implementation of Strategies.....	66
2.12	<i>Audit Committee</i>	67
2.12.1	Functions of the Audit Committee	68
2.12.2	Members of the Audit Committee	69
2.12.3	Municipal Audit Committee Recommendations.....	69
2.14	<i>Performance audit committee</i>	70
2.14.1	Functions of the Performance Audit Committee.....	71
2.14.2	Members of the Performance Audit Committee	71
2.15	<i>Internal Auditing</i>	71
2.16	<i>By-Laws and Policies</i>	72
2.17	<i>Communication</i>	72
2.18	<i>Website</i>	73
2.19	<i>Supply Chain Management</i>	74
2.19.1	Competitive Bids in Excess of R200 000	74
2.19.2	Deviation from Normal Procurement Processes	76
2.19.3	Logistics Management.....	76
2.19.5	Disposal Management.....	77
2.20	<i>Public Satisfaction on Municipal Services</i>	78
CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART 1)		80
3.1	INTRODUCTION	81
3.2	OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION	81
3.2.1	<i>Legislative requirements</i>	82
3.2.2	<i>Organisation performance</i>	82
3.3	THE PERFORMANCE SYSTEM FOLLOWED FOR THE FINANCIAL YEAR 2011/12	83
3.3.1	<i>Adoption of a Performance Management Framework</i>	83
3.3.2	<i>The IDP and the budget</i>	83
3.3.3	<i>The Service Delivery Budget Implementation Plan</i>	83

Contents



a)	The municipal scorecard (Top Layer SDBIP).....	84
b)	Directorate/Departmental scorecards.....	86
3.3.4	<i>System to monitor performance</i>	87
3.4	PERFORMANCE MANAGEMENT	87
3.4.1	<i>Organisational Performance</i>	87
3.4.2	<i>Individual Performance Management</i>	88
a)	Municipal Manager and Managers directly accountable to the Municipal Manager	89
b)	Other municipal personnel.....	89
3.5	STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER)	89
3.5.1	<i>Top Layer SDBIP – Good Governance and Public Participation</i>	91
3.5.2	<i>Top Layer SDBIP – Municipal Transformation and Institutional Development</i>	96
3.5.3	<i>Top Layer SDBIP – Municipal Financial Viability and Management</i>	97
3.5.4	<i>Top Layer SDBIP – Local Economic Development</i>	101
3.5.5	<i>Top Layer SDBIP – Basic Service Delivery</i>	103
3.6	MUNICIPAL FUNCTIONS	112
3.6.1	<i>Analysis of Functions</i>	113
3.7	OVERVIEW OF PERFORMANCE PER DIRECTORATE	114
3.7.1	<i>Performance per Functional Area (Departmental/Operational SDBIP)</i>	116
3.8	OVERVIEW OF PERFORMANCE PER WARD	125
3.8.1	<i>Ward 1: Napier, Elim, Haasvlakte and surrounding farms</i>	125
3.8.2	<i>Ward 2: Part of Bredasdorp, Klipdale, Proteem and surrounding farms</i>	126
3.8.3	<i>Ward 3: Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)</i>	127
3.8.4	<i>Ward 4: Part of Bredasdorp</i>	129
3.8.5	<i>Ward 5: Aniston, Struisbaai, L’Agulhas, Suiderstrand and surrounding farms</i>	129
3.9	COMPONENT A: BASIC SERVICES	130
3.9.1	<i>Water Provision</i>	130

Contents



3.9.2	<i>Waste water (sanitation) provision</i>	136
3.9.3	<i>Electricity</i>	138
3.9.4	<i>Waste management (Refuse collections, waste disposal, street cleaning and recycling)</i>	144
3.9.5	<i>Housing</i>	147
3.9.6	<i>Free Basic Services And Indigent Support</i>	151
3.10	COMPONENT B: ROAD TRANSPORT	153
3.10.1	<i>Introduction to Road Transport</i>	153
3.10.2	<i>Roads</i>	153
3.10.3	<i>Waste water (Storm water drainage)</i>	158
3.11	COMPONENT C: PLANNING AND LOCAL ECONOMIC DEVELOPMENT	161
3.11.1	<i>Introduction to Planning And Development</i>	161
3.11.2	<i>Planning</i>	162
a)	Achievements	162
b)	Service delivery priorities.....	162
c)	Measures to improve performance.....	163
d)	Major efficiencies achieved	163
3.11.3	<i>Local Economic Development (Including Tourism and Market places)</i>	164
a)	Introduction to Economic Development.....	164
a)	LED Strategy	165
3.12	COMPONENT D: COMMUNITY AND SOCIAL SERVICES	174
3.12.1	<i>Libraries</i>	174
a)	Highlights: Libraries	175
b)	Service statistics for Libraries.....	175
3.12.2	<i>Cemeteries</i>	176
a)	Highlights: Cemeteries	176
b)	Service statistics for Cemeteries	176
3.12.3	<i>Human Development</i>	178

Contents



a)	Highlights: Human Development.....	178
b)	Challenges: Human Development.....	178
c)	Service Statistics for Human Development.....	178
3.13	COMPONENT E: ENVIRONMENTAL PROTECTION	180
3.13.1	<i>Introduction to Environmental Protection</i>	180
3.13.2	<i>Air Quality Control.....</i>	181
3.13.3	<i>Bio-Diversity and Landscape</i>	182
3.13.4	<i>Coastal Protection.....</i>	182
3.14	COMPONENT F: SECURITY AND SAFETY	183
3.14.1	<i>Introduction to Security & Safety.....</i>	183
3.14.2	<i>Traffic Services and Law Enforcement</i>	184
a)	Highlights: Traffic Services and Law Enforcement.....	184
b)	Challenges: Traffic Services and Law Enforcement	185
3.14.3	<i>Fire</i>	187
3.14.4	<i>Disaster Management</i>	188
3.15	COMPONENT G: SPORT AND RECREATION	189
a)	Highlights: Sport and Recreation.....	189
b)	Challenges: Sport and Recreation	189
c)	Service statistics for Sport and Recreation	190
3.16	COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES	192
3.16.1	<i>Executive and Council</i>	192
a)	Highlights: Executive and Council	192
b)	Challenges: Executive and Council.....	192
3.16.2	<i>Financial Services</i>	197
a)	Highlights: Financial Services.....	197
b)	Challenges: Financial Services	197
3.16.3	<i>Human Resource Services</i>	204
a)	Highlights: Human Resources	204

Contents



b)	Challenges: Human Resources.....	204
3.16.4	<i>Information and Communication Technology (ICT) Services.....</i>	207
a)	Highlights: ICT Services	209
b)	Challenges: ICT Services	209
c)	Domain Implementation and Microsoft Licensing.....	210
d)	IT Network Upgrade	211
e)	Disaster Recovery Site	211
3.17	COMPONENT I: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2012/13	212
3.17.1	<i>Development and regular maintenance of bulk infrastructure such as roads, storm water networks, potable water networks, waste water treatment plants, land and integrated human settlements</i>	212
3.17.2	<i>Establishing a functional municipality that can deliver on the IDP priorities, implement policies that will facilitate transformation, effective staff structure, general management practices and training</i>	213
3.17.3	<i>Promote service excellence and a corruption free environment</i>	214
3.17.4	<i>Provision of quality basic services such as water, electricity, refuse removal and sanitation.....</i>	215
3.17.5	<i>To facilitate economic development by creating a conducive environment for business development and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy to ultimately create decent job opportunities</i>	216
3.17.6	<i>To facilitate the holistic development of people, expand the safety net for vulnerable groups and implement sustainable programmes to improve their livelihoods</i>	217
3.17.7	<i>To implement sound financial management systems & procedures that will ensure the financial viability of Cape Agulhas Municipality</i>	219
3.17.8	<i>To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations</i>	219
3.18	SERVICE PROVIDER STRATEGIC PERFORMANCE	220
	CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART 11).....	221

Contents



4.1 National Key Performance Indicators – Municipal Transformation And Organisational Development	222
a) Performance Highlights – Municipal Transformation and Organisational Development.....	222
b) Challenges – Municipal Transformation and Organisational Development	222
4.2 Introduction To The Municipal Workforce	222
4.2.1 Employment Equity	222
a) Employment Equity Targets/Actual	223
b) Employment Equity vs. Population	223
c) Occupational Categories - Race	223
d) Occupational Levels - Race.....	224
e) Departments - Race	224
4.2.2 Vacancy Rate	225
4.2.3 Turnover Rate	227
4.3 Managing The Municipal Workforce	227
4.3.1 Injuries	227
4.3.2 Sick Leave	228
4.3.3 HR Policies and Plans.....	229
4.3.4 Employee Performance Rewards	229
4.4 Capacitating The Municipal Workforce	230
4.4.1 Skills Matrix.....	230
4.4.2 Skills Development – Training Provided.....	231
4.4.3 Skills Development – Budget Allocation.....	232
4.5 Managing The Municipal Workforce Expenditure	233
4.5.1 Personnel Expenditure	233
CHAPTER 5: FINANCIAL PERFORMANCE	235
Component A: Statements of Financial Performance	236
5.1 Financial Summary.....	236
5.1.1 Revenue collection by Vote	240

Contents



5.1.2	Revenue collection by Source	241
5.1.3	Operational Services Performance	242
5.2	<i>Financial Performance Per Municipal Function</i>	243
5.2.1	Water Services	243
5.2.2	Waste Water (Sanitation)	244
5.2.3	Electricity	244
5.2.4	Waste Management	245
5.2.5	Roads	246
5.2.6	Community & Social Services	246
5.2.7	Environmental Protection	247
5.2.8	Security and Safety	247
5.2.9	Sport and Recreation.....	248
5.2.10	Corporate Policy Offices & Other	248
5.3	<i>Grants</i>	249
5.3.1	Grant Performance	249
5.3.2	Level of Reliance on Grants & Subsidies	250
5.4	<i>Repairs and Maintenance</i>	251
5.5	<i>Financial Ratios Based on Key Performance Indicators.....</i>	253
5.5.1	Liquidity Ratio	253
5.5.2	IDP Regulation Financial Viability Indicators.....	253
5.5.3	Borrowing Management	253
5.5.4	Employee costs	253
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET		254
5.6	<i>Analysis of Capital and operating expenditure</i>	254
5.7	<i>Sources of Finance</i>	256
5.8	<i>Basic Service and Infrastructure Backlogs – Overview.....</i>	257
5.8.1	Service Backlogs	257
5.8.2	Municipal Infrastructure Grant (MIG).....	257

Contents



COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS	259
<i>5.9 Cash Flow.....</i>	<i>259</i>
<i>5.10 Gross Outstanding Debtors per Service.....</i>	<i>260</i>
<i>5.11 Total Debtors Age Analysis.....</i>	<i>260</i>
COMPONENT D: OTHER FINANCIAL MATTERS.....	261
<i>5.12 Supply Chain Management.....</i>	<i>261</i>
<i>5.13 GRAP Compliance.....</i>	<i>262</i>
CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS	263
COMPONENT A: AUDITOR-GENERAL OPINION 2010/11	264
<i>6.1 Auditor General Report 2010/11.....</i>	<i>264</i>
COMPONENT B: AUDITOR-GENERAL OPINION 2011/12	266
<i>6.2 Auditor General Report 2011/12.....</i>	<i>266</i>
LIST OF ABBREVIATIONS.....	268
ANNEXURE A: FINANCIAL STATEMENTS	
ANNEXURE B: REPORT OF THE AUDITOR-GENERAL	
ANNEXURE C: REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE	

LIST OF TABLES

Table 1.: Demographic information of the municipal area – Total population.....	32
Table 2.: Total number of households.....	33
Table 3.: Key Economic activities.....	35
Table 4.: Socio Economic information.....	35
Table 5.: Demographic information of the municipal area – Gender	35

Contents



Table 6.:	Demographic information of the municipal area Age	37
Table 7.:	Demographic information of the municipal area – Race categories	37
Table 8.:	Municipal Wards.....	38
Table 9.:	Basic Services Delivery Highlights.....	40
Table 10.:	Basic Services Delivery Challenges	41
Table 11.:	Households with minimum level of Basic Services	41
Table 12.:	Financial Viability Highlights	42
Table 13.:	Financial Viability Challenges.....	42
Table 14.:	National KPI's for financial viability and management.....	42
Table 15.:	Financial Overview	43
Table 16.:	Operating ratios	43
Table 17.:	Total Capital Expenditure	43
Table 18.:	Municipal Transformation and Organisational Development Highlights.....	45
Table 19.:	Municipal Transformation and Organisational Development Challenges	45
Table 20.:	Financial Competency Development: Progress Report	46
Table 21.:	Audit Outcomes	47
Table 22.:	National KPIs - Good Governance and Public Participation Performance.....	49
Table 23.:	Good Governance and Public Participation Performance Highlights	49
Table 24.:	Good Governance and Public Participation Challenges	50
Table 25.:	Council Meetings	51
Table 26.:	Executive Mayoral Committee	51
Table 27.:	Portfolio Committees	52

Contents



Table 28.:	Administrative Governance Structure	52
Table 29.:	Public Meetings	57
Table 30.:	Ward 1 Committee Meetings	58
Table 31.:	Ward 2 Committee Meetings	59
Table 32.:	Ward 3 Committee Meetings	59
Table 33.:	Ward 4 Committee Meetings	60
Table 34.:	Ward 5 Committee Meetings	61
Table 35.:	Functioning of Ward Committees	62
Table 36.:	Labour Forum	62
Table 37.:	IDP Forum	64
Table 38.:	Risk Committee	65
Table 39.:	Strategies.....	66
Table 40.:	Implementation of the Strategies.....	67
Table 41.:	Members of the Audit Committee	69
Table 42.:	Municipal Audit Committee Recommendations.....	70
Table 43.:	Members of the Performance Audit Committee	71
Table 44.:	Table 36: Internal Audit Functions	72
Table 45.:	Policies	72
Table 46.:	Communication Activities	73
Table 47.:	Website Checklist	74
Table 48.:	Bid Committee Meetings	74
Table 49.:	Attendance of members of bid specification committee	74

Contents



Table 50.:	Attendance of members of bid evaluation committee	75
Table 51.:	Attendance of members of bid adjudication committee.....	75
Table 52.:	Ten highest bids awarded by bid adjudication committee	76
Table 53.:	Awards made by Accounting Officer	76
Table 54.:	Summary of deviations	76
Table 55.:	Satisfaction Survey.....	79
Table 56.:	Top Layer SDBIP – Good Governance and Public Participation	96
Table 57.:	Top Layer SDBIP – Municipal Transformation and Institutional Development	97
Table 58.:	Top Layer SDBIP – Municipal Financial Viability and Management	101
Table 59.:	Top Layer SDBIP – Local Economic Development.....	103
Table 60.:	Top Layer SDBIP – Basic Service Delivery.....	112
Table 61.:	Functional Areas.....	114
Table 62.:	Summary of total performance per Directorate	115
Table 63.:	Functional alignment – Council	116
Table 64.:	Functional alignment – Municipal Manager.....	118
Table 65.:	Functional alignment – Corporate Services	119
Table 66.:	Functional alignment – Financial Services	120
Table 67.:	Functional alignment – Community Services	122
Table 68.:	Functional alignment – Technical Services	123
Table 69.:	Functional alignment – Electro Mechanical Services	124
Table 70.:	Capital projects of Ward 1: Napier, Elim, Haasvlakte and surrounding farms	125
Table 71.:	Basic Service Provision per Area	126

Contents



Table 72.:	Top four service delivery priorities for Ward 1: Napier, Elim, Haasvlakte and surrounding farms	126
Table 73.:	Capital projects of Ward 2: Part of Bredasdorp, Klipdale, Proteem and surrounding farms ..	127
Table 74.:	Top four service delivery priorities for Ward 2: Part of Bredasdorp, Klipdale, Proteem and surrounding farms	127
Table 75.:	Capital projects of Ward 3: Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)	127
Table 76.:	Top four service delivery priorities for Ward 3: Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)	128
Table 77.:	Capital projects of Ward 4: Part of Bredasdorp	129
Table 78.:	Top four service delivery priorities for Ward 4: Part of Bredasdorp	129
Table 79.:	Capital projects of Ward 5: Aniston, Struisbaai, L'Agulhas, Suiderstrand and surrounding farms	130
Table 80.:	Top four service delivery priorities for Ward 5: Aniston, Struisbaai, L'Agulhas, Suiderstrand and surrounding farms	130
Table 81.:	Total use of water by sector (cubic meters)	130
Table 82.:	Water service delivery levels: Households	131
Table 83.:	Access to water	132
Table 84.:	Service delivery indicators: Water services	133
Table 85.:	Employees: Water Services	134
Table 86.:	Capital Expenditure 2011/12: Water Services	134
Table 87.:	Sanitation service delivery levels	137

Contents



Table 88.:	Service delivery indicators: Waste water/Sanitation services	138
Table 89.:	Capital Expenditure 2011/12: Sanitation Services	138
Table 90.:	Electricity service delivery levels	140
Table 91.:	Service delivery indicators: Electricity	142
Table 92.:	Employees: Electricity services	142
Table 93.:	Capital Expenditure 2011/12: Electricity Services	143
Table 94.:	Solid Waste Service Delivery Levels	145
Table 95.:	Service delivery indicators: Solid waste management	146
Table 96.:	Employees: Solid Waste Services	147
Table 97.:	Capital Expenditure 2011/12: Solid Waste Services	147
Table 98.:	Percentage of households with access to basic housing	149
Table 99.:	Housing waiting list	149
Table 100.:	Houses built in 2011/12	149
Table 101.:	Service delivery indicators: Housing	150
Table 102.:	Employees: Housing services	150
Table 103.:	Capital Expenditure 2011/12: Housing Services	151
Table 104.:	Free basic services to low income households	152
Table 105.:	Financial Performance 2011/12: Cost to Municipality of Free Basic Services Delivered	152
Table 106.:	Gravel road infrastructure	154
Table 107.:	Tarred road infrastructure	154
Table 108.:	Cost of construction/Maintenance.....	154

Contents



Table 109.:	Service delivery indicators: Road transport	156
Table 110.:	Employees: Roads and Storm water	156
Table 111.:	Capital Expenditure 2011/12: Roads	157
Table 112.:	Storm water infrastructure.....	158
Table 113.:	Storm water infrastructure cost.....	159
Table 114.:	Service delivery indicators: Storm water drainage.....	160
Table 115.:	Capital Expenditure 2011/12: Storm water drainage	160
Table 116.:	Service delivery priorities: Planning.....	163
Table 117.:	Applications for Land Use Development.....	164
Table 118.:	Employees: Planning	164
Table 119.:	LED Highlights	165
Table 120.:	Challenges LED	165
Table 121.:	LED Strategic areas	167
Table 122.:	LED progress	168
Table 123.:	LED Objectives and Strategies	168
Table 124.:	Economic Activity by Sector.....	168
Table 125.:	Jobs Created during 2011/12 by LED Initiatives (Excluding EPWP projects)	170
Table 126.:	Job creation through EPWP* projects.....	170
Table 127.:	Service delivery indicators: Local Economic Development	173
Table 128.:	Employees: Local Economic Development	173
Table 129.:	Libraries Highlights.....	175
Table 130.:	Service statistics for Libraries	175

Contents



Table 131.:	Employees: Libraries.....	176
Table 132.:	Cemeteries Highlights	176
Table 133.:	Service stats for Cemeteries	177
Table 134.:	Employees: Cemeteries	177
Table 135.:	Capital Expenditure 2011/12: Cemeteries	177
Table 136.:	Human Development Highlights	178
Table 137.:	Human Development Challenges	178
Table 138.:	Service statistics for Human Development programmes.....	179
Table 139.:	Employees: Child care, aged care, social programmes	180
Table 140.:	Traffic Services and Law Enforcement Highlights	185
Table 141.:	Traffic Services and Law Enforcement Challenges	185
Table 142.:	Traffic Services and Law Enforcement Data	185
Table 143.:	Additional performance information for Traffic Services and Law Enforcement.....	186
Table 144.:	Employees: Traffic Services and Law Enforcement	186
Table 145.:	Capital Expenditure 2011/12: Traffic Services and Law Enforcement	187
Table 146.:	Fire Service Data	188
Table 147.:	Service delivery indicators: Disaster Management.....	189
Table 148.:	Sport and Recreation Highlights	189
Table 149.:	Sport and Recreation Challenges	189
Table 150.:	Additional performance information for Sport and Recreation.....	190
Table 151.:	Service delivery indicators: Sport and recreation	191
Table 152.:	Employees: Sport and Recreation	191

Contents



Table 153.:	Capital Expenditure 2011/12: Sport and Recreation	191
Table 154.:	Executive and Council Highlights.....	192
Table 155.:	Executive and Council Challenges	193
Table 156.:	Service delivery indicators: Executive and Council	196
Table 157.:	Employees: Executive and Council.....	196
Table 158.:	Financial Services Highlights	197
Table 159.:	Financial Services Challenges	197
Table 160.:	Debt recovery	198
Table 161.:	Service delivery indicators: Financial Services	202
Table 162.:	Employees: Financial services.....	203
Table 163.:	Capital Expenditure 2011/12: Financial Services	203
Table 164.:	Human Resources Highlights	204
Table 165.:	Human Resources Challenges	204
Table 166.:	Service delivery indicators: Human Resources	207
Table 167.:	Employees: Human Resource services	207
Table 168.:	ICT Service Highlights.....	209
Table 169.:	ICT Service Challenges	209
Table 170.:	Employees: ICT Services.....	210
Table 171.:	Capital Expenditure 2011/12: ICT Services	210
Table 172.:	Service Delivery Priorities for 2012/13 – Development and regular maintenance of bulk infrastructure such as roads, storm water networks, potable water networks, waste water treatment plants, land and integrated human settlements.....	213

Contents



Table 173.: Service Delivery Priorities for 2012/13 – Establishing a functional municipality that can deliver on the IDP priorities, implement policies that will facilitate transformation, effective staff structure, general management practices and training.....	214
Table 174.: Service Delivery Priorities for 2012/13 – Promote service excellence and a corruption free environment	215
Table 175.: Service Delivery Priorities for 2012/13 – Provision of quality basic services such as water, electricity, refuse removal and sanitation	216
Table 176.: Service Delivery Priorities for 2012/13 – To facilitate economic development by creating a conducive environment for business development and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy to ultimately create decent job opportunities	217
Table 177.: Service Delivery Priorities for 2012/13 – To facilitate the holistic development of people, expand the safety net for vulnerable groups and implement sustainable programmes to improve their livelihoods.....	219
Table 178.: Service Delivery Priorities for 2012/13 – To implement sound financial management systems & procedures that will ensure the financial viability of Cape Agulhas Municipality	219
Table 179.: Service Delivery Priorities for 2012/13 – To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	220
Table 180.: National KPIs– Municipal Transformation and Organisational Development.....	222
Table 181.: Performance Highlights– Municipal Transformation and Organisational Development	222
Table 182.: Challenges – Municipal Transformation and Organisational Development.....	222
Table 183.: 2011/12 EE targets/Actual by racial classification	223
Table 184.: 2011/12 EE targets/actual by gender classification	223
Table 185.: EE population 2011/12.....	223

Contents



Table 186.:	Occupational Categories.....	224
Table 187.:	Occupational Levels.....	224
Table 188.:	Department - Race.....	225
Table 189.:	Vacancy rate per post and functional level.....	226
Table 190.:	Vacancy rate per salary level.....	226
Table 191.:	Turnover Rate.....	227
Table 192.:	Injuries.....	228
Table 193.:	Sick Leave.....	228
Table 194.:	HR policies and plans.....	229
Table 195.:	Performance Rewards.....	230
Table 196.:	Skills Matrix.....	231
Table 197.:	Skills Development.....	232
Table 198.:	Budget allocated and spent for skills development.....	232
Table 199.:	Total Personnel Expenditure.....	233
Table 200.:	Detail of Personnel Expenditure.....	234
Table 201.:	Financial Performance 2011/12.....	238
Table 202.:	Performance against budgets.....	239
Table 203.:	Revenue by Vote.....	241
Table 204.:	Revenue by Source.....	242
Table 205.:	Operational Services Performance.....	243
Table 206.:	Financial Performance: Water services.....	244
Table 207.:	Financial Performance: Waste Water (Sanitation) services.....	244

Contents



Table 208.:	Financial Performance: Electricity.....	245
Table 209.:	Financial Performance: Waste Management.....	245
Table 210.:	Financial Performance: Roads.....	246
Table 211.:	Financial Performance: Community & Social Services.....	246
Table 212.:	Financial Performance: Environmental Protection.....	247
Table 213.:	Financial Performance: Security and Safety.....	247
Table 214.:	Financial Performance: Sport and Recreation.....	248
Table 215.:	Financial Performance: Corporate Policy Offices & Other.....	248
Table 216.:	Grant Performance for 2011/12.....	250
Table 217.:	Reliance on grants.....	250
Table 218.:	Repairs & maintenance as % of total Operating Expenditure.....	251
Table 219.:	Liquidity Financial Ratio.....	253
Table 220.:	Liquidity Financial Ratio.....	253
Table 221.:	Financial Viability National KPAs.....	253
Table 222.:	Borrowing Management.....	253
Table 223.:	Employee Costs.....	254
Table 224.:	Analysis of Capital and Operating Expenditure.....	256
Table 225.:	Capital Expenditure by funding source.....	257
Table 226.:	Service Backlogs.....	257
Table 227.:	Municipal Infrastructure Grant (MIG).....	258
Table 228.:	Cashflow.....	260
Table 229.:	Gross outstanding debtors per service.....	260

Contents



Table 230.:	Service debtor age analysis	261
Table 231.:	AG Report on Financial Performance 2010/11	264
Table 232.:	AG Report on Service Delivery Performance 2010/11	265
Table 233.:	AG Report on Financial Performance 2011/12	266
Table 234.:	AG Report on Service Delivery Performance 2011/12	267

LIST OF FIGURES

Figure 1.:	Cape Agulhas Area map	38
Figure 2.:	Strategy map	83
Figure 3.:	Components of the Municipal Scorecard	85
Figure 4.:	Components of the Departmental SDBIP	86
Figure 5.:	SDBIP Measurement Categories	90
Figure 6.:	IT Growth	208

LIST OF GRAPHS

Graph 1.:	Total % indigent households within the municipal area	34
Graph 2.:	Gender Population	36
Graph 3.:	Population by race	37
Graph 4.:	Households with access to basic services	41
Graph 5.:	Total Capital Expenditure	44
Graph 6.:	Overall performance per National Key Performance Area	90
Graph 7.:	Overall performance of the directorates for 2011/12	116

Contents



Graph 8.:	Overall performance of directorates for 2010/11 and 2011/12 respectively.....	116
Graph 9.:	Council sub-directorate performance	117
Graph 10.:	Municipal Manager sub-directorate performance	118
Graph 11.:	Corporate Services sub-directorate performance	119
Graph 12.:	Financial Services sub-directorate performance	121
Graph 13.:	Community Services sub-directorate performance	122
Graph 14.:	Technical Services sub-directorate performance	123
Graph 15.:	Electro Mechanical Services sub-directorate performance	125
Graph 16.:	Water Service Delivery Levels.....	132
Graph 17.:	Sanitation Service Delivery Levels	136
Graph 18.:	Electricity service delivery levels	139
Graph 19.:	Refuse Removal Service Delivery Levels.....	145
Graph 20.:	Road infrastructure costs.....	155
Graph 21.:	Storm water infrastructure costs.....	159
Graph 22.:	Vacancy rate.....	227
Graph 23.:	Revenue	239
Graph 24.:	Operating expenditure	240
Graph 25.:	Reliance on grants as %.....	251
Graph 26.:	Repairs and Maintenance.....	252
Graph 27.:	Debt per type of service.....	260
Graph 28.:	Service debtors age analysis for the 2010/11 and 2011/12 financial years	261

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

Cape Agulhas Municipality may be one of the smallest municipalities in the country, but with our commitment to our community, we are long used to fighting above our weight limit. I still believe we are one of the best performing municipalities in the country with our residents enjoying basic services above the minimum level. As a Council we understand that we are in service of our community and try our utmost to foster a culture of public participation in our processes and projects. Our belief in accountable governance is seen in our active ward committee systems and our communication strategy.

Not only do we engage with our communities within public meetings, adverts placed in newspapers, press releases, sms', newsletters and a Facebook page, but we also host a weekly radio program which specifically focusses on informing our communities on our activities and the opportunities for the community to provide input on how we can improve our service delivery to them. We hope to improve our engagement with our community in the current year by investing in social media so that each and every one of our community members can have his/her voice heard.

As with all municipalities, Cape Agulhas Municipality faces the challenge of balancing our community's vast needs in respect of basic services, housing, job creation and economic growth with sustainability and affordability. The key to this balancing act lies in the optimal use of our assets and income resources, the identification of catalyst projects, innovation and co-operation.

Towards this goal we are very proud that the municipality spends 100% of their Municipal Infrastructure Allocation, our participation in the Expanded Public Works Program and the establishment of a Local Economic Development Agency that will facilitate economic catalyst projects bringing about economic growth to our area. The 435 houses build and transferred to first time home owners, combined with the planning for the next phase of our housing implementation plan in Bredasdorp, Waenhuiskrans and Struisbaai brought about provincial and national recognition and our nomination for a housing award.

Cape Agulhas Municipality is committed to eradicating the imbalances of the past and adjusted their procurement policy to support emerging entrepreneurs and local service providers. We continue our support to land reform through our partnerships with Agri Dwala, Agri Mega, Bredasdorp Small Farmers, Health Gro to name but a few. This commitment to land reform leads to an emerging farmer's

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

summit held in November 2012 which we believe will assist role players to provide dedicated and sustainable support in future land- and economic reform.

Cape Agulhas Municipality is a green municipality. Not only do we implement a highly effective recycling project, hold regular clean-up operations, invest in urban renewal and greening projects, but we also investigated the possibility of changing our existing sewerage plant in Bredasdorp into an innovative bio- energy renewal plant. The evaluation of this proposal is in its final stages and we hope to have our answer soon.

Cape Agulhas Municipality faces many challenges in the year to come.

At the top of our priority list is to ensure accountable governance and this can only be done by keeping our community informed about our actions and new developments. We need to address the water challenges in Napier, upgrade crucial roads and infrastructure throughout our area and address the damage to Nostra on our main beach in our prime holiday destination.

We as a municipality cannot do this alone. We need each in everyone on board in providing input, assisting in clean-up or local economic projects, by paying our municipal bills, but most of all - by committing to Cape Agulhas. I have no doubts that our communities will rise to the challenges that we as Municipality and a community will face in the next year. We will rise to them and we will meet them -together. Only then can we truly succeed.

Thank you to my fellow Council members, the Municipal Manager, management team, staff of the municipality and all our residents for assisting in another great year at the southernmost municipality in Africa.

Please peruse our Annual Report and provide us with your input on how we can improve our service delivery to you.

Yours in service delivery

Alderman Richard Mitchell

EXECUTIVE MAYOR

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW



Cape Agulhas Municipality is committed to improve the living conditions of the community through the effective and efficient delivery of affordable services. It strives towards attaining a sustainable environment in which members of the community can develop and achieve their potential.

The presentation of the Annual Report for the 2011/12 financial year, therefore, serves as a yardstick to measure the municipality's performance against the Integrated Development Plan (IDP) and approved budget for the same year.

I confirm as the Accounting Officer that the Council approved the Integrated Development Plan (IDP) and budget process plan and that proper community consultation and stakeholder engagements were implemented accordingly. The approval of the IDP and budget for the reporting year confirms Council's commitment to good governance and highlights its responsiveness in dealing with the needs of the community.

I confirm that the Annual Financial Statements for the 2011/12 financial year were approved by the Council and submitted to the Auditor-General of South Africa before the prescribed deadlines.

During the reporting year the communication with the public and stakeholders progressed to even higher levels of excellence. It clearly shows the municipality's commitment to promote a society in

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

which the community has access to information to enable them to fully exercise and protect all of their rights as enshrined in The Constitution and applicable legislation.

For the reporting year of 1 July 2011 to 30 June 2012 we have strengthened our institutional capacity and oversight with the establishment of a Municipal Public Accounts Committee, the in-house Internal Audit Unit and Risk Management Unit, as well as the Performance Audit Committee. The better utilisation of human resources became a key focus for improved service delivery with the completion of the personal development plans (PDP's) for each employee and the finalization of job descriptions. These processes have also served as input for the development of the Workplace Skills Plan. It is reported that all senior management and finance staff participated in the Minimum Competency Requirements Programme as prescribed by legislation to ensure compliance, and ultimately better performance.

The Municipality performed excellently in respect of its service delivery mandate as indicated in this Annual Report. Ninety point three percent (90.3%) of the allocated capital budget was spent which included the upgrading of Long Street in Bredasdorp. All these projects targeted job creation and local procurement. With respect to the Long Street project the municipality had actively engaged the affected business owners and residents to ensure the least possible disruptions.

The municipality's performance with the construction of 438 low-cost houses and thereby meeting the spending targets had enabled the municipality to secure additional housing funds from the provincial department. It resulted in the municipality being one of the provincial nominees for best performance on delivery of low-cost housing for the reporting year. The municipality continued with the implementation of the bathroom project for the old municipal scheme houses, as well as its on-going support to emerging farmers by releasing commonage for their projects.

To further the objectives of local economic development the municipality, in partnership with the Industrial Development Corporation established the Southernmost Local Economic Development Agency that will also further the findings of the SALGA P3 process which focuses on business retention and expansion initiatives. Another focus of the SALGA P3 project is to remove obstacles and facilitate local economic growth. For the reporting year the municipality continued to facilitate local economic growth through spatial planning, and more efficient handling of land use and building control processes.

Like all local authorities across the country, the municipality faces challenges which stem from historic imbalances, but we actively work towards addressing these challenges by eradicating service backlogs whilst maintaining the existing service levels at the same time.

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Our successes for the reporting year are attributed to the Council under the leadership of the Executive Mayor, Alderman Richard Mitchell and the administration that remains committed to serving the interests of the community.

Sincere appreciation

Reynold Stevens

MUNICIPAL MANAGER

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.2 MUNICIPAL OVERVIEW

This report addresses the performance of the Cape Agulhas Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and accurate reporting on programme performance and the general state of affairs in their locality.

The 2011/12 Annual Report reflects on the performance of the Cape Agulhas Municipality for the period 1 July 2011 to 30 June 2012. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), requiring the municipality to prepare an Annual Report for each financial year.

1.2.1 Vision and Mission

The Cape Agulhas Municipality committed itself to the following vision and mission:

VISION:

“To render continuous, sustainable effective services to all inhabitants and visitors in the area in order to create a healthy and safer environment for happy communities”

MISSION:

“We the Cape Agulhas Municipality will strive to render the best affordable municipal services in a sympathetic manner to the whole area and its inhabitants in order to create a happy economic active and informed community”

1.3 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

With a population of over 28 000 people Cape Agulhas Municipality places a very high premium on providing cost effective service delivery that improves its communities' standard of living. The municipality has an excellent service delivery record, having reached its Millennium Development Goals in respect of the delivery of water, sanitation and electricity to all its residents. No households

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

receive services below the minimum standard within the region. Cognizant of the poverty within our community, service delivery initiatives incorporate EPWP principles as far as possible. The most notable service delivery achievements in respect of service delivery were the municipality's housing projects and the facilitation of a renewable bio-energy project. Cape Agulhas Municipality built 438 houses within the current financial year. This excellent service record was commended by both the National and Provincial governments and resulted in an additional allocation to enable the municipality to accelerate their housing delivery. Realizing that a large portion of our community falls within the middle income group, the municipality appointed Mohlaleng Holdings to implement a GAP housing project.

During 2010 Ark Industries, through its GreenCity Model Development, submitted a proposal to Cape Agulhas Municipality to convert the waste water treatment plant and waste to an energy clean development mechanism (CDM) in Bredasdorp. Following this proposal Ark Industries was appointed in the current financial year and is in the process of securing funding for implementation.

1.3.1 Population

A) Population

The municipality was estimated to account for approximately **13.5%** or **28 786** of the District's approximate population of **212 787** in 2010.

The table below indicates the total population per ward within the municipal area:

Ward 1		Ward 2		Ward 3		Ward 4		Ward 5	
Elim	1 533	Bredasdorp	6 354	Bredasdorp	7 044	Bredasdorp	3 907	Struisbaai	2 252
Napier	5 230							Arniston	1 673
								L'Agulhas	794
Total population per ward									
6 763		6 354		7 044		3 907		4 719	
<i>Source: Urban Econ, 2008</i>									

Table 1.: Demographic information of the municipal area – Total population

The table above is based on a socio-economic survey that was done by the Western Cape provincial treasury during 2010. According to the survey the Cape Agulhas Municipality has a total population of **28 786** which shows an increase from the number reported in 2009 by an Urban Economic survey in 2008. Ward 3 has the largest population, closely followed by Ward 1. A more accurate update on the population of Cape Agulhas Municipal area can only be determined by the Stats SA Census survey which was conducted in 2011 and of which the results is expected late in 2012.

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

B) HOUSEHOLDS

The average household size in Cape Agulhas Municipal area is 4.5 which is in line with the national, provincial and district numbers. The majority of the households in the Cape Agulhas Municipality area consist of core family members which is parents with children. In many cases children are unable to move out of their parents houses, either because they cannot afford to move out or because there is a lack of affordable housing in the area. Single person households and single parent households are also very common in the different wards.

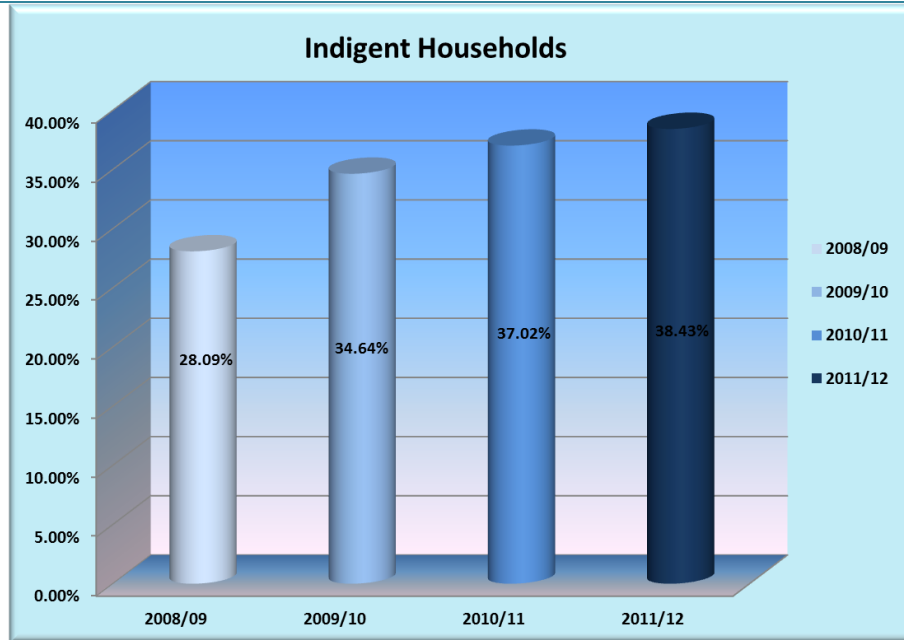
The total number of households within the municipal area that are serviced by the municipality, has increased from **8 128** households in the 2010/11 financial year to a total of **8 449** households in the 2011/12 financial year. This indicates an increase of **3.9%** in the total number of households within the municipal area over the two years.

Households	2008/09	2009/10	2010/11	2011/12
Number of households in municipal area	7 730	8 028	8 128	8 449
Number of indigent households in municipal area	2 172	2 781	3 009	3 247

Table 2.: Total number of households

The graph below indicates that the total number of indigent households **increased** from **28.1%** in 2008/09 to **38.43%** in the 2011/12 financial year. The indigent households show an **increase** of **49.5%** growth over the same period.

Chapter 1



Graph 1.: Total % indigent households within the municipal area

C) KEY ECONOMIC ACTIVITIES

The Municipality is dependent upon the following economic activities:

Key Economic Activities	Description
Agriculture and Agro-processing	<ul style="list-style-type: none"> • Agriculture- Livestock farming, ostriches, wheat crops, canola, vegetables, dried flowers, grapes & olives • Agro-processing- dairy products, wool, mutton, meat, wine • Oilseed, ostrich meat and feathers & geese feathers & down
Tourism	<ul style="list-style-type: none"> • Tourism industry is one of the fastest growing economic sectors in Cape Agulhas although its contribution towards the GDP is not yet reflecting this trend • Nature Based Tourism(fynbos, fauna & flora species) • Adventure Tourism (horse riding, mountain biking, paintballing, quad biking, river kayaking) • Marine Tourism (whale watching, fishing, De Hoop marine conservation area) • Family Holidays (beaches & play parks) • Agri Tourism (wool route, wine farms) • Marine Tourism • Cultural & Heritage Tourism (Lighthouse, Elim,

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Key Economic Activities	Description
	shipwrecks) <ul style="list-style-type: none"> • ICE (Conferences, events, teambuilding) • Business Tourism • Events Tourism (Foot of Africa marathon, Overberg Air Show, Eco Expo, Napier Patatfees, Agri Mega week, Heartbeat Christ Festival)
Fishing and Mari-culture	Cape Agulhas is the most important production area in the Cape line-fish industry. Mari-culture and the processing of marine products like abalone, mussels, and seaweed, has the potential to become a very lucrative industry for the area. This provides valuable natural resources which can be harvested and processed for commercial use and can be converted into a financially viable economic opportunity with multiple business ventures

Table 3.: Key Economic activities

1.3.2 Socio Economic Information

A) SOCIO ECONOMIC GROWTH

The socio-economic information for the municipal area is as follows:

Financial year	Housing Backlog	Unemployment rate	Households with No Income	Low skilled employ	People older than 14 years illiterate	HIV/AIDS Prevalence	Urban/rural household split
2010/11	4 292	16.8%	15.2%	40%	26%	2.8%	83.2/16.8
2011/12	4 331	16.8%*	15.2%*	40%*	26%*	2.8%*	83.2/16.8*

Note: Latest figures not yet available and statistics are from the previous period

Table 4.: Socio Economic information

B) POPULATION BY GENDER

The population is fairly equally distributed in terms of gender with **51.9%** females and **48.1%** males, which is in line with South African, Western Cape and district percentages.

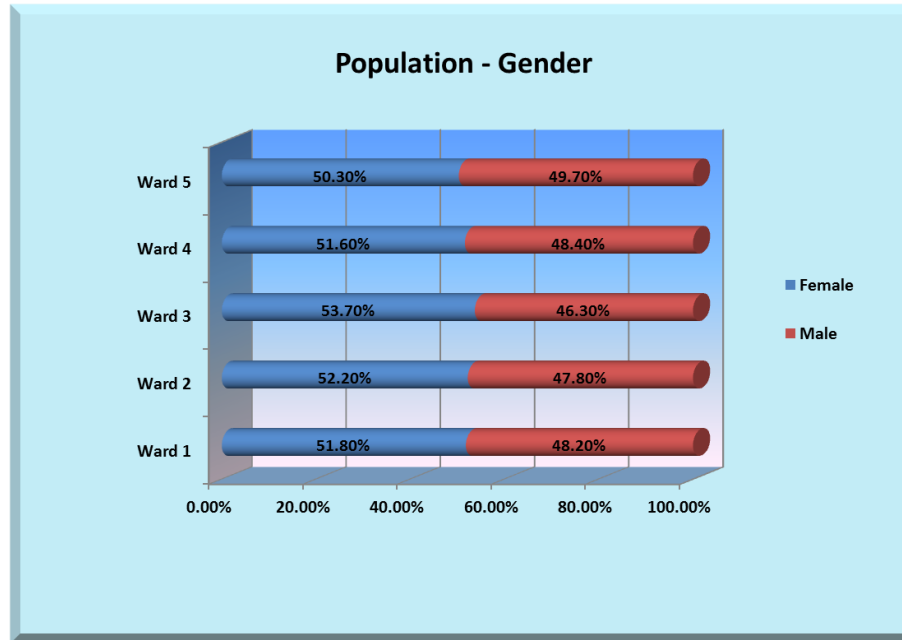
Financial year	Ward 1		Ward 2		Ward 3		Ward 4		Ward 5	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
2010/11	51.8%	48.2%	52.2%	47.8%	53.7%	46.3%	51.6%	48.4%	50.3%	49.7%

Source: Urban Econ, 2008

Table 5.: Demographic information of the municipal area – Gender

Chapter 1

The following graph displays the female and male population.



Graph 2.: Gender Population

c) POPULATION BY GENDER/AGE

Approximately **66.1%** of the total population of Cape Agulhas municipal area falls in the economically active population (EAP) which is classified as individuals aged 15-65. The municipal area has a fairly young population and 13% (age 0-14) are dependent on the economically active population. This has an effect on education and job creation. The table below indicates the population by age categories:

Age group	Percentage of population
0-4	7.7
5-9	8.3
10-14	9
15-19	8.4
20-24	7.8
25-19	6.9
30-34	6.5
35-39	8
40-44	8.2
45-49	6.2

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Age group	Percentage of population
50-54	5.6
55-59	3.9
60-64	4.7
65-69	4.2
70-74	2.1
75+	2.5

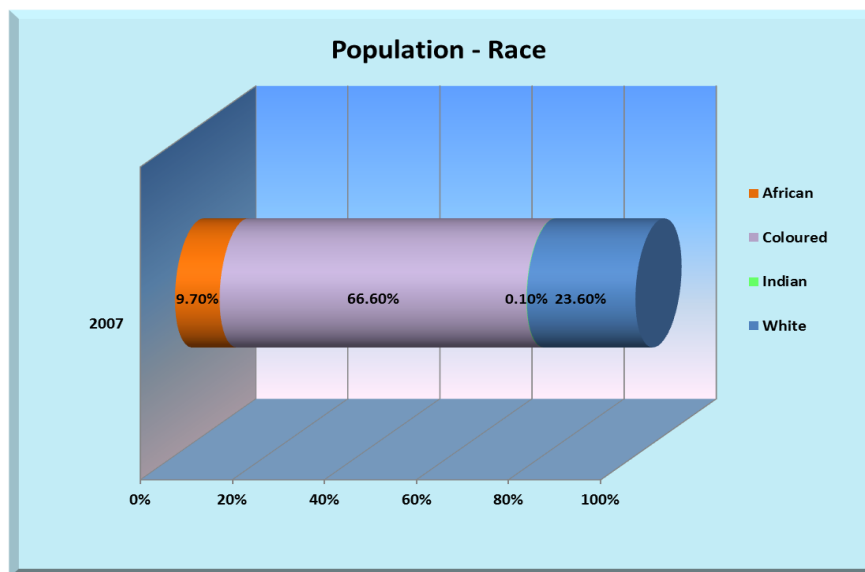
Table 6.: Demographic information of the municipal area by Age

D) POPULATION BY RACE CATEGORIES

Population - Racial	2007
African	9.7%
Coloured	66.6%
Indian	0.1%
White	23.6%
Total	100%

Table 7.: Demographic information of the municipal area – Race categories

The graph below shows the population by race.



Graph 3.: Population by race

1.3.3 Demographic Information

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

A) MUNICIPAL GEOGRAPHICAL INFORMATION

Cape Agulhas Municipality is the southern most local municipality in Africa. Its coastline is surrounded by the Atlantic and Indian Oceans which meet at the most southern town in Africa, named L'Agulhas. The geographical area consists of approximately **2 411 km²**. The municipality falls within the jurisdiction of the Overberg District Municipality.

Wards

The municipality is structured into the following 5 wards:

Ward	Areas
1	Napier, Elim, Spanjaardskloof and surrounding farms
2	Part of Bredasdorp, Klipdale, Houtkloof and surrounding farms
3	Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)
4	Part of Bredasdorp (CBD) and Protem
5	Aniston, Struisbaai, L'Agulhas, Suiderstrand, Haasvlakte and surrounding farms

Table 8.: Municipal Wards

Below is a map that indicates the wards of the Municipality in the Overberg District area:



Figure 1.: Cape Agulhas Area map

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

The area includes a significant rural area, as well as the following towns:

Bredasdorp:

Bredasdorp can be reached by turning at the crossing of the N2 and the R316 route from Caledon to Arniston and on the R319 route from Swellendam to Struisbaai / L'Agulhas. Although it has a typical rural atmosphere, it has an average business core with all the important services, such as a hospital, clinic, police station, magistrate, bank services and retirement facilities.

Napier

Napier is situated between Caledon and Bredasdorp on the R316 route. The town consists of a number of small businesses with agriculture as the dominant economic activity in the area.

Waenhuiskrans / Arniston



Waenhuiskrans/Arniston is probably the only town in South Africa with two acknowledged names. This fisherman's town is situated approximately 24km from Bredasdorp on the R316 route. It is also host to the World Heritage site of Kassiesbaai, a quaint subsistence fishing community.



Struisbaai

Struisbaai is known for its 14km white sand beach. This is the longest uninterrupted beach in Southern Africa. This beach town is a popular holiday town that attracts visitors throughout the year.

L'Agulhas

L'Agulhas is the most southern town in Africa. The legendary point of Africa is surrounded by both the warm Indian and the cold Atlantic Oceans that meet at the most southern point.

Suiderstrand

This beach town is situated approximately 5km from L'Agulhas. Suiderstrand is also a holiday town and was established as a result of a need for holiday houses with a rustic rural character.

Elim

Elim is a historical Moravian missionary station with monumental status. The town is communal property, belonging to the Moravian Church.

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Klipdale and Protem

Both these rural villages owe their establishment and development to the railroad and the grain silo's that were built there.

Rural Areas

Except for the occasional emptying of septic tanks on farms, no basic services are rendered to farm workers. A study was undertaken in 2007 to determine the backlogs in terms of basic water and sanitation services in rural areas. Potable water is supplied by Overberg Water and sanitation services are supplied by the land owners themselves.

1.4 SERVICE DELIVERY OVERVIEW

1.4.1 Basic services delivery Performance highlights

Highlight	Description
Upgrading of Long Street	Provincial Road that is being upgraded by the municipality
Extended Public Works Programme (EPWP)	80% of all Roads and Stormwater capital expenditure were completed with EPWP labour
Sewerage works in Struisbaai	Completion of a new sewerage system in Struisbaai, including a new pump station
Recycling	Recycling project is growing rapidly and has several businesses which are now part of the project
Recycling education workshop	Workshop was held in conjunction with DEADP to promote recycling at schools and in the classrooms

Table 9.: Basic Services Delivery Highlights

1.4.2 Basic services delivery challenges

Service Area	Challenge	Actions to address
General	SCM processes on deviations	Deviation process and approval need to be re-visited and streamlined
Water distribution	Constant supply of water in a relatively dry area	Constant search for water sources and optimal use of current sources
Waste management	Illegal dumping which is still on-going	Expanded education of the public, as well as further awareness campaigns for the recycling programme
Waste management	Landfill site capacity	Expansion of the existing landfill sites or development of a regional landfill area

Chapter 1

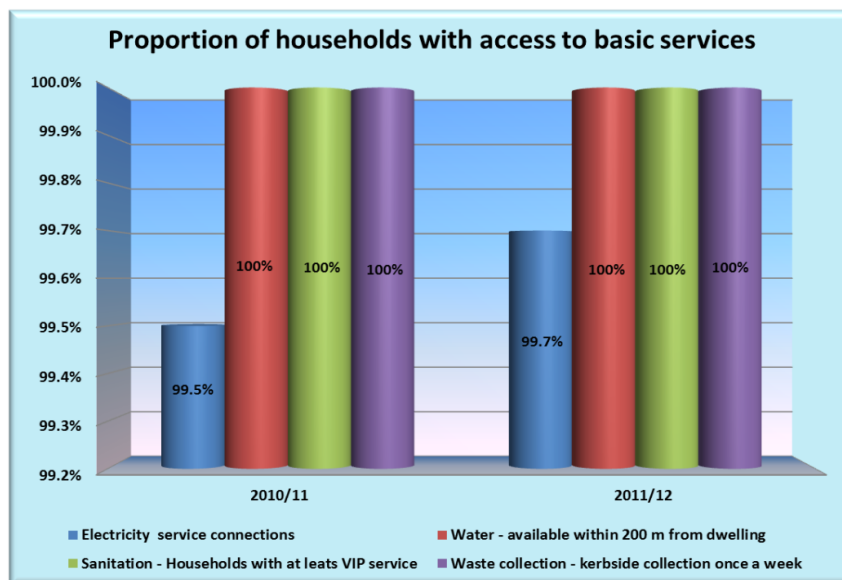
MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Table 10.: Basic Services Delivery Challenges

1.4.3 Proportion of Households with access to Basic Services

Proportion of Households with minimum level of Basic services		
Description	2010/11	2011/12
Electricity service connections	99.5%	99.7%
Water - available within 200 m from dwelling	100%	100%
Sanitation - Households with at least VIP service	100%	100%
Waste collection - kerbside collection once a week	100%	100%

Table 11.: Households with minimum level of Basic Services



Graph 4.: Households with access to basic services

In reality there are no backlogs regarding supply of electricity as all households (100%) in the municipal area are supplied with electricity. In the case of 2010/11, there were new RDP houses built in Napier and at year end the houses were completed, but the municipality was still in the process of installing the electricity supply. The same situation occurred in Bredasdorp for the 2011/12 financial year.

1.5 FINANCIAL HEALTH OVERVIEW

1.5.1 Financial Viability Highlights

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Highlight	Description
Unqualified audit report	An unqualified audit report for 2010/11
IT	Implement own technical support for all IT related matters
Organisational restructuring	Completed on a yearly basis to align resources with operational and strategic needs
SOP's	Standard operating procedures for Supply Chain Management (Bid Committee, complaints and abuse)

Table 12.: Financial Viability Highlights

1.5.2 Financial Viability Challenges

Challenge	Action to address
Service charges	Maintain service charges affordable to the community
Debt collection	Improve the current rate of debt collection
Fund sourcing	Optimize external funding
Capacity constraints	Appoint critical staff and multi skilling of staff

Table 13.: Financial Viability Challenges

1.5.3 National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the municipality's performance in terms of the **National Key Performance Indicators** required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the **National Key Performance Area** namely **Municipal Financial Viability and Management**.

KPA & Indicator	2010/11	2011/12
Debt coverage ((Total operating revenue-operating grants received:debt service payments due within the year)	177.4*	242.6
Service debtors to revenue – (Total outstanding service debtors: revenue received for services)	14.3*	15.1
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure	2.7*	2.1

Table 14.: National KPI's for financial viability and management

1.5.4 Financial Overview

Details	Original budget	Adjustment Budget	Actual
---------	-----------------	-------------------	--------

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Details	Original budget	Adjustment Budget	Actual
Income	97 621	97 601	97 444
Grants	48 540	65 106	66 588
Taxes, Levies and tariffs	31 830	32 433	32 427
Other	1 560	1 913	2 124
Sub Total	179 551	197 052	198 583
Less Expenditure	181 963	197 859	191 376
Net Surplus/(deficit)	(2 412)	(806)	7 207

Note: surplus/(deficit)

Table 15.: Financial Overview

1.5.5 Operating Ratios

Detail	Expected norm	Actual	Variance
Employee Cost	35%	32%	(3%)
Repairs & Maintenance	12%	4%	(8%)
Finance Charges & Depreciation	5%	3%	(2%)

Table 16.: Operating ratios

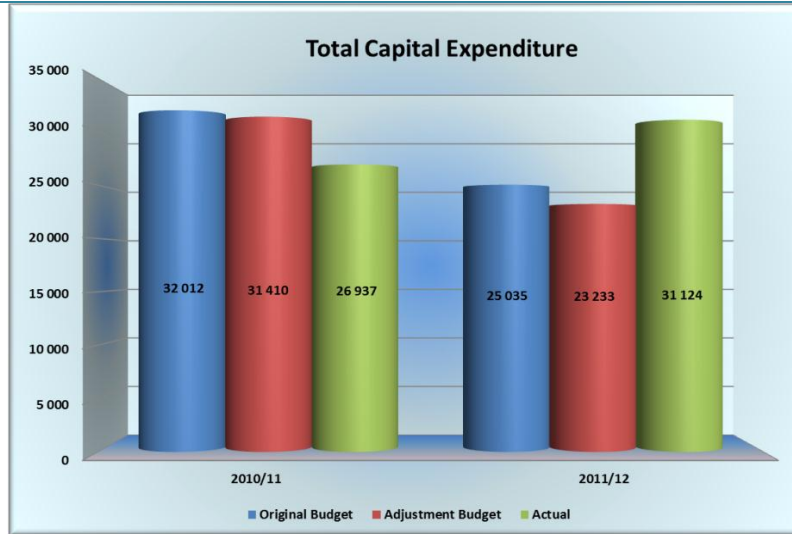
The saving of 3% on employee cost is mainly due to the current vacancy rate and positions that were not filled during the year. Regarding repairs and maintenance, the current financial constraints and viability of the municipality have necessitated the reduction of cost on this regard. The low financial charges and depreciation are due to good financial control.

1.5.6 Total Capital Expenditure

Detail	2010/11	2011/12
	R'000	
Original Budget	32 012	25 035
Adjustment Budget	31 410	23 233
Actual	26 937	31 124

Table 17.: Total Capital Expenditure

Chapter 1



Graph 5.: Total Capital Expenditure

The variation between the budget and actual amounts is mainly due to projects starting later than anticipated with resultant reduction in cost for the year, projects being completed for less than budgeted for as well as projects cancelled during the year.

1.6 ORGANISATIONAL DEVELOPMENT OVERVIEW

The Cape Agulhas Municipality currently employs **278** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the municipality's objectives. The primary objective of Human Resource Management is to render an innovative human resource service that addresses both skills development and an administrative function.

It is the municipality's aim to develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the staff of the municipality undergoes constant training throughout the year to ensure that the human resource capacity of the municipality complies with the Skills Development Act (SDA), 1998.

1.6.1 Municipal Transformation and Organisational Development Highlights

Highlight	Description
Staff training	All staff of the municipality underwent training during

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Highlight	Description
	the financial year, including a fraud awareness workshop
Telematics centre established	A telematics and training centre was established in conjunction with the university of Stellenbosch

Table 18.: Municipal Transformation and Organisational Development Highlights

1.6.2 Municipal Transformation and Organisational Development Challenges

Challenge	Action to address
Staff shortages and under capacitated departments	Prioritisation of critical vacant posts and filling of key vacant positions
Lack of an electronic HR system	Research possible HR systems for implementation in the municipality as well as adequate funding for the system
Vacancy in section 57 position	Appointment of suitably skilled and qualified person or conduct a restructuring process
No Budget allocated for interns	Budget allocated to Human Resources for the purpose of intern development
Training Budget not 1% of actual payroll	SALGA resolution must be implemented
Appointing disabled people within the municipality according to the Employment Equity targets as set for the specific period	Advertising vacant positions in relevant newspapers / organizations to attract disabled people
Appointing people from designated groups in senior positions according to the municipality's approved Employment Equity Plan	Affirmative Action measures according to the approved Employment Equity Plan for the specific period should be implemented when senior positions become vacant

Table 19.: Municipal Transformation and Organisational Development Challenges

1.6.3 MFMA Competencies

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013, employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

33 Employees were identified to obtain the abovementioned qualification and prescribed competencies. In most cases the employees are well advanced in their training and it is expected that most of them will complete the programme towards the end of 2012.

The table below provides details of the financial competency development progress as required by the notice:

Financial Competency Development: Progress Report				
Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials				
Accounting officer	1	0	0	0
Chief financial officer	1	0	0	0
Senior managers	2	0	0	0
Any other financial officials	28	0	0	0
Supply Chain Management Officials				
Heads of supply chain management units	1	0	0	0
Supply chain management senior managers	0	0	0	0
TOTAL	33	0	0	0

Table 20.: Financial Competency Development: Progress Report

1.7 AUDITOR GENERAL REPORT

For the past 14 years the municipality has managed to receive an unqualified opinion. However, there were other matters reported which mainly relates to non-compliance to laws and regulations and reporting on performance measurements. The municipality has recently completed a Governance Action Plan (GAP) analysis to determine what is still required to achieve a clean audit report for the 2012/13 financial year and is currently in the process of implementing the actions required to achieve the desired results.

1.7.1 Audited Outcomes

Year	2007/08	2008/09	2009/10	2010/11	2011/12
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Chapter 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Status	Unqualified with other matters	Unqualified with other matters	Unqualified with other matters	Unqualified with other matters	Unqualified with other matters
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Table 21.: Audit Outcomes

CHAPTER 2:

GOVERNANCE

Chapter 2

GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & Indicators	Municipal Achievement	Municipal Achievement
	2010/11	2011/12
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan <i>*Figure changed due to recalculation</i>	93.7*	133.9

Table 22.: National KPIs - Good Governance and Public Participation Performance

2.2 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Highlight	Description
High percentage of legal compliance	Limited court action instituted against the municipality
Effective ward participation system	Ward committee system functioning optimally
Unqualified audit report	Unqualified audit report for the past thirteen years
Effective public participation mechanisms	Continued public participation through press releases, sms system, effective ward committee system and distribution of pamphlets
Establishment of an internal audit unit	A functional internal audit unit was established during the year and an internal auditor appointed
Risk management	A Risk Manager was appointed during the year

Table 23.: Good Governance and Public Participation Performance Highlights

Chapter 2

GOVERNANCE

2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Actions to address
Expansion of accommodation of Xhosa speaking community in information dissemination	Xhosa translation and community meetings to be held
Lack of legal expertise	Training to be provided to ensure legal compliance by staff
Reaching of Employment Equity targets	Mentorship, training of staff according to skills gap

Table 24.: Good Governance and Public Participation Challenges

2.4 GOVERNANCE STRUCTURE

2.4.1 Political Governance Structure

The Council performs both legislative and executive functions. The focus is on legislative, oversight and participatory role and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Council's primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, Councillors are actively involved in community work and the various social programmes in the municipal area.

A) COUNCIL

Below is a table that categorises the councillors within their specific political parties and wards for the 2011/12 financial year:

Council Members	Capacity	Political Party	Ward representing or proportional	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
R Mitchell	Executive Mayor	ANC	Ward 3	100	0
D Jantjies	Executive Deputy Mayor	Independent	Ward 2	100	0
R Mokotwana	Member of MAYCO	ANC	Proportional	100	0
E Marthinus	Speaker	ANC	Proportional	100	0
P Atyhosi	District representative	ANC	Proportional	94	6
D Burger	Ward Councillor	DA	Ward 5	83	17
W October	Ward Councillor	DA	Ward 1	94	6
J Nieuwoudt	Ward Councillor/ District	DA	Ward 4	89	11

Chapter 2

GOVERNANCE

Council Members	Capacity	Political Party	Ward representing or proportional	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	representative				
A Coetzee	Councillor	DA	Proportional	89	11

Table 25.: Council Meetings

B) EXECUTIVE MAYORAL COMMITTEE

The Executive Mayor of the municipality, **Councillor R. Mitchell**, assisted by the Mayoral Committee, heads the executive arm of the municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, assigned by legislation and delegated by Council. Although accountable for the strategic direction and performance of the municipality, the Executive Mayor operates in concert with the Mayoral Committee.

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July to 30 June 2012:

Name of member	Capacity
R Mitchell	Executive mayor
D Jantjies	Executive Deputy mayor
R Mokotwana	Member

Table 26.: Executive Mayoral Committee

C) PORTFOLIO COMMITTEES

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive mayor on policy matters and make recommendations to the executive mayor. Section 79 committees are temporary and appointed by the council as needed. They are usually set up to investigate a particular issue and do not have any decision making powers, except those delegated to them by Council. Once their *ad hoc* task had been completed, Section 79 committees are usually disbanded. External experts, as well as Councillors can be included on Section 79 committees.

The portfolio committees for the 2011/16 Mayoral term and their Chairpersons are as follow:

Chapter 2

GOVERNANCE

Committee	Chairperson	Section 79 or 80 Committee	Meeting Date
Technical Services	D Jantjies	80	23/08/2011 20/09/2011 17/10/2011 28/11/2011
Community Services	R Mitchell	80	24/01/2012 21/02/2012 19/03/2012
Finance and Corporate services	E Marthinus	80	18/04/2012 22/05/2012 19/06/2012

Table 27.: Portfolio Committees

2.4.2 Administrative Governance Structure

The Municipal Manager is the Chief Accounting Officer of the municipality. He is the head of the administration and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team, whose structure is outlined in the table below:

Name of Official	Department	Performance agreement signed
		Yes/No
Reynold Stevens	Municipal Manager	Yes
Samuel Ngwevu	Director: Corporate Services	Yes
Hendrik Schlebusch	Director: Finance	Yes
Jonathan Marthinus (Julie 2011 – May 2012)	Director: Community Services	Yes
Norwood Kotze	Director: Civil Engineering Services	Yes
Pieter Everson	Assistant Director: Electro Mechanical Engineering Services	No (permanent position)

Table 28.: Administrative Governance Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

South Africa has an intergovernmental system that is based on the principle of cooperation between the three spheres of government – local, provincial and national. While responsibility for certain functions is allocated to a specific sphere, many other functions are shared among the three spheres.

Chapter 2

GOVERNANCE

Chapter 3 of the Constitution describes the three spheres as being 'distinctive, interdependent and interrelated' and enjoins them to 'cooperate with one another in mutual trust and good faith'. An important element of this cooperative relationship is that there needs to be a clear understanding of each sphere of government's powers and functions to ensure that a sphere of government or organ of state 'does not encroach on the geographical, functional or institutional integrity of government in another sphere'.

2.5 INTERGOVERNMENTAL RELATIONS

2.5.1 National Intergovernmental Structures

Intergovernmental relationships are guided by the Intergovernmental Framework Act, prescribing the principles of communications between inter-governmental spheres. National intergovernmental relations are mostly need-driven. It is aimed at enabling the national sphere to fulfil their duties of oversight and support. Improved intergovernmental relations with the national sphere enable a municipality to procure access to national programmes and funding. It assists in ensuring that the municipality provides services aligned to the national agenda and vision.

2.5.2 Provincial Intergovernmental Structures

Provincial intergovernmental relations is mostly aimed at oversight and monitoring as set out in various pieces of legislation pertaining to local and provincial government. It does, however, take on a supporting role in the sharing of best-practices and knowledge sharing. Provincial intergovernmental structures include MINMAY meetings, Provincial Task Groups and FORA such as the Provincial Public Participation Forum and SALGA Work Groups. Various Provincial FORA exist in every field of Local Government. The benefit of such FORA is a more integrated and coordinated planning process ensuring optimum use of available resources.

2.5.3 District Intergovernmental Structures

The district intergovernmental structure is aimed at best practice and knowledge sharing on a regional basis. It allows for the development of solutions based on the specific realities faced by a specific region and provides a unified voice in soliciting support for a specific need on provincial and national



Chapter 2

GOVERNANCE

level. This structure support co-ordination and integrated planning takes place via DCFTECHs, DCF's and various field specific FORA.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the Municipal Systems Act (MSA) refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

2.6 PUBLIC MEETINGS



The table below details public communication and participatory initiatives held by the municipality during the financial year under review:



Nature and purpose of meeting	Date of events	Number of participating municipal councillors	Number of participating municipal administrators	Number of community members attending	Time period and manner of feedback given to community
Drafting of New Generation IDP Ward 1	1-2 November 2011	2	2	112	IDP Manager explains the IDP process plan to residents in the ward. Residents in the ward identify projects and programmes to be listed in the new generation IDP
Drafting of New Generation IDP	20-31 October 2011	1	2	119	IDP Manager explains the IDP process plan to residents in the ward. Residents in the

Chapter 2

GOVERNANCE

Nature and purpose of meeting	Date of events	Number of participating municipal councillors	Number of participating municipal administrators	Number of community members attending	Time period and manner of feedback given to community
Ward 2					ward identify projects and programmes to be listed in the new generation IDP
Drafting of New Generation IDP Ward 3	24 October 2011	2	2	169	IDP Manager explains the IDP process plan to residents in the ward. Residents in the ward identify projects and programmes to be listed in the new generation IDP
Drafting of New Generation IDP Ward 4	25 October & 10 November 2011	1	2	82	IDP Manager explains the IDP process plan to residents in the ward. Residents in the ward identify projects and programmes to be listed in the new generation IDP
Drafting of New Generation IDP Ward 5	26 & 27 October 2011	2	3	125	IDP Manager explains the IDP process plan to residents in the ward. Residents in the ward identify projects and programmes to be listed in the new generation IDP
CAMAF This is a platform for engagement between different spheres of Government, CAM community stakeholders and private business sectors. Ward committees present priorities projects of wards, to present strategic objectives of CAM, development plans of each	2 February 2012	8	7	63	Overview of 3 rd Generation IDP. Prioritise projects per ward Insight from other governmental departments regards projects referred to them Presentation of CAM departmental plans by Municipal Manager and Directors

Chapter 2

GOVERNANCE

Nature and purpose of meeting	Date of events	Number of participating municipal councillors	Number of participating municipal administrators	Number of community members attending	Time period and manner of feedback given to community
directorate.					
Ward feedback meetings Ward 1	1 & 2 November 2011 29 March 2012 21 & 22 June 2012	2	1-3	180	Quarterly feedback to residents in the ward regarding council activities for the quarter. Listing of residents' complaints and challenges they experience in their ward
Ward feedback meetings Ward 2	20 October 2011 28 February 2012 5 March 2012 21 June 2012	1	1-3	360	Quarterly feedback to residents in the ward regarding council activities for the quarter. Listing of residents' complaints and challenges they experience in their ward
Ward feedback meetings Ward 3	24 October 2011 8 March 2012 14 June 2012	1	1	590	Quarterly feedback to residents in the ward regarding council activities for the quarter. Listing of residents' complaints and challenges they experience in their ward
Ward feedback meetings Ward 4	25 October 2011 3 & 11 April 2012	2	1-3	130	Quarterly feedback to residents in the ward regarding council activities for the quarter. Listing of residents' complaints and challenges they experience in their ward
Ward feedback meetings Ward 5	19 Sept 2011 26 Oct 2011 2 May 2012	2	1-3	170	Quarterly feedback to residents in the ward regarding council activities for the quarter. Listing of residents' complaints and challenges they experience in their ward
Budget Ibiza's Ward 1	23 April 2012	3	6	47	Mayor presents the draft budget to the residents of the ward and Get input from residents on the 2012/13 budget
Budget Ibiza's Ward 2	24 April 2012	3	7	91	Mayor presents the draft budget to the residents of the ward and Get input from residents on the 2012/13 budget

Chapter 2

GOVERNANCE

Nature and purpose of meeting	Date of events	Number of participating municipal councillors	Number of participating municipal administrators	Number of community members attending	Time period and manner of feedback given to community
Budget Ibiza's Ward 3	26 April 2012	3	6	75	Mayor presents the draft budget to the residents of the ward and Get input from residents on the 2012/13 budget
Budget Ibiza's Ward 4	3 May 2012	3	5	32	Mayor presents the draft budget to the residents of the ward and Get input from residents on the 2012/13 budget
Budget Ibiza's Ward 5	2 May 2012	3	5	35	Mayor presents the draft budget to the residents of the ward and Get input from residents on the 2012/13 budget
Annual Christian Festival Bredasdorp	17 May 2012	4	2	2000	Official opening of the annual festival
National day of action against the Abuse of the elderly All wards	15 June 2012	2	1	35	Mayor delivers speech to confirm the support of the community of Cape Agulhas with regard to the action program against the abuse of the elderly
Beautifying / planting of trees in new RDP development area in Napier Ward 1	6 March 2012	4	4	28	Mayor launches beautifying project in Napier
Launching of GAP housing project All wards	17 May 2012	9	12	500	Mayor launches project with Mohlaleng Projects in Bredasdorp
Handover of Computer	23 May 2012	2	1	25	Cape Agulhas outreach educational Project. Mayor delivers speech and hands computers over to the Adult Learning Centre

Table 29.: Public Meetings

2.7 WARD COMMITTEES

Chapter 2

GOVERNANCE

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

Ward 1: Napier, Elim, Spanjaardskloof and surrounding farms

Name of representative	Capacity representing	Dates of public ward meetings held during the year
Cllr. Warnick October	Chairperson	
J Adams	Napier Health – and Welfare Association	23/08/2011
JE Wessels	House Klippedrift, Napier	20/09/2011
E Harker	Agulhas School of Skills	18/10/2011
JJ Stevens	Protea Primary School	29/11/2011
C Johnathan	Elim E-Community forum	24/01/2012
PJ Swart	Elim Overseers Council	23/02/2012
A Pick	Individual	19/03/2012
D Xinela	Individual	18/04/2012
I Pieterse	Individual	22/05/2012
M Cloete	Individual	25/06/2012

Table 30.: Ward 1 Committee Meetings

Ward 2: Part of Bredasdorp, Klipdale, Houtkloof and surrounding farms

Name of representative	Capacity representing	Dates of public ward meetings held during the year
Cllr. Dirk Jantjies	Chairperson	
CM Kies	Liefdesnessie	23/08/2011
K Dunsdon	AMSSS	27/09/2011
J Adams	De Heide Primary	20/10/2011
E Green	Bet-Ell Church	22/11/2011
E Plaatjies	Compassion in Action	30/01/2012
C September	Young Peoples Rugby Club	23/02/2012
M de Jager	Individual	20/03/2012
C Pedro (from June 2012)	Individual	17/04/2012
J Januarie (August 2011 – May 2012)	Individual	21/05/2012
		19/06/2012

Chapter 2

GOVERNANCE

Name of representative	Capacity representing	Dates of public ward meetings held during the year
F Hendricks	Individual	
H Johannes	Individual	
L Marthinus	Individual	

Table 31.: Ward 2 Committee Meetings

Ward 3: Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde, Volstruiskamp area)

Name of representative	Capacity representing	Dates of public ward meetings held during the year	
Cllr. Richard Mitchell	Chairperson		
R October	Bredasdorp Taxi Association		
L Manxeba	Lesedi Educare		23/08/2011
H S Kock	Verenigde Pinkster Church		21/09/2011
H R Nkosini	Cape Agulhas Ratepayers Association		19/10/2011
N Madubela	Isolomzi Organization		28/11/2011
K Zimy	Isolomzi Organization		24/01/2012
H S Temmers	Individual		23/02/2012
D Hans	Individual		23/03/2012
R Baker	Individual		19/04/2012
M Asanda	Individual		21/05/2012
			21/06/2012

Table 32.: Ward 3 Committee Meetings

Ward 4: Part of Bredasdorp (CBD), Proteem and surrounding farms

Name of representative	Capacity representing	Dates of public ward meetings held during the year
Cllr. Johan Nieuwoudt	Chairperson	23/08/2011
D J Gilliomee	Otto du Plessis Hospital	20/09/2011
S van Dyk	ACVV Bredasdorp	18/10/2011
R Strydom	Suideroord ACVV	22/11/2011
R P Visser	Bredasdorp Primary	24/01/2012
L H P Groenewald	Bredasdorp Ratepayers Association	21/02/2012
J S Bester	NG Church Bredasdorp	19/03/2012
		18/04/2012

Chapter 2

GOVERNANCE

Name of representative	Capacity representing	Dates of public ward meetings held during the year
M Oosthuizen	Individual	23/05/2012
L Marais	Individual	19/06/2012
H P Odendaal	Individual	
E Karelse	Individual	
S Stemmet	Individual	

Table 33.: Ward 4 Committee Meetings

Chapter 2

GOVERNANCE

Ward 5: Aniston, Struisbaai, L'Agulhas, Suiderstrand, Haasvlakte and surrounding farms

Name of representative	Capacity representing	Dates of public ward meetings held during the year
Cllr. Derick Burger	Chairperson	
A Marthinus	Waenhuiskrans Primary	
S Lourens	Struisbaai Community Policing Forum	
H Robyn (June 2011 – 1 January 2012)	Compassion in action	
R Theunissen (2 January 2011 – Present)	Compassion in action	23/08/2011 19/09/2011 18/10/2011 28/11/2011
R de Waal (June 2011 – 4 April 2012)	Suidpunt Ratepayers Association	25/01/2012
P Fenwick (5 April 2012 – Present)	Suidpunt Ratepayers Association	22/02/2012
D de Jongh	Struisbaai Sport club	20/03/2012
A J Vlok	Suidpunt Conservation Association	19/04/2012
V W de Villiers	NG Congregation Suidpunt	24/05/2012
J G Keuler	Suidpunt Angling and Marine Conservation Association	20/06/2012
C J Nel	Onse Hoop Community Centre	
R Marthinus	WARA	
A Hoefmann	Secretary	
P Athyosi	PR Councillor	

Table 34.: Ward 5 Committee Meetings

2.8 FUNCTIONALITY OF WARD COMMITTEE

The purpose of a ward committee is:

- ➔ to get better participation from the community to inform council decisions;
- ➔ to make sure that there is more effective communication between the Council and the community; and
- ➔ to assist the ward Councillor with consultation and report-back to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and should be representative. The ward Councillor serves on the ward committee and acts as the chairperson. Although ward committees have no formal powers, they advise the ward Councillor who makes specific submissions directly to the Council. These committees

Chapter 2

GOVERNANCE

play a very important role in the development and annual revision of the integrated development plan of the area.

The table below provides information on the establishment of ward committees and their functionality:

Ward Number	Committee established Yes / No	Number of reports submitted to the Speakers Office	Number meetings held during the year	Number of monthly Committee meetings held during the year	Number of quarterly public ward meetings held during the year
1	Yes	10	14	10	4
2	Yes	10	14	10	4
3	Yes	10	14	10	4
4	Yes	10	14	10	4
5	Yes	10	14	10	4

Table 35.: Functioning of Ward Committees

2.9 REPRESENTATIVE FORUMS

2.9.1 Labour Forum

Name of representative	Capacity	Meeting dates
SS Ngwevu	Director	26 July 2011 4 August 2011 1 September 2011 13 October 2011 10 November 2011 2 February 2012 22 March 2012 11 April 2012 21 May 2012 21 June 2012
NL Kotze	Director	
P Everson	Director	
J Marthinus/H Schlebusch	Director	
D Jantjies	Councillor	
R Mokotwana	Councillor	
D Burger	Councillor	
P Olivier	IMATU	
CJ Arends	IMATU	
J Jaars	SAMWU	
G Le Roux	SAMWU	
C Gabriels	SAMWU	

Table 36.: Labour Forum

Chapter 2

GOVERNANCE

2.9.2 IDP Forum (Cape Agulhas Municipal Advisory Forum)

Name of representative	Capacity	Meeting dates
Cllr Richard Mitchell	Executive Mayor	2 February 2012
Cllr Warnick October	Ward 1 Councillor	
Cllr Dirk Jantjies	Ward 3 Councillor	
Cllr Johan Nieuwoudt	Ward 4 Councillor	
Cllr Derick Burger	Ward 5 Councillor	
Cllr Patricia Atyhosi	PR Councillor	
Sam Ngwevu	Director: Corporate Services	
M Cloete	Ward 1 Ward Committee	
A Pick	Ward 1 Ward Committee	
P J Swart	Ward 1 Ward Committee	
J Wessels	Ward 1 Ward Committee	
H S Kock	Ward 3 Ward Committee	
D Hans	Ward 3 Ward Committee	
A Maqhutyani	Ward 3 Ward Committee	
H Temmers	Ward 3 Ward Committee	
L Manxeba	Ward 3 Ward Committee	
K Zimy	Ward 3 Ward Committee	
H Odendal	Ward 4 Ward Committee	
O January	Cape Agulhas Municipality	
P Valentine	Cape Agulhas Municipality	
N Ntuntwana	Cape Agulhas Municipality	
L Smith	Cape Agulhas Municipality	
A Scholz	Cape Agulhas Municipality	
M Fortuin	Cape Agulhas Municipality	
O Laubsher	Suidernuus	
S Smuts	Southern Overberg	
H Lotz	Shipwreck Museum	
A B Appel	Agulhas National Park	
H Coetzee	AVN	
L Teixeira	M.A.T Group	
WP Rabbets	Overberg District Municipality	
J Plaatjies	Agri Dwala	
Kosie van Zyl	Agri Dwala	

Chapter 2

GOVERNANCE

Name of representative	Capacity	Meeting dates
F Jacobs	Department Social Development	
R Atkins	R A Makelaars	
E Richter	Elim Watermill	
E Genis	PGS Services	
F Schoeman	Sport	
F Xinela	Napier	
M Thompson	WIC	
P J Jones	Overberg Gazette	
C Cloete	Elim Overseers Council	
P Olivier	GPF	
A Wight	Hands On	
R Haarbuerger	Arniston Hotel	
T Marthinus	Arniston	
A Coughlan	CAT	
E Boshoff	DOA WC	
H Germishuys	Department Agriculture	
S Murtz	San Parks	
T October	Strandveld Rooibos	
F Marthinus	Fishers Union	
D Petersen	Individual	
A Engel	Individual	
B Summers	Individual	

Table 37.: IDP Forum

2.9.3 Risk committee

Name of representative	Capacity	Meeting dates
Oscar January	Manager Communication & Client Services	No meetings were held during the 2011/12 financial year
Sam Ngwevu	Director: Corporate Services	
Francois du Toit	Building Control Officer	
Paul Bezuidenhout	Area manager: Struisbaai	
Jeffrey Diedericks	Labour Relations Officer	
Johan Jamneck	Internal Audit/ Manager: Expenditure	
Walter Linnert	Manager: Refuse Removal and Water Quality	

Chapter 2

GOVERNANCE

Name of representative	Capacity	Meeting dates
Deon Wasserman	Manager: Water and Sanitation	
John Daniels	Manager: Streets and Storm Water	
Pieter Everson	Assistant Director: Electro Mechanical Engineering	
Bridget Salo	Manager: Human Resources	
Roberto Sefoor	Supply Chain Management Officer	

Table 38.: Risk Committee

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.10 RISK MANAGEMENT

Cape Agulhas Municipality is committed to the optimal management of risks in order to achieve our vision, deliver on our core business and key objectives.

In the course of conducting our day-to-day business operations, we are exposed to a variety of risks. These risks include operational and other risks that are material and require comprehensive controls and on-going oversight.

To ensure business success we have adopted an enterprise-wide integrated approach to the management of risks. By embedding the risk management process into key business processes such as planning, operations and new projects, we will be better equipped to identify events affecting our objectives and to manage risks in ways that are consistent with the approved risk appetite.

To further implement the enterprise-wide approach, we have taken a number of steps to reinforce a culture of disciplined risk-taking.

Council is responsible for oversight of the risk management processes and has delegated its day-to-day implementation to the Accounting Officer. The Accounting Officer, who is accountable for the overall governance of the municipality's risks, has delegated this role to the Chief Risk Officer (CRO) and management. The CRO will ensure that the framework is implemented and that Council and the Risk Management Committee (RMC) receive appropriate reporting on the municipality's risk profile and risk management process. Management will execute their responsibilities outlined in the Risk

Chapter 2

GOVERNANCE

Management Strategy. All other officials are responsible for incorporating risk management into their day-to-day activities.

For the 2011/12 financial year the top 5 risks identified are as follows:

- Coastline erosion
- Theft of electricity/unauthorised power connection
- No register of ownership of existing immovable assets
- Lack of storage and office space for archive materials
- Illegal dumping

2.11 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the Municipal Systems Act refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identifies supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

2.11.1 Developed Strategies

Name of strategy	Developed Yes/No	Date Adopted
Anti-corruption strategy	Yes	2 December 2010
Fraud prevention strategy	Yes	2 December 2010

Table 39.: Strategies

2.11.2 Implementation of Strategies

Key Risk Areas	Key measures to curb corruption and fraud
Policy	<p>A fraud and corruption policy is a key defence mechanism because it highlights the fact that the institution has a formal framework in place for dealing with fraud and corruption. It answer key questions such as:</p> <ul style="list-style-type: none"> ➤ What is fraud and corruption? ➤ How do we deal with it when arises? ➤ What are the roles and responsibilities? ➤ What are the sanctions?
Institutional arrangements	<p>The creation of specific structures (e.g. a fraud committee) and the definition of roles and responsibilities enable coordination and management of programme implementation. At municipal level these would include structures such as internal audit and the external audit committees</p>

Chapter 2

GOVERNANCE

Key Risk Areas	Key measures to curb corruption and fraud
Systems and control	Having well-structured and documented systems and controls in place nullifies gaps and loopholes that are often used to perpetrate fraud and corruption. These systems and controls also enable monitoring and management mechanism that will facilitate detection where there are attempts to override or circumvent such systems and controls. Importantly, systems and controls will ensure compliance with policies and regulations. Supply chain management is a good example of where systems and controls are crucial in preventing fraud and corruption
Fraud and Corruption Risk Management	All organisations have systems and controls in place with varying levels of structure and detail. Despite this, organisations are still vulnerable to fraud and corruption because systems and controls are not properly implemented or their inherent gaps and weaknesses can be exploited. Conducting fraud and corruption risk assessments enables organisations to test the integrity and completeness of their systems and controls with a view to implementing measures that strengthen areas of weakness and closing gaps. This approach proactively allows the organisation to prevent fraud and corruption
Training, Awareness and Communication	Making managers, staff, suppliers and customers aware of the risks of fraud corruption, how to deal with it, what the consequences are and why it is important to prevent and fight it are key weapons in building up an organisational culture that opposes fraud and corruption. Through training managers and staff could be made aware what to watch out for so that they do not willingly or unwillingly participate in acts of fraud and corruption. Communicating successes in dealing with fraud and corruption serves as deterrent to others and builds the corporate image of an institution

Table 40.: Implementation of the Strategies

2.12 AUDIT COMMITTEE

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

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance management; and
- effective governance.

The Audit Committee has the following main functions as prescribed in section 166(2)(a-e) of the Municipal Finance Management Act, 2003 and the Local Government Municipal and Performance Management Regulation:

Chapter 2

GOVERNANCE

2.12.1 Functions of the Audit Committee

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

Chapter 2

GOVERNANCE

2.12.2 Members of the Audit Committee

The Audit Committee of the Cape Agulhas Municipality comprises:

Name of representative	Capacity	Meeting dates
J Pieterse	Chairperson	27 September 2011 27 January 2012 9 May 2012 28 May 2012
E Lakey	Member	
M Weitz (Mrs)	Member	
A Kok	Member	
Vacancy	Vacant	

Table 41.: Members of the Audit Committee

2.12.3 Municipal Audit Committee Recommendations

Date of Committee meeting	Committee recommendations during 2011/12	Recommendations adopted: "Yes". If not adopted: Explanation provided
27 September 2011	<ol style="list-style-type: none"> That urgent attention be given to the establishment of a functional internal audit unit That training needs of the committee be determined 	Yes
27 January 2012	<ol style="list-style-type: none"> Various recommendations regarding the contents of the Committee charter Various recommendations regarding the municipality's action plan on the Auditor-General findings for 2010/11 Internal audit, together with the risk manager, develop action plans based on the recent risk assessment process That the risk manager drive the process of addressing shortcomings and the monitoring thereof The committee to urgently give their inputs to the Council on the municipality's annual report for 2010/11 That these inputs also be included in the chairperson's report 	Yes
9 May 2012	<ol style="list-style-type: none"> The Council to give regular feedback to the committee on their functions That regular interactions be established between the Council and the committee 	Yes
28 May 2012	<ol style="list-style-type: none"> That the vacant position on the committee be filled and that the requirements of representation be kept in mind with the appointment 	<p>Items 1 and 2: Yes</p> <p>Items 3-6: Will be submitted to Council on 30 October</p>

Chapter 2

GOVERNANCE

Date of Committee meeting	Committee recommendations during 2011/12	Recommendations adopted: "Yes". If not adopted: Explanation provided
	<ol style="list-style-type: none"> 2. The draft audit and Performance Audit Committee charter be approved 3. Various recommendations regarding the training of committee members as well as specific training needs 4. The proposed risk analysis process for 2012/13 is accepted and approved 5. Approval of the revised internal audit plan for 2011/12 6. Directors should be more involved in the SDBIP process as well as the increased oversight 	2012 (Minutes was only approved on 14 September 2012 during the committee's quarterly meeting)

Table 42.: Municipal Audit Committee Recommendations

2.14 PERFORMANCE AUDIT COMMITTEE

The Regulations require that the performance audit committee is comprised of a minimum of three members, the majority of whom are external (neither a councillor nor an employee) of the municipality. Section 14(2) (b) of the Regulations stipulates that the performance audit committee must include at least one person who has expertise in performance management. It is also a requirement of the Regulations in Section 14(2)(d) that the Council of a municipality designate a member of the performance audit committee who is neither a councillor nor an employee of the municipality as the chairperson of the committee.

In terms of Section 166(4) (a) of the MFMA, an audit committee must consist of at least three persons with appropriate experience, of whom the majority may not be in the employ of the municipality.

Section 166(5) of the MFMA, requires that the members of an audit committee must be appointed by the council of the municipality. One of the members, not in the employ of the municipality, must be appointed as the chairperson of the committee. No councillor may be a member of an audit committee.

Both the Regulations and the MFMA, indicate that three is the minimum number of members needed to comprise a performance audit committee. While the regulations preclude the appointment of a councillor as chairperson of the performance audit committee, the MFMA excludes the involvement of a councillor in the composition of a performance audit committee entirely.

In accordance with the requirements of Section 14(2)(e) of the Regulations, if the chairperson is absent from a specific meeting of the committee, the members present must elect a chairperson from those present to act as chairperson for that meeting.

Chapter 2

GOVERNANCE

Further, Section 14(2) (f) of the Regulations provides that, in the event of a vacancy occurring amongst the members of the performance audit committee, the municipality concerned must fill that vacancy for the unexpired portion of the vacating member's term of appointment.

Section 14(3) (a) of the Regulations requires that the performance audit committee of a municipality must meet at least twice during each financial year. However, additional special meetings of the performance audit committee may be called for by any member of the committee, where sufficient justification exists in terms of Section 14(3) (b) of the Regulations.

2.14.1 Functions of the Performance Audit Committee

In terms of Section 14(4) (a) of the Regulations the performance audit committee has the responsibility to -

- (i) review the quarterly reports produced and submitted by the internal audit process;
- (ii) review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and
- (iii) at least twice during each financial year submit a performance audit report to the council of the municipality.

2.14.2 Members of the Performance Audit Committee

The Performance Audit Committee of Cape Agulhas Municipality comprises of:

Name of representative	Capacity	Meeting dates
J Pieterse	Chairperson	27 September 2011 27 January 2012 9 May 2012 28 May 2012
E Lakey	Member	
M Weitz (Mrs)	Member	
A Kok	Member	
Vacancy	Vacant	

Table 43.: Members of the Performance Audit Committee

2.15 INTERNAL AUDITING

Section 165 (2) (a), (b)(iv) of the MFMA requires that:

The internal audit unit of a municipality must –

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and

Chapter 2

GOVERNANCE

- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to risk and risk management.

The Municipality has an in-house Internal Audit function that consists of one internal auditor and two interns.

Below are the functions of the Internal Audit Unit that was performed during the financial year under review (it must be kept in mind that the Internal Auditor was only appointed on 12 March 2012):

Function	Date/Number
Assistance with the risk analysis for 2012/13	Completed 14 August 2012
Risk based audit plan approved for 2011/12 financial year	Revised plan for the last quarter approved 9 May 2012
Number of audits conducted	2

Table 44.: *Table 36: Internal Audit Functions*

2.16 BY-LAWS AND POLICIES

Section 11 of the MSA gives a Council the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted
Pauper burials policy	31 August 2011
Land Disposal Policy	31 August 2011
Preferential Procurement Practice	8 December 2011
Supply Chain Management Policy	8 December 2011
Task Job Evaluation Policy	8 December 2011
External Bursary Policy	8 December 2011
IT Policy	29 May 2012
Employee Stand-by Policy	29 May 2012

Table 45.: *Policies*

2.17 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require

Chapter 2

GOVERNANCE

high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the above-mentioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of **Batho Pele** and this, in simple terms, means that those we elect to represent us (Councillors at the municipal level) and those who are employed to serve us (the municipal officials at municipal level) must always put people first in what they do.

South Africa has adopted a system of developmental local government, which addresses the inequalities and backlogs of the past while ensuring that everyone has access to basic services, to opportunities and an improved quality of life.

To be successful, communications must focus on the issues that are shown to impact on the residents' perceptions, quality of service, value for money and efficiencies. They should ideally look to close the communication-consultation loop, i.e. tell people how they can have a say and demonstrate how those who have given their views have had a real impact.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication unit	Yes
Communication strategy	Yes
Communication Policy	Yes
Customer satisfaction surveys	Yes (telephonic surveys only)
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes

Table 46.: Communication Activities

2.18 WEBSITE

The municipal website forms an integral part of the municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that municipalities place key documents and information on their websites, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate compliance to Section 75 of the MFMA:

Chapter 2

GOVERNANCE

Documents published on the Municipal website	Published
Current annual and adjustments budgets and all budget-related documents, including SDBIP	Yes
Tariff policy	Yes
Credit control policy	Yes
Valuation policy	Yes
Rates policy	Yes
SCM policy	Yes
Annual report for 2010/11	Yes
Annual Financial Statements for 2010/11	Yes
All service delivery agreements for 2011/12	Yes
All supply chain management contracts above the prescribed value for 2011/12	Yes
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2011/12	Yes
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2011/12	Yes

Table 47.: Website Checklist

2.19 SUPPLY CHAIN MANAGEMENT

2.19.1 Competitive Bids in Excess of R200 000

A) BID COMMITTEE MEETINGS

The following table details the number of bid committee meetings held for the 2011/12 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
34	23	23

Table 48.: Bid Committee Meetings

The attendance figures of members of the bid specification committee are as follows:

Members	Percentage attendance
There are no permanent members on the Bid Specification Committee. Members are allocated dependent on the type of bid	100%

Table 49.: Attendance of members of bid specification committee

The attendance figures of members of the bid evaluation committee are as follows:

Chapter 2

GOVERNANCE

Member	Percentage attendance
There are no permanent members on the Bid Specification Committee. Members are allocated dependent on the type of bid	100%

Table 50.: Attendance of members of bid evaluation committee

The attendance figures of members of the bid adjudication committee are as follows:

Member	Percentage attendance
H Schlebusch	90.9
N Kotze	90.9
S Ngwevu	90.9
J Marthinus	72.7
P Everson	81.8

Table 51.: Attendance of members of bid adjudication committee

The percentages as indicated above include the attendance of those officials acting in the position of a bid committee member.

B) AWARDS MADE BY THE BID ADJUDICATION COMMITTEE

The bid adjudication committee awarded 10 bids with an estimated value of R13 105 591.

The ten highest bids awarded by the bid adjudication committee are as follows:

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded
R02/2011	Struisbaai sewage scheme Phase 2A	Civil Engineering Services – Water & Sewerage	Cape Agulhas Civils	R4 988 970
SCM 37/2011/12	Transport of solid waste	Civil Engineering Services – Waste Management	DP Truck Hire	R2 997 203
SCM 38/2011/12	Microsoft Licensing & IT Services	Finance – IT	DFA Solutions	R943 848
SCM 3/2011/12	2 X 4Ton Trucks	Civil Engineering Services – Fleet Management	AAD Truck & Bus	R798 570
SCM 3/2011/12	2 X 4Ton Trucks	Civil Engineering Services – Fleet Management	AAD Truck & Bus	R723 900
SCM 2/2011/12	3 X Miniature	Electro Mechanical	Powertech	R717 900

Chapter 2

GOVERNANCE

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded
	Substation & Transformers	Engineering Services	Transformers	
SCM 33/2011/12	Upgrading of IT network & Maintenance Agreement	Financial Services – IT	Exelcom CC	R594 431
SCM 9/2011/12	Supply of Generators	Civil Engineering Services – Water & Sewerage	Compaction & Industrial Equipment	R561 911
T53/2009	Extension of Contract: Short term Insurance 30 June 2013	Financial Services – Income	Alexander Forbes	R425 000
SCM 16/2011/12	Sand filters at Water Purification	Civil Engineering Services – Water Purification	Easy Mix	R353 858

Table 52.: Ten highest bids awarded by bid adjudication committee

c) AWARDS MADE BY THE ACCOUNTING OFFICER

A bid awarded by the Accounting Officer in terms of Section 144 MFMA 56 of 2003 is as follows:

Bid number	Title of bid	Directorate and section	Value of bid awarded
SCM 1/2011/12 item 2 (transport of sand as required)	Annual General Stock & Services	Civil Engineering Services – Streets and Storm water	Bid is based on lowest tariff for transport of sand as and when required and not on a R-value in total

Table 53.: Awards made by Accounting Officer

2.19.2 Deviation from Normal Procurement Processes

The following table provides a summary of deviations approved for the financial year under review:

Number of deviations	Value of deviations
Deviations for amounts below R30 000:	
263	R1 418 163
Deviations for amounts above R30 000:	
47	R3 660 088

Table 54.: Summary of deviations

2.19.3 Logistics Management

The system of logistics management must ensure the following:

Chapter 2

GOVERNANCE

- the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
- the setting of inventory levels that include minimum and maximum levels and lead times wherever goods are placed in stock;
- the placing of manual or electronic orders for all acquisitions other than those from petty cash;
- before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

Each stock item at the municipal stores, Dromedaris Street is coded and is listed on the financial system. Monthly monitoring of patterns of issues and receipts is performed by the Storekeeper.

Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information is not communicated timely to the Stores section in order for them to gear them to order stock in excess of the normal levels.

Internal controls are in place to ensure that goods and service that are received are certified by the responsible person which is in line with the general conditions of contract.

Regular checking of the condition of stock is performed. Quarterly stock counts are performed at which surpluses, deficits, damaged and redundant stock items are identified and reported to Council.

As at 30 June 2012, the value of stock at the municipal stores amounted to **R951 432**. For the 2011/2012 financial year there were no surpluses, deficits or damaged stock items.

2.19.5 Disposal Management

The system of disposal management must ensure the following:

Chapter 2

GOVERNANCE

- immovable property is sold only at market related prices except when public interest or the plight of the poor demands otherwise;
- movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
- Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
- Immovable property is let at market related rates except when public plight of the poor demands otherwise;
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

We are complying with section 14 of the MFMA which deals with the disposal of capital assets. The current policies in place aim to provide the guidelines for the disposal of all obsolete and damaged assets.

2.20 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Satisfaction Surveys Undertaken during: 2010/11 and 2011/12				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:				
(a) Municipality	Questionnaire	17 and 18 May 2012	270	84.29
(b) Municipal Service Delivery	Questionnaire	17 and 18 May 2012	270	85
(c) Mayor	N/A	N/A	N/A	N/A
Satisfaction with:				
(a) Sanitation	Questionnaire	17 and 18 May 2012	270	85.71
(b) Road Maintenance	N/A	N/A	N/A	N/A

Chapter 2

GOVERNANCE

Satisfaction Surveys Undertaken during: 2010/11 and 2011/12				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
(c) (c) Electricity Supply	Questionnaire	17 and 18 May 2012	270	79.46
(d) Water Supply	Questionnaire	17 and 18 May 2012	270	85
(e) Information supplied by municipality to the public in language of preference	Questionnaire	17 and 18 May 2012	270	95.61
(f) Opportunities for consultation on municipal affairs	N/A	N/A	N/A	N/A
(g) Do you think the CAM staff is professional	Questionnaire	17 and 18 May 2012	270	84.29
(h) Do you perceive staff to be honest	Questionnaire	17 and 18 May 2012	270	72.08
(i) Have you attended the ward committee meeting	Questionnaire	17 and 18 May 2012	270	64.64

Note: The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory

Table 55.: Satisfaction Survey

**CHAPTER 3: SERVICE
DELIVERY
PERFORMANCE
(PERFORMANCE
REPORT PART 1)**

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.1 INTRODUCTION

This chapter provides an overview of the key service achievements of the municipality that came to fruition during 2011/12 in terms of the deliverables achieved compared to the key performance objectives and indicators in the IDP. It furthermore, includes an overview on achievement in 2011/12 compared to actual performance in 2010/11.



3.2 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of the Republic of South Africa (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration
- to be transparent by providing correct and timeous information,
- to be responsive to the needs of the community; and
- to facilitate a culture of public service and accountability amongst staff.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that “A Municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycles and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.” Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities. This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

3.2.1 LEGISLATIVE REQUIREMENTS

In terms of section 46(1)(a) a municipality must prepare for each financial year a performance report reflecting the municipality’s and any service provider’s performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

3.2.2 ORGANISATION PERFORMANCE

Strategic performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlights the strategic performance in terms of the municipality’s Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the National Key Performance Areas, performance on the National Key Performance Indicators prescribed in terms of

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

section 43 of the Municipal Systems Act, 2000 and an overall summary of performance on a functional level.

3.3 THE PERFORMANCE SYSTEM FOLLOWED FOR THE FINANCIAL YEAR 2011/12

3.3.1 ADOPTION OF A PERFORMANCE MANAGEMENT FRAMEWORK

The municipality adopted a performance management framework that was approved by Council on 29 May 2007 (Council Resolution 101/2007).

3.3.2 THE IDP AND THE BUDGET

The IDP was reviewed for 2011/12 and the budget for 2011/12 was approved by Council on 30 May 2011. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

The strategy map below illustrates the strategic link of the focus areas of the municipality with the National Key Performance Areas. The National Key Performance Areas are aligned with the strategic objectives that were identified in the 2011/12 reviewed IDP. The strategic objectives are linked to the outcomes for 2011/12

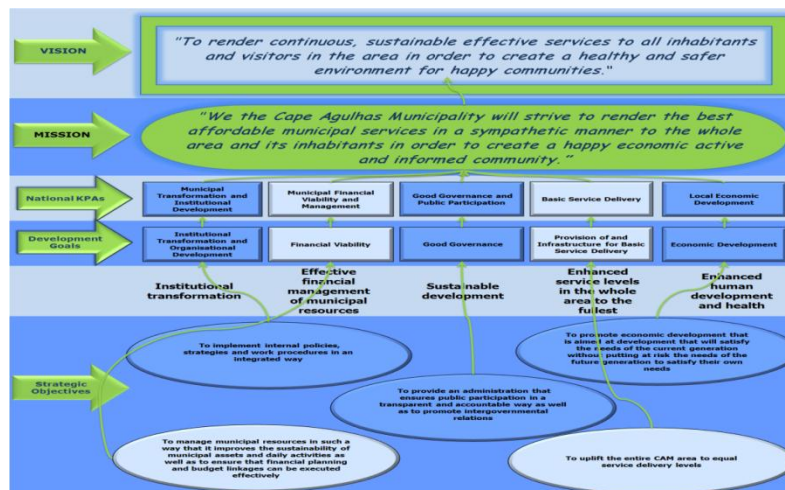


Figure 2.: Strategy map

3.3.3 THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned
- The budget must address the strategic priorities
- The SDBIP should indicate what the municipality is going to do during next 12 months
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on 10 June 2011.

a) The municipal scorecard (Top Layer SDBIP)

The municipal scorecard (Top Layer SDBIP) consolidates service delivery targets set by Council / senior management and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- **One-year** detailed plan, but should include a **three-year capital plan**
- The 5 necessary components include:
 - Monthly projections of revenue to be collected for each source
 - Expected revenue to be collected NOT billed
 - Monthly projections of expenditure (operating and capital) and revenue for each vote
 - Section 71 format (Monthly budget statements)
 - Quarterly projections of service delivery targets and performance indicators for each vote
 - Non-financial measurable performance objectives in the form of targets and indicators
 - Output NOT input / internal management objectives

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

- Level and standard of service being provided to the community
- ➔ Ward information for expenditure and service delivery
- ➔ Detailed capital project plan broken down by ward over three years

The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):

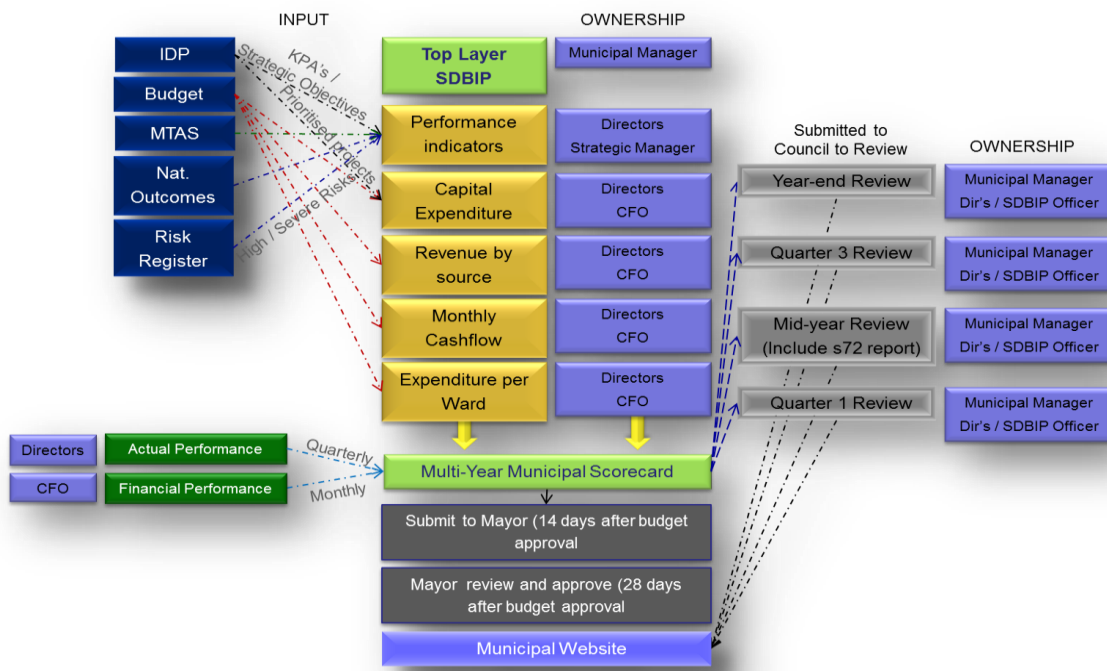


Figure 3.: Components of the Municipal Scorecard

Top Layer KPI's were prepared based on the following:

- ➔ Key performance indicators (KPI's) for the programmes / activities identified to address the strategic objectives as documented in the IDP.
- ➔ KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders.
- ➔ KPI's to address the required National Agenda Outcomes, priorities and minimum reporting requirements.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

- ➔ The municipal turnaround strategy (MTAS)

It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POE's for reporting and auditing purposes.

b) Directorate/Departmental scorecards

The directorate and departmental scorecards (detailed SDBIP) capture the performance of each defined directorate or department. Unlike the municipal scorecard, which reflects on the strategic performance of the municipality, the departmental SDBIP provides detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate. It was compiled by **senior managers** for their **directorates** and consists of objectives, indicators and targets derived from the approved Top Layer SDBIP, the approved budget and measurable service delivery indicators related to each functional area.

The following diagram illustrates the establishment, components and review of the departmental SDBIP:

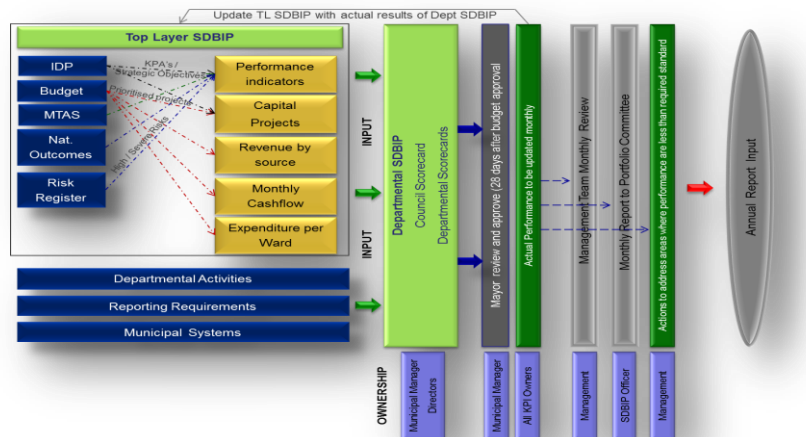


Figure 4.: Components of the Departmental SDBIP

KPI's were developed for Council, the Office of the Municipal Manager and for each Directorate. The KPI's:

- ➔ Address the TL KPI's by means of KPI's for the relevant section responsible for the KPI.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

- Include the capital projects KPI's for projects. The targets are aligned with the projected monthly budget and project plans.
- Address the key departmental activities.
- Each KPI has clear monthly targets and is assigned to the person responsible for the KPI.

3.3.4 SYSTEM TO MONITOR PERFORMANCE

The municipality utilizes an electronic web based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set.
- The output/outcome of achieving the KPI.
- The calculation of the actual performance reported (if any).
- A performance comment.
- Actions to improve the performance against the target set, if the target was not achieved.

It is the responsibility of every KPI owner to maintain an updated portfolio of evidence to support actual performance results.

3.4 PERFORMANCE MANAGEMENT

Performance management is prescribed by the Municipal Systems Act, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a performance management framework that was approved by Council on 29 May 2007 (Council Resolution 101/2007).

3.4.1 ORGANISATIONAL PERFORMANCE

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The organisational performance is monitored and evaluated via the SDBIP and the performance process can be summarised as follows:

- The Top Layer SDBIP was approved by the Mayor on 10 June 2011 and the information was loaded on an electronic web based system.
- The web based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets by the 17th of every month for the previous month's performance.
- Additionally, the performance system administrator reminds all departments on a monthly basis to update their actual performance on the web based system.
- Each Director reports on his specific SDBIP performance in his s71 report which is discussed in the monthly portfolio committee meetings to determine early warning indicators and discuss corrective measures if needed.
- The first quarterly report was submitted to Council on the 17 November 2011 (Agenda item 7) and the second quarterly report formed part of the section 72 report in terms of the Municipal Finance Management Act, which was submitted to the Mayor on 30 January 2012. The third quarter report was submitted to council on 12 April 2012 (Agenda item 16.2).
- The 1st and 2nd Quarterly SDBIP performance reports were also submitted to the Performance Audit Committee on 27 September 2011 and 27 January 2012 respectively. However, the 3rd and 4th quarterly reports will be submitted to the committee at their next meeting in September.
- A compliance review was performed on the submission of the budget / SDBIP and performance agreements of managers reporting directly to the Municipal Manager to ensure compliance to the relevant legislative requirements. Furthermore, the internal audit service did a full audit and review of the first 3 quarters' actual performance as well as proof of evidence against signed-off key performance indicators for 2011/12 and a report issued in this regard. A further review was done on the 4th quarter's performance and evidence and completed.

3.4.2 INDIVIDUAL PERFORMANCE MANAGEMENT

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

a) **Municipal Manager and Managers directly accountable to the Municipal Manager**

The Municipal Systems Act, 2000 (Act 32 of 2000) prescribes that the municipality must enter into performance based agreements with the all s57-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the 2011/12 financial year were signed on 29 July 2011 as prescribed.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The final evaluation of the 2010/11 financial year (1 January 2011 to 30 June 2011) took place on 8 and 9 November 2011 and the mid-year performance of 2011/12 (1 July 2011 to 31 December 2011) took place on 18 May 2012.

The appraisals were done by an evaluation panel as indicated in the signed performance agreements and in terms of Regulation 805 and consisted of the following people:

- Executive Mayor
- Portfolio Chairperson
- Municipal Manager
- Chairperson of the Audit Committee
- Municipal manager from other municipality

b) **Other municipal personnel**

The municipality is in process of implementing individual performance management to lower level staff in annual phases. All staff on post level 0 - 15 signed performance agreements or performance development plans for the 2011/12 financial year. The final evaluation of the 2010/11 financial year (1 January 2011 to 30 June 2011) took place during November 2011 and the mid-year performance of 2011/12 (1 July 2011 to 31 December 2011) must still take place. The evaluation of performance is done between a manager and the employee in the presence of the applicable supervisor after which senior management do a moderation of all the results to ensure reliable and realistic outcomes.

3.5 STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER)

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget, SDBIP and Performance Agreements).

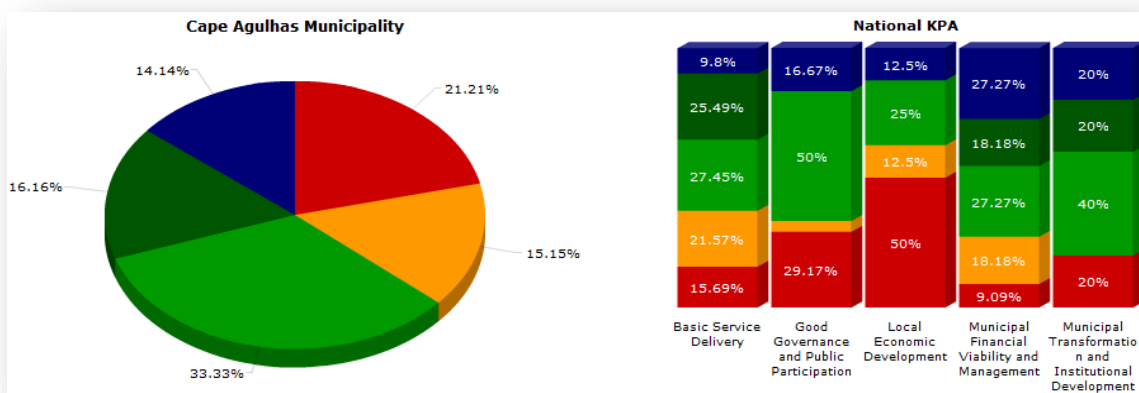
In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to the 5 National Key Performance Areas (KPA) linked to the Municipal KPA's and IDP (strategic) objectives.

The following figure explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPI's) of the SDBIP is measured.

Category	Color	Explanation
KPI's Not Yet Measured	Grey	KPIs with no targets or actuals in the selected period.
KPI's Not Met	Red	0% \geq Actual/Target < 75%
KPI's Almost Met	Orange	75% \geq Actual/Target < 100%
KPI's Met	Green	Actual/Target = 100%
KPI's Well Met	Dark Green	100% > Actual/Target < 150%
KPI's Extremely Well Met	Dark Blue	Actual/Target \geq 150%

Figure 5.: SDBIP Measurement Categories

The graph below displays the overall performance per National KPA's for 2011/12.



Graph 6.: Overall performance per National Key Performance Area

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.5.1 TOP LAYER SDBIP – GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The National Key Performance Area Good Governance and Public Participation is linked to the Municipal Key Performance Areas namely “**Good Governance**”. The IDP Objective that is linked to Good Governance and Public Participation is: “**To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations.**”

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						Actual	Corrective actions
						Target							
						Q1	Q2	Q3	Q4	Annual			
TL23	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Integrated development planning measured by the alignment of the municipal spending with IDP	The percentage of a municipality's capital budget spent on capital projects identified in the IDP	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	100%		n/a
TL36	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Strengthen the role of communities by facilitating ward based development plans	No of ward based development plans completed	All	New performance indicator for 2011/12. No comparatives available	0	0	0	2	2	0		All development is based on community needs. We will endeavour ward based planning in 2012/13
TL35	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	The municipality listens and talks back to its people by ensuring that the IDP is endorsed by all wards	No of ward committees endorsing the IDP	All	100%	0	0	0	5	5	5		n/a
TL31	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	IDP and sectoral plans aligned with Spatial development plan	% alignment	All	75%	0%	0%	0%	100%	100%	100%		n/a
TL30	To provide an administration that ensures public participation in	Spatial development plan aligned with PSDF	% alignment	All	75%	0%	0%	0%	100%	100%	100%		n/a

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

	a transparent and accountable way as well as to promote intergovernmental relations	and PGDS												
TL34	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	The IDP is comprehensive and complies with the requirements of the Systems Act	No of required sectoral plans included in the IDP	All	6	0	0	0	6	6	4			The original target was incorrectly calculated and have been corrected in the 2012/13 SDBIP
TL32	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Spatial Development Plan reviewed and submitted to PGWC annually by June 2012	Review and submitted to PGWC by June 2012	All	100%	0%	0%	0%	100%	100%	0			The delay in the process has run over into the 2012/13 financial year and will be finalised then
TL42	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Institutional Performance management system in place and implemented up to level (No)	Implemented up to level 6	All	95%	6	6	6	6	6	15			n/a
TL40	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Determine citizen satisfaction	No of wards with agreed service charters	All	New performance indicator for 2011/12. No comparatives available	0	0	0	5	5	0			Due to a new Council being appointed after the election and the establishments of the various Ward Committees these charters were not developed agreed to during the year. This has been earmarked for implementation in the 2012/13 financial year

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

TL46	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Effective and up to date By-laws	No of By-laws revised annually	All	5	0	0	0	1	1	1		n/a
TL37	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Effective communication with communities	Reviewed communication policy by March 2012	All	New performance indicator for 2011/12. No comparatives available	0%	0%	100%	0%	100%	90%		Communication policy inputs still awaited - new strategy to be tabled in June
TL27	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	The adjustment budget is approved by Council by the legislative deadline	Approval of Adjustment Budget before the end of February 2012	All	100%	0%	0%	100%	0%	100%	100%		n/a
TL26	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	The main budget is approved by Council by the legislative deadline	Approval of Main Budget before the end of May 2012	All	100%	0%	0%	0%	100%	100%	100%		n/a
TL28	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved within 28 days after the Main Budget has been approved	All	100%	0%	0%	0%	100%	100%	100%		n/a

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

TL24	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	All	5	1	1	1	1	4	21		n/a
TL25	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Effective functioning of the committee system measured by the number of committee meetings per committee per quarter	No of sec 79 committee meetings per committee per quarter	All	22	1	1	1	1	4	18		n/a
TL38	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Effective functioning of ward committees to ensure consistent and regular communication with residents	No of ward committee meetings per annum	All	0	1	1	1	1	4	51		n/a
TL33	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	IDP reviewed and approved annually by the end of May	IDP approved by the end of May	All	100%	0%	0%	0%	100%	100%	100%		n/a
TL43	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Annual report and oversight report of council submitted before the end of March 2012	Report submitted to Council	All	100%	0%	0%	100%	0%	100%	100%		n/a

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

TL41	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	No of Section 57 performance agreements signed by the end of July	No of performance agreements signed	All	5	5	0	0	0	5	5		n/a
TL29	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	The municipality complies with all the relevant legislation	0 findings in the audit report on non-compliance with laws and regulations	All	93%	0	0	0	0	0	1		The audit report for 2010/11 included findings of non-compliance. An action plan was compiled and monitored to address findings of non-compliance
TL44	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Functional performance audit committee measured by the number of meetings per annum	No of meetings held	All	1	1	1	1	1	4	4		n/a
TL39	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Initiatives in the anti-corruption policy is successfully implemented	Reviewed strategy by June 2012	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	10%		The initiatives will be taken over to the next financial year and implemented in terms of the revised strategy
TL45	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Risk based audit plan approved by March 2012	Plan approved	All	New performance indicator for 2011/12. No comparatives available	0%	0%	100%	0%	100%	0%		The plan was approved by the Audit Committee during the AC meeting of 29/5/12, but not submitted to Council due to oversight

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Table 56.:

Top Layer SDBIP – Good Governance and Public Participation

3.5.2 TOP LAYER SDBIP – MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

The National Key Performance Area Municipal Transformation and Institutional Development are linked to the Municipal Key Performance Area namely “**Institutional Transformation and Organisational Development.**” The IDP Objective that is linked to Municipal Transformation and Institutional Development is: “**To implement internal policies, strategies and work procedures in an integrated manner.**”

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						Actual	Corrective actions
						Target							
						Q1	Q2	Q3	Q4	Annual			
TL18	To implement internal policies, strategies and work procedures in an integrated manner	Targeted skills development measured by the implementation of the workplace skills plan	% of the budget spent on implementation of the WSP	All	90%	0%	0%	0%	1%	1%	1%		n/a
TL17	To implement internal policies, strategies and work procedures in an integrated manner	Implementation of the Employment Equity Act	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	All	New performance indicator for 2011/12. No comparatives available	0	0	0	0	0	0		n/a
TL48	To implement internal policies, strategies and work procedures in an integrated manner	Effective labour relations by facilitating regular LLF meetings per annum	No of meetings of the LLF per annum	All	10	2	1	1	2	6	8		n/a
TL49	To implement internal policies, strategies and work procedures	Revise identified HR policies by the end of June to ensure compliant and up to date HR	No of policies revised	All	5	0	0	0	3	3	3		n/a

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						Actual	Corrective actions
						Target							
						Q1	Q2	Q3	Q4	Annual			
	in an integrated manner	policies											
TL47	To implement internal policies, strategies and work procedures in an integrated manner	Creation of an effective institution with sustainable capacity	% Vacancy level as % of approved organogram	All	New performance indicator for 2011/12. No comparatives available	10%	10%	10%	10%	10%	33%		Key positions was filled during 2011/12 and vacant positions will be filled within budget availability during 2012/13
TL50	To implement internal policies, strategies and work procedures in an integrated manner	Implementation of skills development plan with targeted skills development	No of personnel actually trained/ No of personnel identified for training (%)	All	New performance indicator for 2011/12. No comparatives available	0	0	0	90	90	193		

Table 57.: Top Layer SDBIP – Municipal Transformation and Institutional Development

3.5.3 TOP LAYER SDBIP – MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The National Key Performance Area Municipal Financial Viability and Management are linked to the Municipal Key Performance Area namely “**Financial Viability**”. The IDP Objective that is linked to Municipal Financial Viability is: “**To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively.**”

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						Actual	Corrective actions
						Target							
						Q1	Q2	Q3	Q4	Annual			
TL22	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget	Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	All	89.85%	2	2	2	2	2	3.74		n/a

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
	linkages can be executed effectively													
TL20	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Financial viability measured in terms of the municipality's ability to meet its service debt obligations	Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	All	6.05%	8	8	8	8	8	8.26		n/a	
TL21	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	All	15.63%	6	6	6	6%	6%	17%		n/a	
TL60	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Updated indigent register for the provision of free basic services	Updated indigent register by July 2011	All	100%	100%	0%	0%	0%	100%	100%		n/a	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						Actual	Corrective actions
						Target							
						Q1	Q2	Q3	Q4	Annual			
TL62	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Approved financial statements submitted by 31 August	Approved financial statements submitted	All	100%	100%	0%	0%	0%	100%	100%		n/a
TL58	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Compliance with GRAP 16, 17 & 102 to ensure effective asset management	0 findings in the audit report on non-compliance	All	New performance indicator for 2011/12. No comparatives available	0	0	0	0	0	0		n/a
TL65	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Compliance with the SCM Act measured by the limitation of successful appeals against the municipality	0 successful appeals	All	0	0	0	0	0	0	2		An enhanced policy is in the process of being implemented which should address this issue in the future
TL59	To manage resources in such a way that it improves the sustainability of municipal assets and	Improved revenue collection	% Debt recovery rate	All	91.89%	94%	94%	94%	94%	94%	97.9%		n/a

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						Actual	Corrective actions
						Target							
						Q1	Q2	Q3	Q4	Annual			
	daily activities as well as to ensure that fin planning and budget linkages can be executed effectively												
TL63	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Improvement in capital conditional grant spending measured by the % spent	% of the grant spent	All	100%	20%	40%	60%	100%	100%	100%		n/a
TL64	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively	Improvement in operational conditional grant spending measured by the % spent	% of the grant spent	All	100%	20%	40%	60%	100%	100%	98%		Insignificant deviation. No corrective action required
TL61	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed	No of Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit	% of Root causes addressed	All	100%	0%	80%	0%	0%	80%	71%		The filling of vacant key positions had an impact on addressing all the root causes raised in the AG report, however, due processes have been implemented that will address all our

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							
						Target					Actual	Corrective actions	
						Q1	Q2	Q3	Q4	Annual			
	effectively												shortcomings

Table 58.: Top Layer SDBIP – Municipal Financial Viability and Management

3.5.4 TOP LAYER SDBIP – LOCAL ECONOMIC DEVELOPMENT

The National Key Performance Area Local Economic Development is linked to the Municipal Key Performance Area namely “**Economic Development**”. The IDP Objective that is linked to Local Economic Development is: “**To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy**”.

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						
						Target					Actual	Corrective actions
						Q1	Q2	Q3	Q4	Annual		
TL19	To facilitate economic development by creating conducive environment for business and unlock opportunities to increase participation mainstream economy	The number of jobs created through the municipality's local economic development initiatives including capital projects	Number of jobs opportunities created through EPWP	All	351	100	50	50	100	300	269	Three EPWP projects were stopped during the year resulting in the anticipated job targets not being reached
TL56	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Consider possible recycling initiatives that can be implemented in the future with all role players in the municipal area	Strategic session and report with initiatives for consideration completed by December 2011	All	New performance indicator for 2011/12. No comparatives available	0%	100%	0%	0%	100%	50%	The sessions were delayed as a result of the delay in the completion of the Recycling Business Plan. Manager: Waste Management will convene a meeting with all relevant

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12						Actual	Corrective actions
						Target							
						Q1	Q2	Q3	Q4	Annual			
													stakeholders in respect of recycling before 30 July 2012 to discuss the role of a comprehensive recycling program in CAM
TL53	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Empowerment of emerging farmers on commonage of the council	No of farmers benefitting	All	New performance indicator for 2011/12. No comparatives available	0	0	20	0	20	36		
TL52	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Establishment of a functional LED agency in cooperation with the Industrial Development Corporation	LED agency established by December 2011	All	New performance indicator for 2011/12. No comparatives available	0%	100%	0%	0%	100%	0%		Interviews with applicants for Board of Directors were conducted on 2 & 3 July 2012 and a recommendation will be made to Council for the appointment of the Board of Directors for CAM Economic Development Agency by 30 July 2012

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL54	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Facilitate the optimal functioning of the Healthgro Women Empowerment project in Napier	No of women benefitting	1	New performance indicator for 2011/12. No comparatives available	0	0	11	0	11	11		n/a	
TL55	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Host a tender workshop with the Dept of Public Works and Transport to assist emerging entrepreneurs with tender processes and procedures	Workshop hosted by December 2011	All	New performance indicator for 2011/12. No comparatives available	0	1	0	0	1	1		n/a	
TL51	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Revise the Local Economic Development strategy	LED strategy reviewed by March 2012	All	100%	0%	0%	100%	0%	100%	0%		LED Strategy will be reviewed in September 2012	
TL57	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Value of contracts assigned to SMME's to enhance economic development	Value of contracts assigned	All	R 19,000,000n	R 1,000,000	R 2,000,000	R 3,000,000	R 5,000,000	R 5,000,000	R 1,000,000		Proper record keeping will be implemented in SCM to ensure correct data	

Table 59.: Top Layer SDBIP – Local Economic Development

3.5.5 TOP LAYER SDBIP – BASIC SERVICE DELIVERY

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The National Key Performance Area Basic Service Delivery is linked to the Municipal Key Performance Area namely **"Provision of Infrastructure for Basic Service Delivery"**. The IDP Objectives that is linked to Basic Service Delivery is: **"To improve the standard of basic service delivery in the entire Cape Agulhas Municipality."**

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL70	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of halls and facilities	% of capital budget of halls and facilities spent	All	100%	20%	40%	60%	100%	100%	92%	Not under spending of the capital budget but rather saving due to various reasons		
TL69	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of halls and facilities	% of maintenance budget of halls and facilities spent	All	New performance indicator for 2011/12. No comparatives available	20%	40%	60%	100%	100%	116%	n/a		
TL68	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Graveyards are maintained and measured by the % of the maintenance budget spent	% of budget spent	All	100%	20%	40%	60%	100%	100%	100%	n/a		
TL66	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Recreational areas is maintained measured by the % of the maintenance budget spent	% of budget spent	All	New performance indicator for 2011/12. No comparatives available	20%	40%	60%	100%	100%	88%	Re-prioritisation during the year resulted in less money being spent than anticipated. Efforts will be initiated to correct this in the new year		
TL71	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Implementation of Integrated Human Settlement Strategy	No of houses built in Area D Bredasdorp	All	New performance indicator for 2011/12. No comparatives available	0	0	0	126	126	251	n/a		

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL72	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Implementation of Integrated Human Settlement Strategy	No of urban plots provided with services in Area A Bredasdorp	All	New performance indicator for 2011/12. No comparatives available	0	0	0	184	184	184		n/a	
TL73	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Disaster Management Plan reviewed by the end of June	Plan reviewed by the end of June	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	90%		The plan was not finalised as anticipated and must be dealt with during the 2012/13 financial year	
TL67	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Municipal parks and recreational areas are provided to all HH measured by the no of ward with access to recreational areas	No of wards with access to recreational areas	All	New performance indicator for 2011/12. No comparatives available	5	5	5	5	5	5		n/a	
TL74	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of sport facilities	No of wards with access to sport facilities	All	New performance indicator for 2011/12. No comparatives available	5	5	5	5	5	5		n/a	
TL100	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provisioning of street lightning	% of HH with street lights	All	100%	100%	100%	100%	100%	100%	100%		n/a	
TL97	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Effective management of electricity provisioning systems	% of electricity unaccounted for	All	11%	10%	10%	10%	10%	10%	9.4%		n/a	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							
						Target					Actual	Corrective actions	
						Q1	Q2	Q3	Q4	Annual			
TL99	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Electricity assets are maintained in terms of the maintenance budget spent	% of maintenance budget of electricity spent	All	100%	20%	40%	60%	100%	100%	98%		Saving than an under-spending. No corrective measures required
TL96	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Electricity connections to provide electricity reticulation to low cost houses and urban plots in informal areas	No of connections	All	99.17%	0	0	0	310	310	416		n/a
TL94	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Improvement of electricity distribution capacity with the completion of the approved projects in the capital budget	No of projects completed	All	New performance indicator for 2011/12. No comparatives available	0	0	0	5	5	8		n/a
TL98	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Revision of maintenance plan for electricity assets	Plan revised by June 2012	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	0%		A maintenance plan will be developed in the next financial year to ensure that this issue is addressed
TL95	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Upgrading of the whole electricity network of the municipality with existing resources to better regulate electricity distribution during Eskom load shedding	% completion of identified projects	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	100%		n/a
TL11	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of free basic electricity in terms of the equitable share requirements	No of HH receiving free basic electricity per month	All	100%	6,146	6,146	6,146	6,456	6,223.50	2,425.75		Annual target was over estimated and corrected in the targets set for 2012/13 Only indigent households qualify

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL12	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of free basic electricity in terms of the equitable share requirements	Quantum (kWh) of free basic electricity per HH per month	All	50	50	50	50	50	50	50		n/a	
TL9	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of electricity connected to the national grid to all formal areas	No HH in formal areas that meet agreed service standards	All	100%	7,520	7,520	7,520	7,830	7,597.50	7,663.50		n/a	
TL10	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of electricity connected to the national grid to all informal areas	Percentage of informal areas that meet agreed service standards	All	New performance indicator for 2011/12. No comparatives available	85%	85%	85%	85%	85%	98%		n/a	
TL15	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of free basic refuse removal in terms of the equitable share requirements	No of HH receiving free basic refuse removal per month	All	New performance indicator for 2011/12. No comparatives available	2,923	2,923	2,923	3,233	3,000.50	2,827.75		The actual households less than the anticipated. No lack of service delivery as 100% of households in the CAM area are receiving the required services	
TL16	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of free basic refuse removal in terms of the equitable share requirements	Quantum (Rand) of free basic refuse removal per month per HH	All	New performance indicator for 2011/12. No comparatives available	R 73.44	R 73.44	R 73.44	R 73.44	R 73.44	R 73.44		n/a	
TL13	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of refuse removal, refuse dumps and solid waste disposal to all formal areas	No of formal HH for which refuse is removed at least once a week	All	New performance indicator for 2011/12. No comparatives available	8,206	8,206	8,206	8,516	8,283.50	8,645.75		n/a	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL14	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of refuse removal, refuse dumps and solid waste disposal to all informal areas	Percentage of informal HH for which refuse is removed at least once a week	All	New performance indicator for 2011/12. No comparatives available	95%	95%	95%	95%	95%	100%		n/a	
TL7	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of free basic sanitation in terms of the equitable share requirements	No of HH receiving free basic sanitation per month	All	New performance indicator for 2011/12. No comparatives available	2,923	2,923	2,923	3,233	3,000.50	2,827.75		The actual households less than Anticipated. No lack of service delivery as 100% of households in the CAM area are receiving the required services	
TL8	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of free basic sanitation in terms of the equitable share requirements	Quantum (Rand) of free basic sanitation provided per HH per month	All	New performance indicator for 2011/12. No comparatives available	R 63.51	R 63.51	R 63.51	R 63.51	R 63.51	R 63.51		n/a	
TL5	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of sanitation systems limited to domestic waste water and sewerage disposal to formal HH	No of formal HH that have at least VIP on site	All	New performance indicator for 2011/12. No comparatives available	7,547	7,547	7,547	7,857	7,624.50	7,927		n/a	
TL6	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of sanitation systems limited to domestic waste water and sewerage disposal to informal HH	Percentage of informal HH that have at least VIP on site	All	New performance indicator for 2011/12. No comparatives available	95%	95%	95%	95%	95%	100%		n/a	
TL3	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of free basic water in terms of the equitable share requirements	No of HH receiving free basic water per month	All	100%	7,408	7,408	7,408	7,718	7,485.50	7,627.75		n/a	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL4	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Quantum of free basic water per household in terms of the equitable share requirements	Quantum (kl) of free basic water provided per household per month	All	6	6	6	6	6	6	6		n/a	
TL1	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of cleaned piped water to all formal HH within 200m from the household	No of formal HH that meet agreed service standards for piped water	All	100%	7,458	7,458	7,458	7,768	7,535.50	7,640.25		n/a	
TL2	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of cleaned piped water to all informal HH within 200m from the household	Percentage of informal HH that meet agreed service standards for piped water	All	New performance indicator for 2011/12. No comparatives available	95%	95%	95%	95%	95%	100%		n/a	
TL87	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of municipal roads	No of Km's of tarred and gravel roads maintained	All	New performance indicator for 2011/12. No comparatives available	201	201	201	201	804	204		The original target was incorrectly calculated, and this will be corrected in the next financial year	
TL86	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Municipal roads is maintained measured by the kms of roads patched and resealed according to approved maintenance plan	No of km of roads patched and resealed	All	New performance indicator for 2011/12. No comparatives available	1	2	2	2	7	15.3		n/a	
TL85	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provide municipal roads with the completion of the approved projects	No of projects completed	All	New performance indicator for 2011/12. No comparatives available	0	0	0	7	7	10		n/a	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL84	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of refuse removal assets	% of maintenance budget of refuse removal spent	All	100%	20%	40%	60%	100%	100%	98%		This rather a saving than an under-spending, therefore no corrective measures are required	
TL83	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Improvement of refuse sites' capacity by the end of June	No of additional skips provided	All	New performance indicator for 2011/12. No comparatives available	0	0	0	3	3	3		n/a	
TL81	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Development of a maintenance schedule for sanitation systems	Schedule revised by June 2012	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	0%		Due to budget constraints a schedule was not developed and will be anticipated with budget availability	
TL82	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of sanitation assets	% of maintenance budget of sanitation assets spent	All	100%	20%	40%	60%	100%	100%	99%		This rather a saving than an under-spending, therefore no corrective measures are required	
TL77	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provide storm water infrastructure with the completion of projects approved in the capital budget according to the storm water master plan in ward 5	% completion of approved projects	All	New performance indicator for 2011/12. No comparatives available	10%	30%	50%	100%	100%	100%		n/a	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							Actual	Corrective actions
						Target					Actual	Corrective actions		
						Q1	Q2	Q3	Q4	Annual				
TL75	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of storm water management systems in built up areas to all formal HH	% of HH with	All	100%	100%	100%	100%	100%	100%	100%		n/a	
TL76	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of storm water management systems in built up areas to all informal HH	% of HH with	All	97%	95%	95%	95%	95%	95%	95%		n/a	
TL80	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Sanitation assets is maintained in terms of the maintenance budget spent	% of maintenance budget of sanitation spent	All	100%	20%	40%	60%	100%	100%	100%		n/a	
TL78	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Storm water assets is maintained in terms of the maintenance budget spent	% of maintenance budget of storm water spent	All	100%	20%	40%	60%	100%	100%	98%		This rather a saving than an under-spending, therefore no corrective measures are required	
TL79	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Quality of waste water discharge measured in terms of Green Drop criteria	% water quality level of waste water discharge	All	New performance indicator for 2011/12. No comparatives available	97%	97%	97%	97%	97%	61%		The original KPI was incorrectly developed as only one farm has a license against which standards can be measured. This will be corrected in the 2012/13 SDBIP	
TL90	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Effective management of water provisioning systems to limit unaccounted water	% of water unaccounted for	All	New performance indicator for 2011/12. No comparatives available	10%	10%	10%	10%	10%	16%		The original was probably set to low as this municipality is well within the national	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	Pre-determined objectives	Key performance indicator	Unit of measurement	Wards	Actual 2010/11	Overall performance for 2011/12							
						Target					Actual	Corrective actions	
						Q1	Q2	Q3	Q4	Annual			
													levels
TL88	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Improvement of water purification system capacity with the completion of the approved capital projects	No of projects completed	All	New performance indicator for 2011/12. No comparatives available	0	0	0	5	5	9		n/a
TL89	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	New water connections to provide for potable water supply systems	No of new water connections per annum	All	100%	0	0	0	310	310	416		n/a
TL92	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Water assets is maintained in terms of the maintenance budget spent	% of maintenance budget of water spent	All	100%	20%	40%	60%	100%	100%	93%		This rather a saving than an under-spending, therefore no corrective measures are required
TL91	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Excellent water quality measured by the quality of water as per blue drop and SANS 242 criteria	% water quality level	All	New performance indicator for 2011/12. No comparatives available	98%	98%	98%	98%	98%	86.64%		New improvements are planned for the coming financial years which will address the issue of quality
TL93	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Implementation of the Water Demand Management plan	No of water saving awareness initiatives	All	New performance indicator for 2011/12. No comparatives available	0	1	0	1	2	1		A greater effort will be asserted in the next financial year to ensure that all planned initiatives are implemented.

Table 60.: Top Layer SDBIP – Basic Service Delivery

3.6 MUNICIPAL FUNCTIONS

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.6.1 ANALYSIS OF FUNCTIONS

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes (currently run in conjunction with the Overberg District Municipality(ODM) due to capacity constraints)
Building regulations	Yes
Child care facilities	No
Electricity and gas reticulation	Yes
Firefighting services	No (run by the ODM)
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbors, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlors and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes (however, burials done by the veterinarian)

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Municipal Function	Municipal Function Yes / No
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 61.: Functional Areas

3.7 OVERVIEW OF PERFORMANCE PER DIRECTORATE

The performance statistics in the table below and all the graphs in the following sub paragraphs include performance in terms of the SDBIP for the 2011/12 financial year and where applicable, in comparison to the 2010/11 financial year. The graphs provide an illustrative overview of the overall performance results of all the KPI's measured as at 30 June.

Directorates	Financial Year	Total KPIs	KPIs Extremely Well Met	KPIs Well Met	KPIs Met	KPIs almost Met	KPIs not Met
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Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

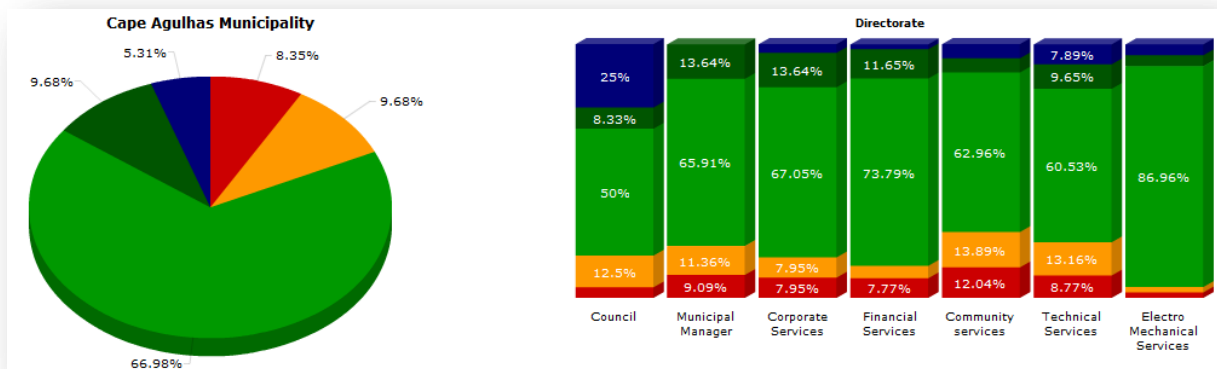
REPORT PART I)

Directorates	Financial Year	Total KPIs	KPIs Extremely Well Met	KPIs Well Met	KPIs Met	KPIs almost Met	KPIs not Met
Council	2010/11	54	5	2	13	10	24
	2011/12	24	6	2	12	3	1
Municipal Manager	2010/11	121	19	13	75	8	6
	2011/12	44	0	6	29	5	4
Corporate Services	2010/11	70	0	0	65	4	1
	2011/12	88	3	12	59	7	7
Financial Services	2010/11	95	0	5	82	2	6
	2011/12	103	2	12	76	5	8
Community Services	2010/11	68	6	10	45	7	0
	2011/12	108	6	6	68	15	13
Technical Services	2010/11	106	1	12	93	0	0
	2011/12	114	9	11	69	15	10
Electro Mechanical Services	2010/11	57	0	0	43	12	2
	2011/12	46	2	2	40	1	1

Statistics included have been populated from SDBIP reports generated for 2010/11 and 2011/12 respectively, as extracted from the web-based system utilised for performance monitoring

Table 62.: Summary of total performance per Directorate

The following graph indicates the overall results of all the KPI's measured of the various directorates in terms of the municipal SDBIP performance management system

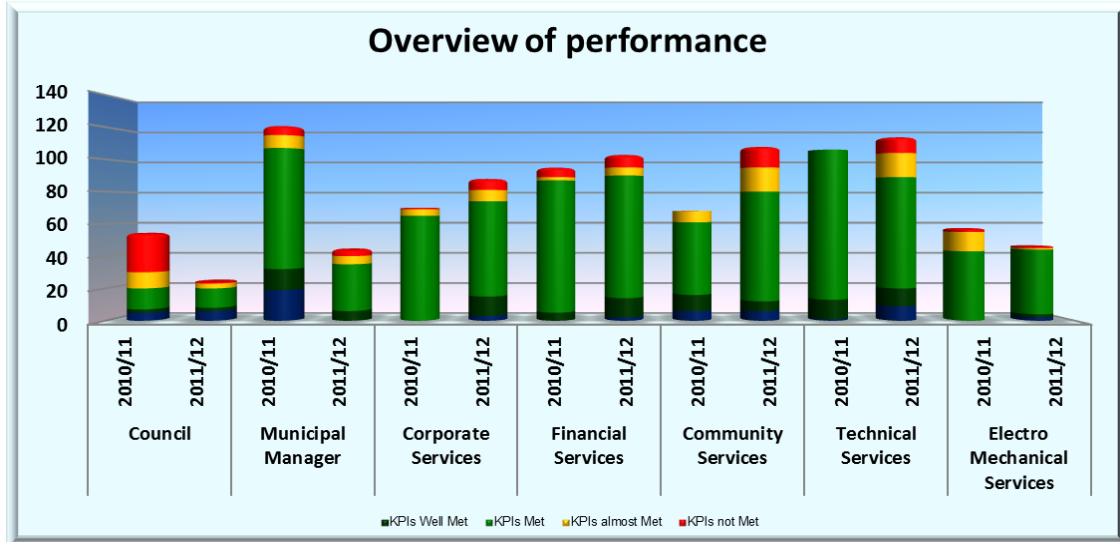


Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Graph 7.: Overall performance of the directorates for 2011/12



Graph 8.: Overall performance of directorates for 2010/11 and 2011/12 respectively

3.7.1 PERFORMANCE PER FUNCTIONAL AREA (DEPARTMENTAL/OPERATIONAL SDBIP)

Council consists of the following divisions:

- Council
- Ward 1
- Ward 2
- Ward 3
- Ward 4
- Ward 5

The Operational Key Performance Indicators for Council is aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations

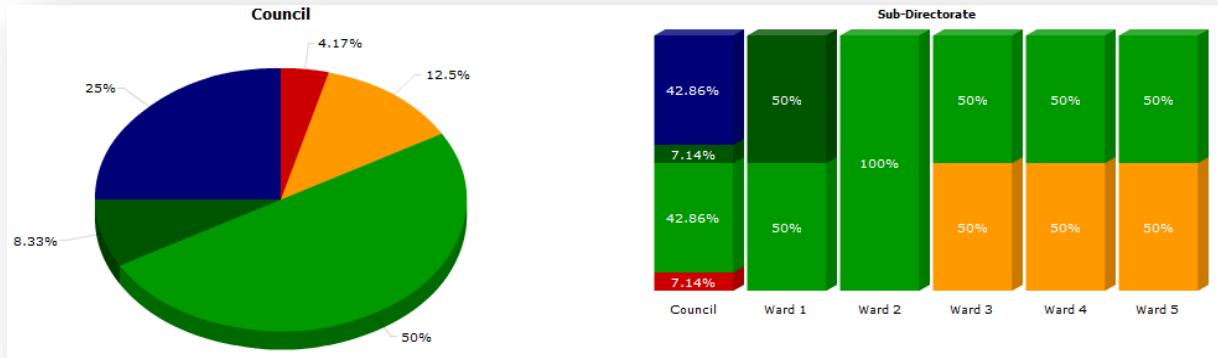
Table 63.: Functional alignment – Council

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The following graph indicates the performance of the various sub-directorates within Council directorate.



Graph 9.: Council sub-directorate performance

Municipal Manager consists of the following divisions:

- Office of the Municipal Manager
- Internal Audit
- Risk Management

The Operational Key Performance Indicators for Municipal Manager is aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good Governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Municipal Transformation and Institutional Development	Institutional Transformation and Organisational Development	To implement internal policies, strategies and work procedures in an integrated manner
Municipal Financial Viability and Management	Financial Viability	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively
Good Governance and Public Participation	Human Development	To provide an administration that ensures public participation in a

Chapter 3

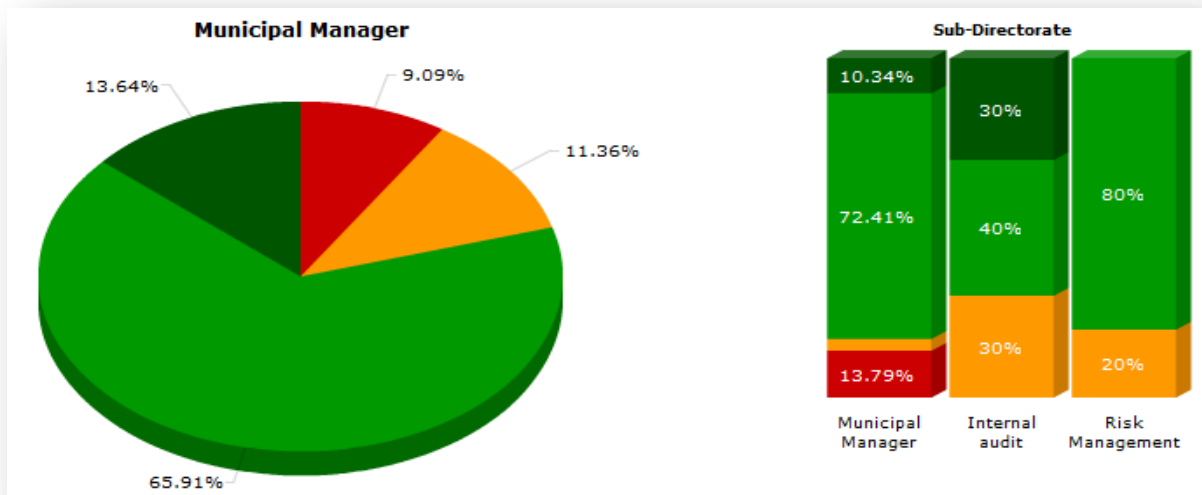
SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
		transparent and accountable way as well as to promote intergovernmental relations

Table 64.: Functional alignment – Municipal Manager

The following graph indicates the performance of the various sub-directorates within Municipal Manager directorate.



Graph 10.: Municipal Manager sub-directorate performance

Corporate Services consists of the following divisions:

- Director: Corporate Services
- System Administration
- Human Resources Management Services
- Administrative Support Services
- Communication
- Town Planning and Building Control

The Operational Key Performance Indicators for Corporate Services is aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

Chapter 3

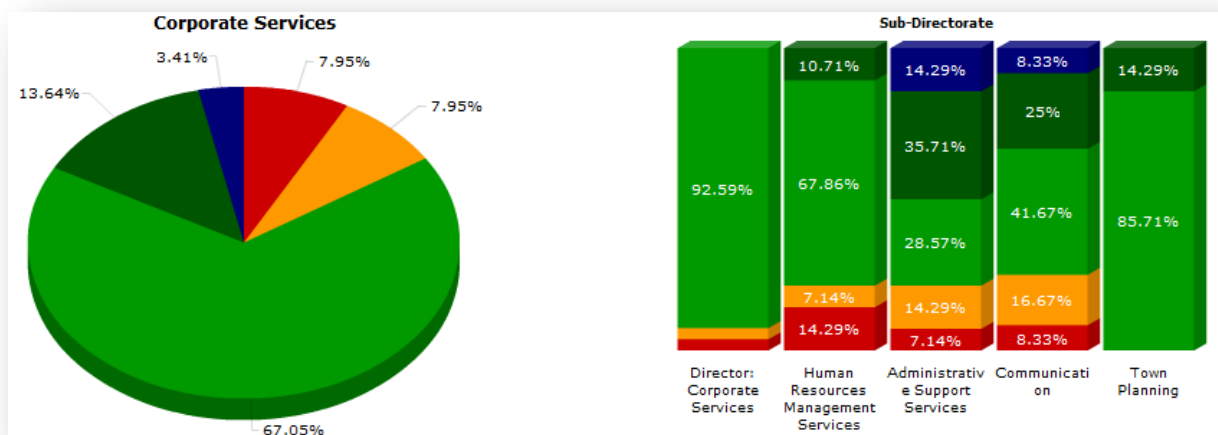
SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Municipal Transformation and Institutional Development	Institutional Transformation and Organisational Development	To implement internal policies, strategies and work procedures in an integrated manner
Municipal Financial Viability and Management	Financial Viability	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively
Good Governance and Public Participation	Human Development	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Good Governance and Public Participation	Good Governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Basic Service Delivery	Provision for Infrastructure for Basic Service Delivery	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality

Table 65.: Functional alignment – Corporate Services

The following graph indicates the performance of the various sub-directorates within Corporate Services directorate



Graph 11.: Corporate Services sub-directorate performance

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Financial Services consists of the following divisions:

- Director: Financial Services
- Expenditure
- Income
- Supply Chain Management (SCM)
- Information Technology (IT)

The Operational Key Performance Indicators for Financial Services is aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Municipal Financial Viability and Management	Financial Viability	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Institutional Transformation and Organisational Development	To implement internal policies, strategies and work procedures in an integrated manner
Good Governance and Public Participation	Good Governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Basic Service Delivery	Provision for Infrastructure for Basic Service Delivery	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality

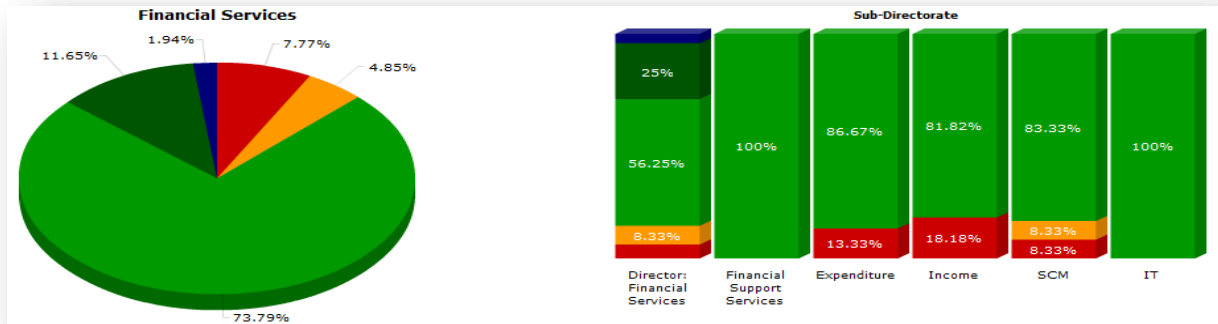
Table 66.: Functional alignment – Financial Services

The following graph indicates the performance of the various sub-directorates within Financial Services directorate.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)



Graph 12.: Financial Services sub-directorate performance

Community Services consists of the following divisions:

- Director: Community Services
- LED & IDP
- Human Development
- Libraries
- Protection Services
- Housing
- Public Services

The Operational Key Performance Indicators for Community Services is aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Municipal Financial Viability and Management	Financial Viability	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Institutional Transformation and Organisational Development	To implement internal policies, strategies and work procedures in an integrated manner
Basic Service Delivery	Provision for Infrastructure for Basic Service Delivery	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality
Good Governance and Public	Human Development	To provide an administration that

Chapter 3

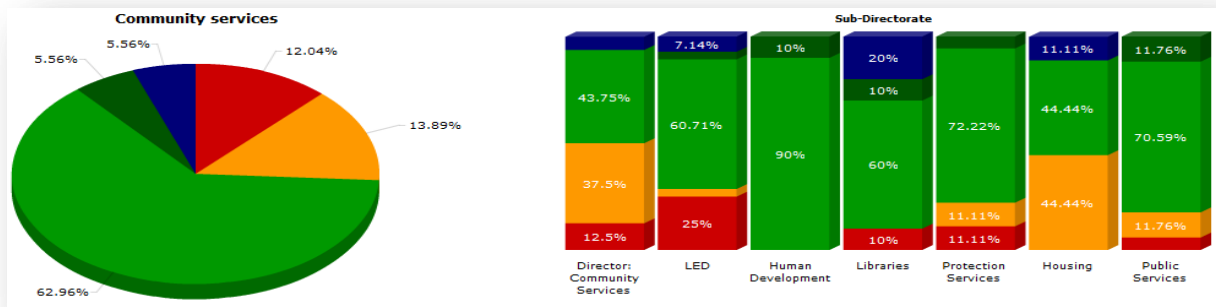
SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Participation		ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Local Economic Development	Economic Development	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy
Good Governance and Public Participation	Good Governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Basic Service Delivery	Human Development	To facilitate the holistic development of people and implement sustainable programmes to improve their livelihoods

Table 67.: Functional alignment – Community Services

The following graph indicates the performance of the various sub-directorates within Community Services directorate.



Graph 13.: Community Services sub-directorate performance

Technical Services consists of the following divisions:

- ➔ Director: Technical Services
- ➔ Streets and Storm water Services
- ➔ Water & Sewerage Distribution
- ➔ Solid Waste, Water and Sewerage Purification

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

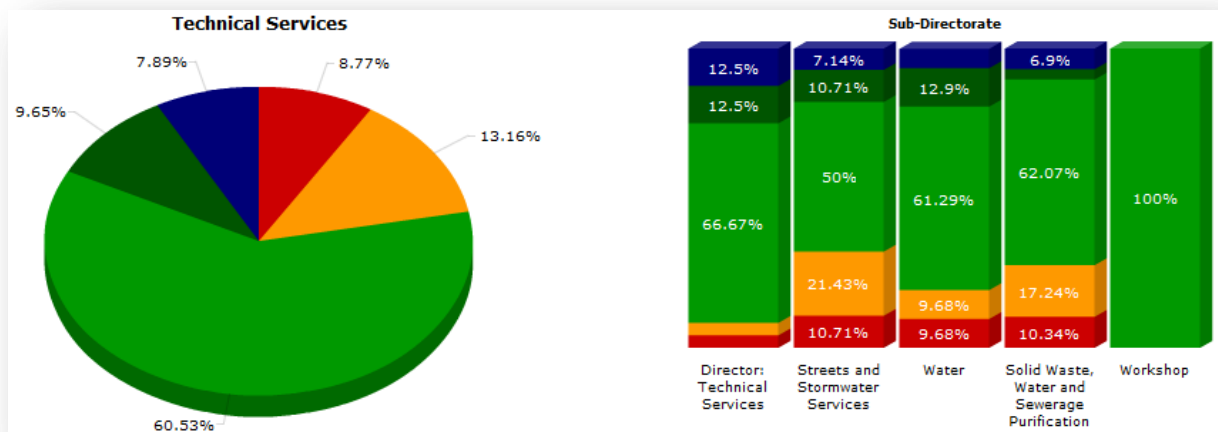
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The Operational Key Performance Indicators for Technical Services is aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Municipal Financial Viability and Management	Financial Viability	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Institutional Transformation and Organisational Development	To implement internal policies, strategies and work procedures in an integrated manner
Basic Service Delivery	Provision for Infrastructure for Basic Service Delivery	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality
Good Governance and Public Participation	Good Governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Local Economic Development	Economic Development	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy

Table 68.: Functional alignment – Technical Services

The following graph indicates the performance of the various sub-directorates within Technical Services directorate.



Graph 14.: Technical Services sub-directorate performance

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Electro Mechanical Services consists of the following divisions:

- Assistant Director: Electro Mechanical Services
- Electro Mechanical Services

The Operational Key Performance Indicators for Electro-Mechanical Services is aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Municipal Financial Viability and Management	Financial Viability	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that fin planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Institutional Transformation and Organisational Development	To implement internal policies, strategies and work procedures in an integrated manner
Basic Service Delivery	Provision for Infrastructure for Basic Service Delivery	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality
Good Governance and Public Participation	Good Governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations

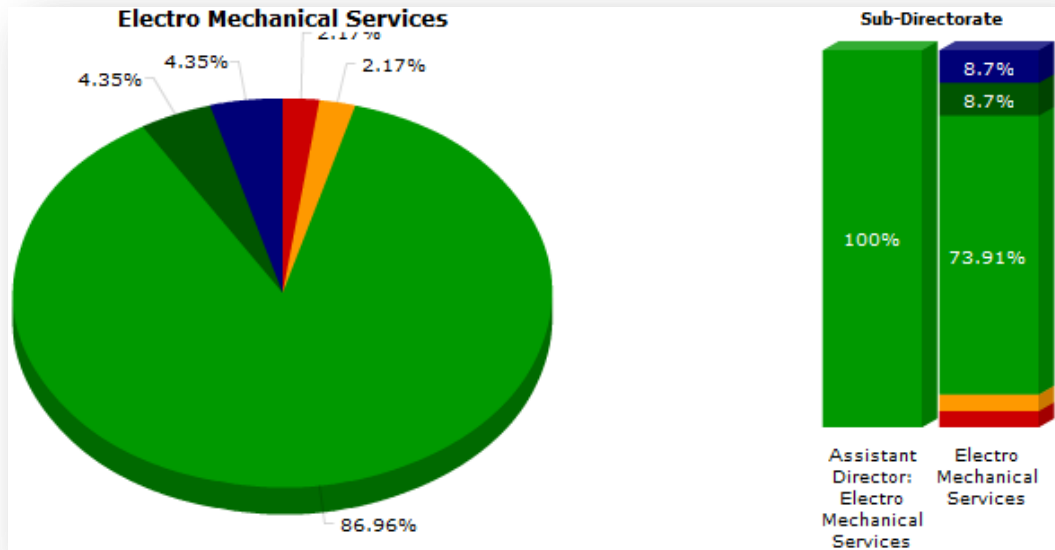
Table 69.: Functional alignment – Electro Mechanical Services

The following graph indicates the performance of the various sub-directorates within Electro Mechanical Services directorate

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)



Graph 15.: Electro Mechanical Services sub-directorate performance

3.8 OVERVIEW OF PERFORMANCE PER WARD

3.8.1 WARD 1: NAPIER, ELIM, HAASVLAKTE AND SURROUNDING FARMS

Capital Projects				
No.	Project Name and detail	Start Date	End Date	Total Value R'000
CP86	Appoint consultant for the construction of a 1 MI Reservoir Napier	01/10/2011	01/03/2012	1 500
CP75	Tar roads RDP housing	01/08/2011	30/06/2012	500
CP52	Replace transformer	01/03/2012	31/03/2012	400
CP55	Waste Water Treatment Works sprinklers Retied Napier	01/08/2011	30/06/2012	300
CP69	Prioritised projects according to the Storm water Master Plan	01/10/2011	Cancelled (funds channelled to other projects)	100
CP60	Reseal of roads	01/01/2012	30/05/2012	80

Note: The above analysis includes only the seven largest capital projects of the ward and the value as approved by Council in the budget.

Table 70.: Capital projects of Ward 1: Napier, Elim, Haasvlakte and surrounding farms

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The municipality currently does not keep records of households receiving basic services per Ward. However, the table below gives an indication of the detail of basic service delivery per town:

Basic Service Provisions					
Detail	Town	Water	Sanitation	Electricity	Refuse
Households with minimum service delivery	Bredasdorp	3 725	4 787	3 936	4 651
	Napier	1 205	1 223	1 273	1 379
	Struisbaai	2 221	2 118	1 668	2 412
	L'Agulhas	676	630	623	676
	Waenhuiskrans	561	620	260	551
	Protem	20	19	0	26
	Klipdale	22	22	0	27
	Suiderstrand	124	110	62	109
Households without minimum service delivery		0	0	184	0
Total Households*		8 554	9 529	8 006	9 831
<i>*Including informal settlements</i>					

Table 71.: Basic Service Provision per Area

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2011/12
1	Improved water storage capacity by channeling of water from reservoirs and dams to a bigger storage facility for irrigation purpose at Napier and the construction of a 2ML reservoir at Napier	The reservoir size was changed to 1ML and the initial phase (design, tender etc.) has been completed. Construction is scheduled for the 2012/13 financial year. The channeling of water is part of this project
2	Improve the gravel surface of Eskom, Krag and Swart streets as well as the tarring of Joseph, Hertzog and October streets in Napier	The improvement of Eskom Road is still in progress, and the tarring of Joseph and Hertzog Streets has been completed. The rest of the roads has not been done due insufficient funding
3	Developing of recreation facilities such as play parks, soccer fields and a bowls court, as well as putting up bus shelters at the facilities at Napier	The play parks have been completed. The soccer field was not approved and no funds were made available for the project. The community is again using the current facilities. The bowls court is in the process of rehabilitation and will be finalized in the next financial year. The bus shelter was already completed
4	Better electricity distribution by upgrading the electricity network in Napier	Various electricity lines and mini-substation upgraded

Table 72.: Top four service delivery priorities for Ward 1: Napier, Elim, Haasvlakte and surrounding farms

3.8.2 WARD 2: PART OF BREDASDORP, KLIPDALE, PROTEM AND SURROUNDING FARMS

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Capital Projects				
No.	Project Name and detail	Start Date	End Date	Total Value R'000
CP57	Reseal of roads	01/01/2012	30/05/2012	600
CP67	Rehabilitation of the Droë river	01/10/2011	Continuous project	300
CP51	Supply of electricity for informal housing	01/10/2011	Continuous project	200
CP18	Provision of a library Klipdale	01/10/2011	30/11/2011	150
CP39	Reseal netball court Klipdale	01/02/2012	30/10/2012	50

The above analysis includes only the largest capital projects of the ward and the value as approved by Council in the budget.

Table 73.: Capital projects of Ward 2: Part of Bredasdorp, Klipdale, Proteem and surrounding farms

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2011/12
1	Improved sport and recreation facilities by upgrading of existing tennis courts at the Park Street Sports Grounds in Bredasdorp	No funds were made available and the project was put on hold
2	Improved recreation facilities through the building of a swimming pool at Bredasdorp	No funds were made available and the project was put on hold
3	Improved facilities for health care patients by erecting a bus shelter with roof for patients at the Windmeul Square	The bus shelter has not been constructed due financial constraints
4	Putting up high mast lighting at the informal settlement and sports grounds at Klipdale	Capital project did not get off the ground

Table 74.: Top four service delivery priorities for Ward 2: Part of Bredasdorp, Klipdale, Proteem and surrounding farms

3.8.3 WARD 3: PART OF BREDASDORP (SELFBOU AREA, KLEINBEGIN, ZWELITSHA, KALKOONDE AREA, VOLSTRUISKAMP)

Capital Projects				
No.	Project Name and detail	Start Date	End Date	Total Value R'000
CP57	Reseal of roads	01/01/2012	30/05/2012	600
CP82	Replace water pipelines	01/01/2012	30/06/2012	300
CP50	Purchase of Mini-sub Church Street	01/08/2011	31/08/2011	200

The above analysis includes only the seven largest capital projects of the ward and the value as approved by Council in the budget.

Table 75.: Capital projects of Ward 3: Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
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Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

No.	Priority Name and Detail	Progress During 2011/12
1	Improved ablution facilities by completing the bathroom project at the sub-economic houses at Bredasdorp	Project finalized. This is also a continuous project
2	Effective refuse removal system through the placement of refuse containers at strategic places in Zwelitsha and Kleinbegin	A refuse container has been placed at Zwelitsha
3	Upgrading of the connection road from Fabrieks Road to Long Street	This project could not be executed due to financial constraints
4	Upgrading of sidewalks through the paving of the sidewalks in Fabrieks Road	The paving is currently still in progress

Table 76.: Top four service delivery priorities for Ward 3: Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.8.4 WARD 4: PART OF BREDASDORP

Capital Projects				
No.	Project Name and detail	Start Date	End Date	Total Value R'000
CP57	Reseal of roads	01/01/2012	30/05/2012	600
CP82	Replace water pipelines	01/01/2012	30/06/2012	300
CP70	Reseal of Church Street	01/09/2011	30/09/2012	300

The above analysis includes the largest capital projects of the ward and the value as approved by Council in the budget.

Table 77.: Capital projects of Ward 4: Part of Bredasdorp

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2011/12
1	Upgrading of streets and sidewalks in Bredasdorp as identified by the Ward Committee	Project was completed during the year under review
2	Upgrading of municipal houses in the Ward Bredasdorp	Upgrading was done in Swart Street
3	Replacement of damaged road signs and putting up of street names where required in Bredasdorp	This is an ongoing project
4	Speed calming mechanisms by putting up speed bumps in Bredasdorp	Construction of the speed bumps is still in progress

Table 78.: Top four service delivery priorities for Ward 4: Part of Bredasdorp

3.8.5 WARD 5: ANISTON, STRUISBAAI, L'AGULHAS, SUIDERSTRAND AND SURROUNDING FARMS

Capital Projects				
No.	Project Name and detail	Start Date	End Date	Total Value R'000
CP56	Waste Water Treatment Works Struisbaai and Sewerage Scheme	01/09/2011	30/6/2012	7 479
CP46	High voltage transformers Struisbaai	01/03/2012	31/03/2012	800
CP37	Extension of the Resorts	01/08/2011	31/5/2012	750
CP65	Complete prioritized projects according to the Storm water Master plan	01/10/2011	30/6/2012	600
CP85	Equip boreholes Struisbaai	01/01/2012	30/6/2012	500
CP92	Appoint consultant for the construction of the 1ML Reservoir Struisbaai	01/10/2011	1/3/2012	500
CP71	Retention dam	01/10/2011	Cancelled (funds channeled to other projects)	400

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Capital Projects				
No.	Project Name and detail	Start Date	End Date	Total Value R'000
<i>The above analysis includes only the seven largest capital projects of the ward and the value as approved by Council in the budget.</i>				

Table 79.: Capital projects of Ward 5: Aniston, Struisbaai, L'Agulhas, Suiderstrand and surrounding farms

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2011/12
1	Upgrading of infrastructure in Struisbaai by relocating and upgrading of the existing pump station	A new pump station was constructed near the tennis courts
2	Improved water storage capacity by constructing a 2ML reservoir in Struisbaai	The reservoir size was changed to 1ML and the initial phase (design, tender etc.) has been completed. Construction is scheduled for the 2012/13 financial year
3	Upgrading of roads through the completion of the Ring Road project at Kassiesbaai	Project is still in progress and will be completed as funds becomes available
4	Paving of the other portion of Kamp Street in Kassiesbaai	Project was not executed due to financial constraints

Table 80.: Top four service delivery priorities for Ward 5: Aniston, Struisbaai, L'Agulhas, Suiderstrand and surrounding farms

3.9 COMPONENT A: BASIC SERVICES

This component includes basic service delivery highlights and challenges, includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

3.9.1 WATER PROVISION

Water sources are mainly ground water from various boreholes in the area. Bredasdorp has, in addition to boreholes, also the Uitvlucht spring and the Sanddrift dam for water supply.

Year	Agriculture	Forestry	Industrial, Business and Domestic	Unaccountable water losses
2010/11	0	0	1 777 546 cubic meters	14.6%
2011/12	0	0	1 835 731 cubic meters	16.9%

Table 81.: Total use of water by sector (cubic meters)

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

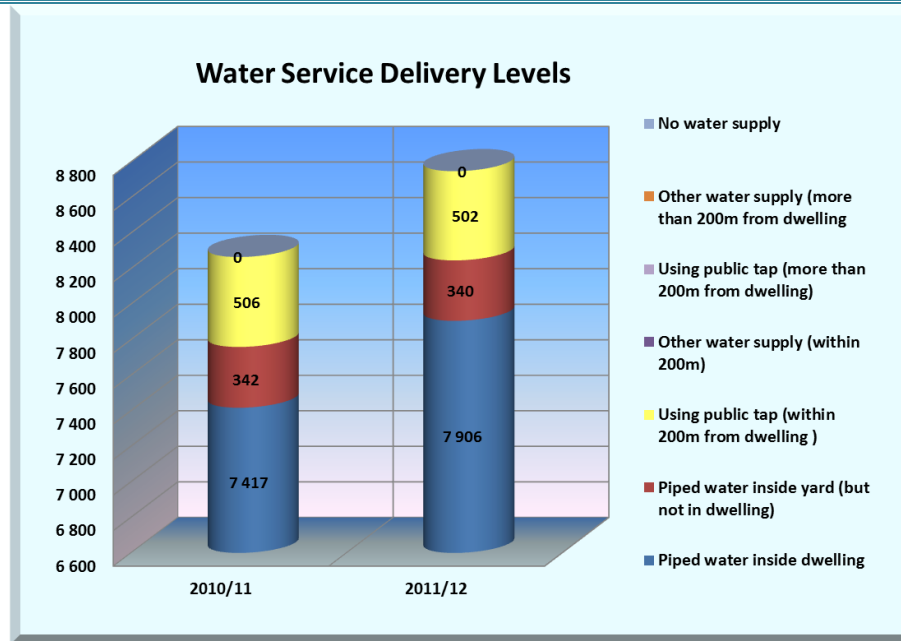
Water Service Delivery Levels Households		
Description	2010/11 Actual No.	2011/12 Actual No.
<u>Water: (above min level)</u>		
Piped water inside dwelling	7 417	7 906
Piped water inside yard (but not in dwelling)	342	340
Using public tap (within 200m from dwelling)	506	502
Other water supply (within 200m)	0	0
<i>Minimum Service Level and Above sub-total</i>	8 265	8 748
<i>Minimum Service Level and Above Percentage</i>	100	100
<u>Water: (below min level)</u>		
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
<i>Below Minimum Service Level sub-total</i>	0	0
<i>Below Minimum Service Level Percentage</i>	0	0
Total number of households*	8 265	8 748
<i>*Include informal settlements</i>		

Table 82.: Water service delivery levels: Households

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)



Graph 16.: Water Service Delivery Levels

Access to Water			
Financial year	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free
2010/11	N/A	100%	100%
2011/12	N/A	100%	100%

* Means access to 25 liters of potable water per day supplied within 200m of a household and with a minimum flow of 10 liters per minute
6,000 liters of potable water supplied per formal connection per month

Table 83.: Access to water

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL90	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Effective management of water provisioning systems to limit unaccounted water	% of water unaccounted for	All	New performance indicator for 2011/12. No comparatives available	10%	16%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL88	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Improvement of water purification system capacity with the completion of the approved capital projects	No of projects completed	All	New performance indicator for 2011/12. No comparatives available	5	9
TL89	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	New water connections to provide for potable water supply systems	No of new water connections per annum	All	100%	310	416
TL92	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Water assets is maintained in terms of the maintenance budget spent	% of maintenance budget of water spent	All	100%	100%	95%
TL91	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Excellent water quality measured by the quality of water as per blue drop and SANS 242 criteria	% water quality level	All	New performance indicator for 2011/12. No comparatives available	98%	86.64%
TL93	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Implementation of the Water Demand Management plan	No of water saving awareness initiatives	All	New performance indicator for 2011/12. No comparatives available	2	1

Table 84.: Service delivery indicators: Water services

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Employees: Water Services and Sanitation Services*					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	4	4	4	0	0
7 - 9	0	0	0	0	0
10 - 12	9	9	9	0	0
13 - 15	32	32	32	0	0
Total	46	46	46	0	0

Employees and Posts numbers are as at 30 June.
**These employees is also responsible for Waste Water (Sanitation)*

Table 85.: Employees: Water Services

Capital Expenditure 2011/12: Water Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4 130	1 995	2 007	1 453	1 995
Upgrading Sand Filters	420	420	310	110	420
Upgrading Chlorine System	30	30	26	4	30
Replace Midblock Waterline	300	301	301	(1)	301
Equip Boreholes SB	500	49	48	452	49
1 MI Reservoir NP (Prof Fees)	500	58	0	500	58
1 MI Reservoir SB (Prof Fees)	500	58	24	476	58
Bulk Water Meters	50	50	50	0	50
Chemical Store	190	180	137	53	180
Upgrading PH System	70	70	59	11	70
Generators	500	500	498	2	500

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

Table 86.: Capital Expenditure 2011/12: Water Services

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Regarding the two reservoirs at Napier and Struisbaai, the projects were moved to the 2012/13 financial year due to financial constraints and to make more use of MIG funding. Therefore, the projects were not executed as planned although the planning phase was started during the financial year under review. The sand filters at Bredasdorp purification works needs to be upgraded and maintained on a regular basis to ensure correct purification in terms of the standards. This was done during the year.

Due to the constant possibility of power outage, generators had to be purchased to ensure water provision during these periods and to limit risks in this regard. This was treated as a priority project and was completed during the year.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

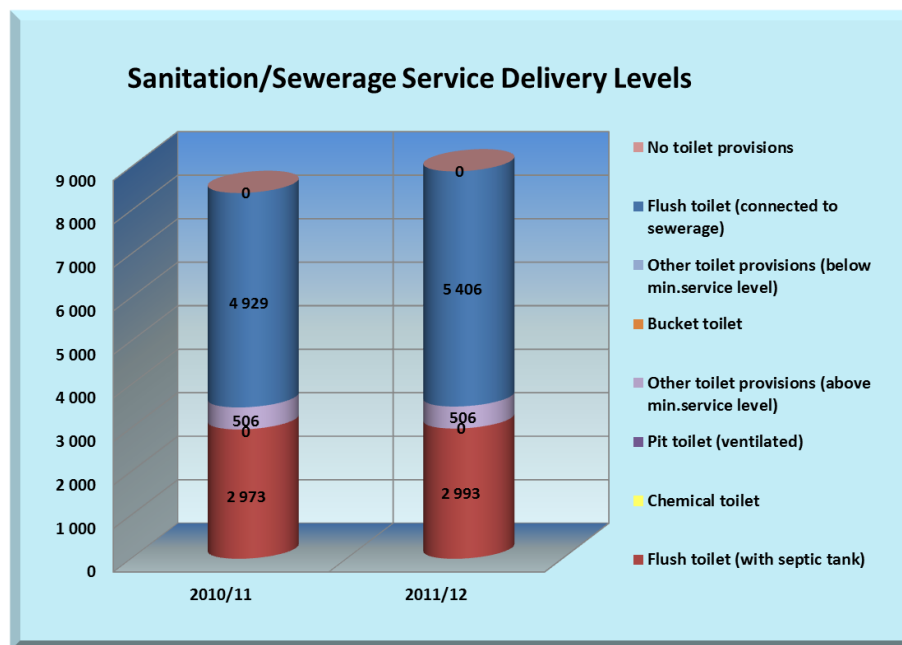
REPORT PART I)

3.9.2 WASTE WATER (SANITATION) PROVISION

Bredasdorp has a fully waterborne sewerage system in place while Napier, Waenhuiskrans and Struisbaai have a partially waterborne system to be extended in the coming years.

A sewer tanker service is available for the rural areas and towns / even without a waterborne system.

Various Waste Water Treatment Plants are operational throughout the area. Purified sewer water is used for irrigation of the public sports facilities in Bredasdorp.



Graph 17.: Sanitation Service Delivery Levels

Sanitation Service Delivery Levels		
Households		
Description	2010/11	2011/12
	Actual No.	Actual No.
Sanitation/sewerage: (above minimum level)		
Flush toilet (connected to sewerage)	4 929	5 406
Flush toilet (with septic tank)	2 973	2 993
Chemical toilet	0	0
Pit toilet (ventilated)	0	0

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Sanitation Service Delivery Levels Households		
Description	2010/11	2011/12
	Actual No.	Actual No.
Other toilet provisions (above minimum service level)	506	506
Minimum Service Level and Above sub-total	8 408	8 905
Minimum Service Level and Above Percentage	100	100
<u>Sanitation/sewerage:</u> (below minimum level)		
Bucket toilet	0	0
Other toilet provisions (below minimum service level)	0	0
No toilet provisions	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
Total households	8 408	8 905
<i>Including informal settlements</i>		

Table 87.: Sanitation service delivery levels

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL81	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Development of a maintenance schedule for sanitation systems	Schedule revised by June 2012	All	New performance indicator for 2011/12. No comparatives available	100%	0%
TL82	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of sanitation assets	% of maintenance budget of sanitation assets spent	All	100%	100%	99%
TL78	To improve the standard of basic service delivery in the entire	Stormwater assets is maintained in terms of the maintenance	% of maintenance budget of stormwater spent	All	100%	100%	98%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
	Cape Agulhas Municipality	budget spent					
TL79	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Quality of waste water discharge measured in terms of Green Drop criteria	% water quality level of waste water discharge	All	New performance indicator for 2011/12. No comparatives available	97%	61%

Table 88.: Service delivery indicators: Waste water/Sanitation services

Capital Expenditure 2011/12: Sanitation Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7 879	8 729	8 191	(588)	8 729
WWTW Irrigation Napier	300	300	140	160	300
Struisbaai Sewer Scheme	7 479	7 179	7 206	273	7179

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate).

Table 89.: Capital Expenditure 2011/12: Sanitation Services

The WWTW irrigation project was for the irrigation of the waste water as per the permit conditions and was completed during the year at much less cost than was originally estimated.

A new sewerage infrastructure to connect new and existing serviced systems Ocean View Heights and Langezandt developments as some areas were still making use of septic tanks and has been successfully completed during the year. This is phase 1 of the complete sewerage scheme of the Struisbaai and L'Agulhas areas

3.9.3 ELECTRICITY

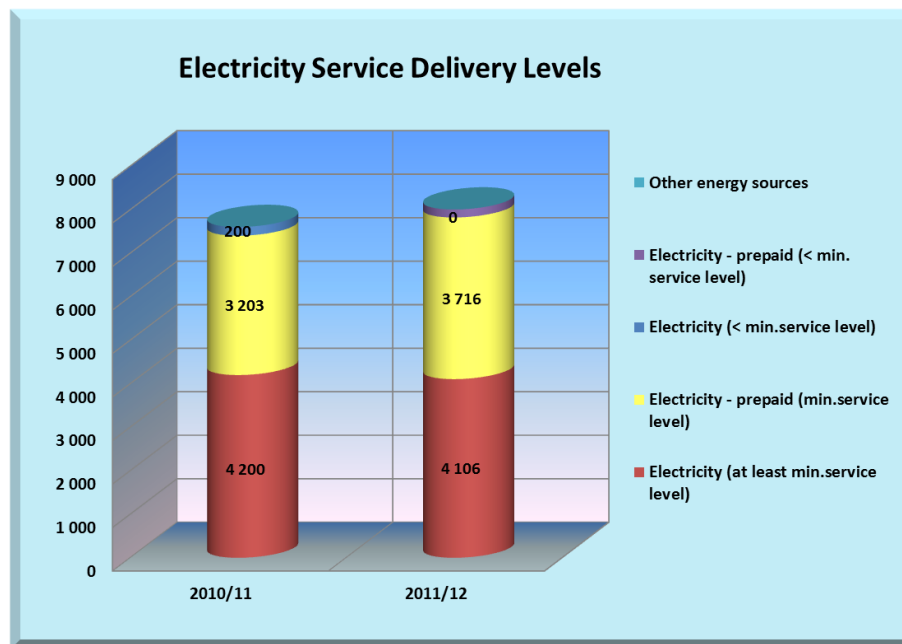
Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The electrical department provides electricity to all houses at a cost of R3 800. Council receives a subsidy of R7 300 per RDP house from the Department of Energy. Therefore, RDP houses get there connection for free.

Council budget R200 000 per annum to provide a connection, at no cost, to informal households that are not connected. All formal households have access to electricity. The only households without electricity are the RDP houses that were recently completed.



Graph 18.: Electricity service delivery levels

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Electricity Service Delivery Levels		
Households		
Description	2010/11 Actual No.	2011/12 Actual No.
Energy: (above minimum level)		
Electricity (at least minimum service level)	4 200	4 106
Electricity - prepaid (minimum service level)	3 203	3 716
Minimum Service Level and Above sub-total	7 403	7 822
Minimum Service Level and Above Percentage	97	98
Energy: (below minimum level)		
Electricity (< minimum service level)	200	0
Electricity - prepaid (< minimum service level)	0	184
Other energy sources	0	0
Below Minimum Service Level sub-total	200	184
Below Minimum Service Level Percentage	3	2
Total number of households	7 603	8 006

Table 90.: Electricity service delivery levels

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL100	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provisioning of street lightning	% of HH with street lights	All	100%	100%	100%
TL97	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Effective management of electricity provisioning systems	% of electricity unaccounted for	All	11%	10%	9.40%
TL99	To improve the standard of basic service	Electricity assets is maintained in terms of the	% of maintenance budget of electricity	All	100%	100%	98%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
	delivery in the entire Cape Agulhas Municipality	maintenance budget spent	spent					
TL96	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Electricity connections to provide electricity reticulation to low cost houses and urban plots in informal areas	No of connections	All	99.17%	310	416	
TL94	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Improvement of electricity distribution capacity with the completion of the approved projects in the capital budget	No of projects completed	All	New performance indicator for 2011/12. No comparatives available	5	8	
TL98	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Revision of maintenance plan for electricity assets	Plan revised by June 2012	All	New performance indicator for 2011/12. No comparatives available	100%	0%	
TL95	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Upgrading of the whole electricity network of the municipality with existing resources to better regulate electricity distribution during Eskom load shedding	% completion of identified projects	All	New performance indicator for 2011/12. No comparatives available	100%	100%	
TL9	To improve the standard of basic service	Provision of electricity that are connected to the national	No HH in formal areas that meet agreed service	All	100%	7,597.50	7,663.50	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
	delivery in the entire Cape Agulhas Municipality	grid to all formal areas	standards				
TL10	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of electricity that are connected to the national grid to all informal areas	Percentage of informal areas that meet agreed service standards	All	New performance indicator for 2011/12. No comparatives available	85%	98%

Table 91.: Service delivery indicators: Electricity

Employees: Electricity Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4 - 6	4	4	4	0	0
7 - 9	3	3	3	0	0
10 - 12	5	5	5	0	0
13 - 15	4	4	4	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	18	18	18	0	0

Employees and Posts numbers are as at 30 June.

Table 92.: Employees: Electricity services

Capital Expenditure 2011/12: Electricity Services					
R'000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Capital Expenditure 2011/12: Electricity Services					
R'000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 780	2 780	2 385	395	2 385
Replace 160 kVa transformers with 500kVa mini substations	800	732	732	68	732
Replace oil breakers with safer SF6 breakers	500	497	497	3	497
Replace Minisubstation De Bruyn Street Napier	400	284	284	116	289
Replaced overhead lines	500	412	412	88	412
<i>Total project value represents the estimated cost of the project on approval by council</i>					

Table 93.: Capital Expenditure 2011/12: Electricity Services

Replace 160 kVa transformers with 500kVa mini substations

The original design completed in 1985 provided for 1.5kVa per house. Currently all designs operate on 5kVa per house. Transformers had to be replaced to prevent overload of the transformers.

Replace oil breakers with safer SF6 breakers

The 11000V oil breakers currently in use were, where necessary, changed with much safer SF6 breakers.

Replace Mini-substation De Bruyn Street Napier

The mini substation in De Bruyn Street did not have a 11000V switch and was leaking oil. It was replaced with a new mini-substation with a 11000V switch.

Replaced overhead lines

Replaced old overhead lines with cable where necessary. Bundle conductors and open lines corrode very badly at the sea and need to be replaced to cut maintenance and down-time. Work was done internally by electrical personnel.

The table above exclude the electrification of 251 RDP houses from funds received from the Department of Energy.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

All projects and maintenance were completed with internal staff and no service providers were contracted in to complete the capital works or assist with maintenance.

3.9.4 WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

All households in the municipal area receive a refuse collection every week. In low costing areas the bags are carried out of the area to the nearest point of collection. Each household receive 60 black bags per annum.

Street cleaning takes place on a continuous basis throughout the year and EPWP projects are also part of this. The municipality have a two bag system for collecting waste. The separation of waste takes place at the source and EPWP projects and Recycle projects are used as job creation.



Cape Agulhas Municipality has one landfill (Bredasdorp) and three Drop-Off areas (Napier,

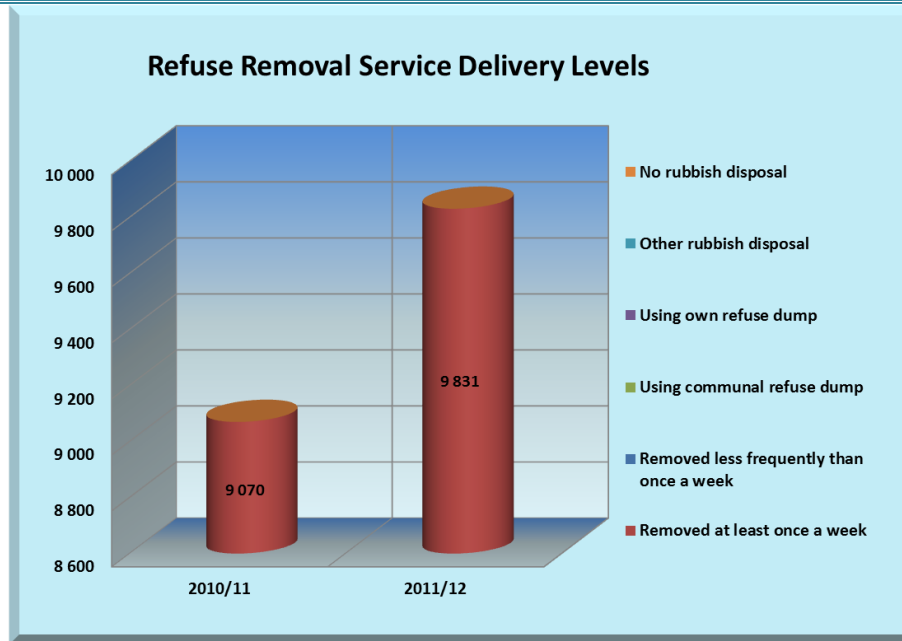
Waenhuiskrans and Struisbaai). The waste from the Drop-Off is collected and transported to Bredasdorp Landfil site. There is also a landfill site in Elim and is operated by the Elim "Opsienersraad". Both landfills have the required permits. However, the municipality need to apply for a permit for the Struisbaai Drop-Off and a closure permit for the old Agulhas Landfill. This landfill has not been in use since 1998.

Cape Agulhas Municipality is also looking at the recycle program and how it can help with jobcreation.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)



Graph 19.: Refuse Removal Service Delivery Levels

Solid Waste Service Delivery Levels		
Households		
Description	2010/11 Actual No.	2011/12 Actual No.
<u>Solid Waste Removal: (Minimum level)</u>		
Removed at least once a week	9 070	9 831
Minimum Service Level and Above sub-total	9 070	9 831
Minimum Service Level and Above percentage	100	100
<u>Solid Waste Removal: (Below minimum level)</u>		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level percentage	0	0
Total number of households	9 070	9 831

Table 94.: Solid Waste Service Delivery Levels

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL13	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of refuse removal, refuse dumps and solid waste disposal to all formal areas	No of formal HH for which refuse is removed at least once a week	All	New performance indicator for 2011/12. No comparatives available	8,283.50	8,645.75
TL14	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of refuse removal, refuse dumps and solid waste disposal to all informal areas	Percentage of informal HH for which refuse is removed at least once a week	All	New performance indicator for 2011/12. No comparatives available	95%	100%
TL84	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of refuse removal assets	% of maintenance budget of refuse removal spent	All	100%	100%	98%
TL83	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Improvement of refuse sites' capacity by the end of June	No of additional skips provided	All	New performance indicator for 2011/12. No comparatives available	3	2

Table 95.: Service delivery indicators: Solid waste management

Employees: Solid Waste Services					
Job Level	2010/11		2011/12		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	1	1	1	0	0
7 - 9	4	4	4	0	0
10 - 12	0	0	0	0	0

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Employees: Solid Waste Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
13 – 15	24	24	24	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
Total	30	30	30	0	0

Employees and Posts numbers are as at 30 June

Table 96.: *Employees: Solid Waste Services*

Capital Expenditure 2011/12: Solid Waste Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 060	1 060	9014	7 954	1 060
Refuse bins	30	30	28	2	30
2 * 4 ton Trucks	900	900	825	75	900
New 10 m3 skips	100	100	100	0	100
Emergency Funds	30	30	24	6	30

Total project value represents the estimated cost of the project on approval by Council

Table 97.: *Capital Expenditure 2011/12: Solid Waste Services*

The purchasing of trucks, the biggest project, was needed to replace old trucks in order to optimise service delivery. The tenders received were much lower than expected, therefore, the saving on expenditure. One of the reasons for the large expenditure on the trucks was that safety was part of the design specifications of the loading area.

The project for refuse bins is mainly to replace old bins, while the 10 m3 skips is needed to control illegal dumping which is a big problem in some areas and cost the municipality a lot of money to clean up.

3.9.5 HOUSING



Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Access to affordable housing and basic services is identified as one of the key priorities in the IDP of the Cape Agulhas Municipality (CAM). Shelter is a basic need. Housing must provide shelter, but this alone is not enough. Settlements should function as one whole workable system of integrated networks and hierarchical systems of interconnecting nodes. It is a key element in structuring the urban environment. The Council of Cape Agulhas focus on this sentiment, to ensure that liveable habitats are created to contribute to the improvement of the living conditions of the poor.



CAM hosted a Human Settlement workshop on 23 November 2011 to give inputs and to prepare the development of an integrated human settlement plan which looked at the following:

- It had to be needs orientated and respond to the specific housing development challenges of the Cape Agulhas Municipal Area
- The full integration and compliance with the development framework of the IDP
- Compliance with the development of the SDF
- To be in line with the Western Cape Human Settlement Plan, policies as well as national legislation and policy frameworks pertaining to housing in the RSA.

Chapter 5 of the IDP underlines Council's strategy to ensure that human settlements are integrated and sustainable, that housing backlogs are eliminated and that housing provision focuses on all income groups.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Households with access to basic housing			
Year	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2010/11	7 218	6 463	89.5%
2011/12	7 653	6 813	89.0%

Table 98.: Percentage of households with access to basic housing

The following table shows the increase in the number of people on the housing waiting list. There are currently approximately 3 855 housing units on the waiting list.

Financial year	No. of housing units on waiting list	% Housing waiting list increase/decrease
2010/11	3 752*	(9.7)*
2011/12	3 855	2.7

Table 99.: Housing waiting list

**Figures changed due to recalculation*



A total amount of R19.6 million was allocated to build houses during the financial year under review, but was supplemented by the province with a further amount of R11.7 million. A summary of houses built, includes:

Financial year	Allocation (R'000)	Amount spent (R'000)	% spent	Number of houses built	Number of sites serviced
2010/11	12 969*	12 850*	99.1*	0	251*
2011/12	31 308	31 259	99.8	325	184

Table 100.: Houses built in 2011/12

**Figures changed due to recalculation*

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL71	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Implementation of Integrated Human Settlement Strategy	No of houses built in Area D Bredasdorp	All	New performance indicator for 2011/12. No comparatives available	126	251
TL72	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Implementation of Integrated Human Settlement Strategy	No of urban plots provided with services in Area A Bredasdorp	All	New performance indicator for 2011/12. No comparatives available	184	184

Table 101.: Service delivery indicators: Housing

Employees: Housing Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	0	0	0	0	0
7 - 9	2	2	1	1	50
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	3	3	2	1	33

Employees and Posts numbers are as at 30 June.

Table 102.: Employees: Housing services

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Capital Expenditure 2011/12: Housing Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	31 237	31 309	31 259	0	51 791
Bredasdorp 184	7 883	7 883	7 883	0	17 135
Bredasdorp 251	23 354	23 426	23 376	0	23 376
<i>Total project value represents the estimated cost of the project on approval by Council</i>					

Table 103.: Capital Expenditure 2011/12: Housing Services

The municipality is on track with its housing roll out programme. Currently the two projects have been completed as planned and all houses have been handed over to beneficiaries.

3.9.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

The National Framework defines indigent as “lacking the necessities of life”. Cape Agulhas Municipality is responsible for indigents with respect to the following services:

- ➔ Water supply
- ➔ Sanitation
- ➔ Refuse
- ➔ Basic energy
- ➔ For each of these services there are a range of service levels which can be provided with the following categories typically being applied:
 - ➔ Basic service level which is required in order to maintain basic health and safety
 - ➔ Intermediate service level
 - ➔ Full service, the highest level of service that is traditionally applied in South African Municipalities

The table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than **R2 500** per month will receive the free basic services as prescribed by national policy. The table, furthermore, indicates the total number of indigent households and other households that received free basic services in the past two financial years:

Free Basic Services To Low Income Households	
Year	Number of households

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

	Total HH's	Households earning less than R2 500 per month							
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Access	%	Access	%	Access	%	Access	%
2010/11	7 441	2 119	28.5	2 119	28.5	2 515	33.8	2 119	28.5
2011/12	7 856	2 275	29.0	2 275	29.0	3 102	39.5	2 275	29.0

Table 104.: Free basic services to low income households

Financial Performance 2011/12: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2010/11	2011/12			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
	R'000	R'000	R'000	R'000	R'000
Water	2 220	2 477	0	2 621	144
Waste Water (Sanitation)	1 448	1 890	0	1 876	(14)
Electricity	778	875	0	862	(13)
Waste Management (Solid Waste)	1 698	2 133	0	2 117	(16)
Total	6 144	7 375	0	7 476	101

Table 105.: Financial Performance 2011/12: Cost to Municipality of Free Basic Services Delivered

Cape Agulhas Municipality support the indigents with the following services:

- ➔ 6kl free water
- ➔ 50kWh free electricity
- ➔ Full subsidy for water basic fee
- ➔ Full subsidy for refuse removal
- ➔ Full subsidy for sanitation.

The building of low cost houses in the Bredasdorp area resulted in the increase of the indigents in the municipality. Unemployment in the rural areas is a contributory factor in poverty.

Excluded in the table above are 168 indigents from Elim whose services were subsidised to the amount of R382 910 for the financial year. Elim provides their own services but, since they resort in the Cape Agulhas Municipal area the Council decided that all the residents must be treated the same.

Also not included in the table above are 804 inhabitants in the informal area which received free services for community sanitation, refuse and water. The informal houses which are connected to the electricity grid and qualifies for indigent support, received the 50kWh free basic service which is included in the table above.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

A portion of the equitable grant received from National Government is utilised to finance the expenditure regarding the free basic services provided by Council.

3.10 COMPONENT B: ROAD TRANSPORT

This component includes: roads and waste water (storm water drainage).

3.10.1 INTRODUCTION TO ROAD TRANSPORT

The Streets and Storm water Department is tasked with the construction and maintenance of all roads and storm water assets within the Cape Agulhas municipal area. Master plans to this effect (for roads and storm water for the whole area) were put in place to assist in planning and budgeting. These master plans are upgraded every 4 years.

3.10.2 ROADS

The strategy of the Streets and Storm water Department is to build not less than 1.5 km new roads annually in the Cape Agulhas municipal area in order to address the backlog and alleviate poverty through labour intensive construction methods.

In the 2011/12 financial year out almost all road and on a labour intensive sustainable work for the was done with support the Municipal Manager.



this department rolled sidewalks projects basis to create unemployed. This from Council and

The resealing budget was adjusted, in collaboration with the Finance Department, to enable this department to reseal 15.3 km of tar roads this year. This will result in a lessening of maintenance to the roads as well as an expansion of the life cycle of these roads.

The Streets and Storm water Department established an outstanding EPWP that complies with legislation and is topping the leader board in our district consisting of four municipalities.

This department also facilitated the establishment of a construction team that is undertaking large construction works in conjunction with professional consulting engineers. This resulted in the upliftment of local residents as employment was generated to the amount of R1.9m.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Gravel Road Infrastructure				
Kilometers				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2010/11	30.5	0	1.8	30.5
2011/12	28.3	2.9	2.2	28.3

Table 106.: Gravel road infrastructure

Tarred Road Infrastructure					
Kilometers					
Year	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2010/11	168.3	1.8	6.5	6	125
2011/12	170.5	2.2	0.6	15.3	170.5

Table 107.: Tarred road infrastructure

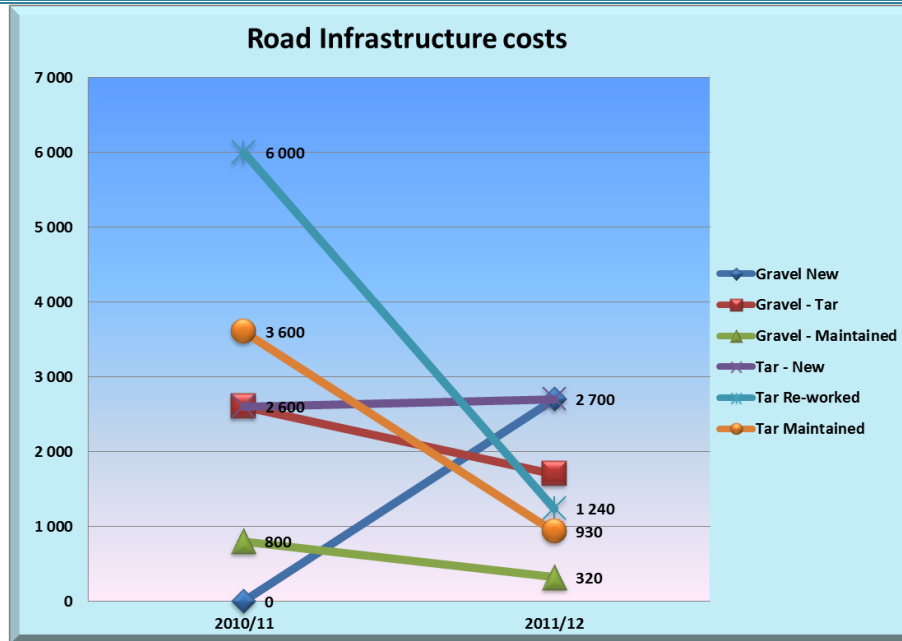
Cost of Construction/Maintenance						
R' 000						
Year	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2010/11	0	2 600	800	2 600	6 000	3 600
2011/12	2 700	1 700	320	2 700	1 240	930

Table 108.: Cost of construction/Maintenance

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)



Graph 20.: Road infrastructure costs

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL87	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Maintenance of municipal roads	Number of Km of tarred and gravel roads maintained	All	New performance indicator for 2011/12. No comparatives available	804	204
TL86	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Municipal roads is maintained measured by the km's of roads patched and resealed according to approved maintenance plan	Number of km of roads patched and resealed	All	New performance indicator for 2011/12. No comparatives available	7	15.3

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL85	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provide municipal roads with the completion of the approved capital projects	Number of projects completed	All	New performance indicator for 2011/12. No comparatives available	7	10

Table 109.: Service delivery indicators: Road transport

Employees: Roads and Storm water (one team for both sections)					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	3	3	3	0	0
7 - 9	0	0	0	0	0
10 - 12	8	8	8	0	0
13 - 15	18	18	18	0	0
Total	30	30	30	0	0

Employees and Posts numbers are as at 30 June.

Table 110.: Employees: Roads and Storm water

Capital Expenditure 2011/12: Roads					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4 715	4 315	4 161	1 034	4 315
Resealing of Streets (Bredasdorp, Napier, Struisbaai, L'Agulhas, Waenhuiskrans)	930	1 264	1 204	274	1 240
Rebuild Church Street BD	300	503	461	161	503
Roads RDP Housing NP	500	600	573	73	573
1 X 4-Ton Truck	350	326	323	27	350

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Capital Expenditure 2011/12: Roads					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Services relocation informal settlements SB	255	255	25	255	255
Paving WHK Streets	50	50	49	1	50
Rehabilitation Road to Suiderstrand	300	170	104	196	170
Pavements Main Road WHK	50	100	97	47	100
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table 111.: Capital Expenditure 2011/12: Roads

The Streets and Storm water Department's resealing programme achieved outstanding results with 15.3 km roads resealed in 3.5 months. This created work for 20 people for 4 months and wages to the amount of R160 000 (1600 man days at R100/day) were paid out towards otherwise unemployed persons. We are exceptionally proud of this achievement. The variance on the resealing budget was R260 000, but well spent.

80% of the total tarred road network in Cape Agulhas area is in good structural condition and only 2% are in a poor condition, indicating that the resealing programme is a good benefit to the municipality.

The Streets and Storm water Department also did labour intensive roads construction on the Napier RDP housing project, where gravel roads were upgraded to tarr roads. 25 People from the community benefitted over 6 months due to this project. More than 3000 man days with a labour only cost of R300 000 were generated. This was in accordance with the ILO (International Labour Organisation) making Cape Agulhas Municipality, as well as the EPWP unit, very proud.

Provincial government awarded R5m for the rehabilitation of Road 29 (Long Street, Bredasdorp) after an application was submitted and a presentation to province was done. The acceptance from provincial government for in-house construction is a first for the municipality. The project complied with OHS (Occupational Health & Safety) aspects, as well as quality standards and cost effective conditions as prescribed. The project was well executed by the officials and the construction team. The project was completed locally with consulting engineers from out of town.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.10.3 WASTE WATER (STORM WATER DRAINAGE)

Storm water drainage is still a major challenge due to the existing backlog and inadequate storm water systems. A master plan was drawn up to identify and prioritise the needs for capital budget purposes and focus areas.

All new roads are constructed with storm water drainage and the municipality aims to construct more than 500m of storm water pipes annually to address the backlog. This is achievable with an adequate budget allowance and support from Council.

In the 2011/12 financial year major storm water projects were undertaken to address backlogs, as well as alleviate poverty by job creation. Open channels were constructed in the Napier RDP housing project to the amount of R300 000.

Channels were constructed in informal settlements to channel storm water to the nearest pipe system. Continuous maintenance, funded from the maintenance budget, was done by cleaning up rivers and streams.

The table below shows the total kilometres of storm water maintained and upgraded as well as the kilometres of new storm water pipes installed:

Storm water Infrastructure				
Kilometers				
Year	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2010/11	70	5	1.5	15
2011/12	73	3	0.7	73

Table 112.: Storm water infrastructure

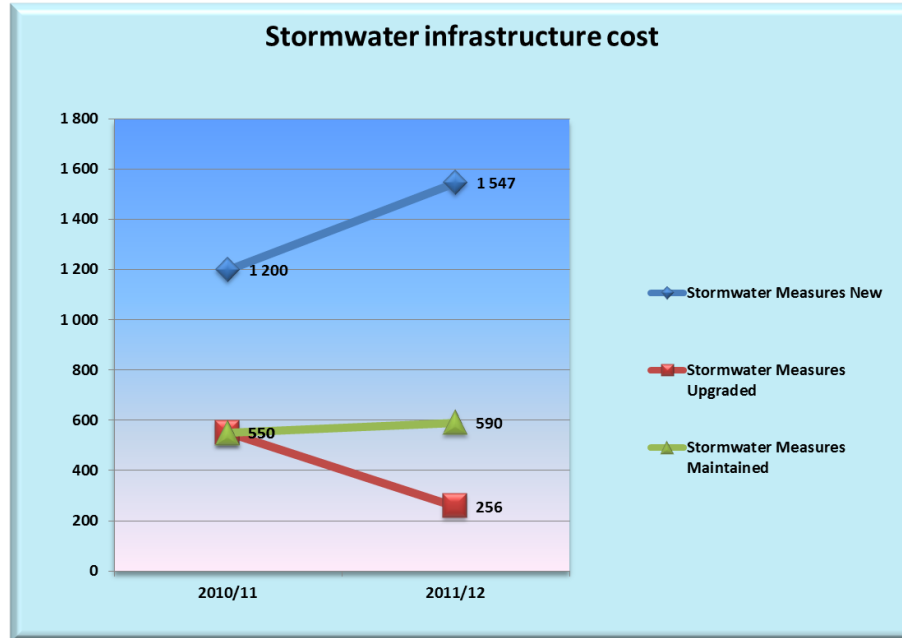
Storm water Infrastructure cost			
R' 000			
Year	Storm water Measures		
	New	Upgraded	Maintained
2010/11	1 200	550	550
2011/12	1 547	256	590

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Table 113.: Storm water infrastructure cost



Graph 21.: Storm water infrastructure costs

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL77	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provide storm water infrastructure with the completion of projects approved in the capital budget according to the storm water master plan in ward 5	% completion of approved projects	All	New performance indicator for 2011/12. No comparatives available	100%	100%
TL75	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of storm water management systems in built up areas to all formal HH	% of HH with	All	100%	100%	100%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL76	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Provision of storm water management systems in built up areas to all informal HH	% of HH with	All	97%	95%	95%
TL78	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Storm water assets is maintained in terms of the maintenance budget spent	% of maintenance budget of storm water spent	All	100%	100%	98%

Table 114.: Service delivery indicators: Storm water drainage

Capital Expenditure 2011/12: Storm water drainage					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 800	1 197	1 075	725	1 075
Storm water Wessel Street	600	445	375	225	375
Storm water L'Agulhas	400	452	443	(43)	443
Rehabilitation Droërvier BD	300	300	257	43	257
Storm water according to Master plan	100	0	0	100	0
Retention Pond	400	0	0	400	0

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

Table 115.: Capital Expenditure 2011/12: Storm water drainage

The Struisbaai/L'Agulhas area experienced a flash flood two years ago that resulted in emergency/priority work to be carried out. As a result storm water construction was undertaken in the 2011/12 budget, including the laying of 500m pipes and 1200m curbs and channels as well as the

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

construction of a retention pond. All these construction were done labour intensively benefitting the local community.

3.11 COMPONENT C: PLANNING AND LOCAL ECONOMIC DEVELOPMENT

3.11.1 INTRODUCTION TO PLANNING AND DEVELOPMENT

The Town Planning Department which includes Building Control falls under Corporate Services Directorate.

The functions of the Town Planning Department are as follows:

- Effective service delivery and networking with the public
- Receiving town planning applications
- Issuing zoning certificates, info, business licences
- Site inspections
- Dealing with complaints
- Application considerations
- Town planning and environmental workshops

The Functions of the Building Control Section are as follow:

- Effective service delivery and networking with the public
- Receiving building plans
- Building inspections
- Dealing with complaints
- Providing info to the public

Opportunities in the department are as follow:

- Green building
- Training
- Electronic plan system – filing of plans electronically
- Advertising policy
- Training of new employees
- Advertising, house shop and animal policies

Challenges can be summarized as follow:

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

- Website old – to be updated
- Advertising policy not in place
- Computers / Electronic plan system / building plan register
- Available data / illegal building work
- Not enough space in safe
- Funding
- CMA – coastal management plan not in place
- Animal policy not in place
- Computers / GIS system
- Co-operation between departments
- Knowledge and skills amongst new employees
- New directorate – understanding of systems

3.11.2 PLANNING

The general objectives of strategic planning include clarifying which models, processes and policies are desired and working towards that goal, coordinating public and private efforts, channelling energy, adopting to new circumstances and improving the living conditions of the citizens affected.

a) Achievements

- System works
- Legal requirements are adhered to
- Staff is knowledgeable
- Tasks are completed within time framework
- Good service delivery – complaints are dealt with immediately
- SDF approved – Systems Act
- Legal requirements and processes are adhered to
- Tasks are completed within time framework
- Good service delivery – complaints are dealt with immediately

b) Service delivery priorities

Service Delivery Priority	Impact During 2011/12	Measures To Improve Performance
CAM SDF - Approval of the BESP	Council approved the first SDF in	Follow-up with consultants to

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Service Delivery Priority	Impact During 2011/12	Measures To Improve Performance
CAM SDF (Council and Department of Environmental Affairs)	terms of the Systems Act and the BESP SDF to be approved in 2013 and Province 2014	complete the work and impact of amended Human Settlement Plan monitored.
Zoning Scheme - Approval of Scheme by Province	Updating of the scheme regulations and collecting of data in files. Province to approve during 2013	No funding to appoint consultants to work through files and do land use survey. Internal staff working in different departments assisting part-time.
SANS10400XA 204 Energy Efficiency - To implement the Act. To save energy and better energy use.	10 May 2012 Implemented. All building plans must comply	Building Control Section implementing XA – public is also assisted and informed of the new regulations.
Policies (Advertisement, Liquor, House Shop) - Policies to be implemented. Some policies to be approved as by-laws	Policies advertised for public input and comment.	Public to be informed of the policies and by-laws. Proper public participation process followed.

Table 116.: Service delivery priorities: Planning

c) Measures to improve performance

- Weekly meetings with staff.
- Workshops and training of staff in terms of new legislation and policies.
- Access to user-friendly data and equipment.
- Consider building plans within two weeks of submission.

d) Major efficiencies achieved

- Involved with the Overberg Planning Forum.
- Attending RTLC meetings.
- Representation on new XA regulations working group.
- Assisting public with building plans where they cannot afford architects.
- Assisting with completion of town planning application forms.
- Doing site visits and giving advice in terms of building work and land uses.
- Yearly bathroom projects – provide bathrooms for very sick and old people.
- Libraries in rural areas.
- Low cost housing projects.

Detail	Applications for Land Use Development		
	Formalisation of Townships	Rezoning	Built Environment

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
Planning application received	1	0	13	7	541	544
Determination made in year of receipt	1	0	13	7	344	378
Determination made in following year	0	0	0	0	0	197
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	0	197	166

Table 117.: Applications for Land Use Development

Employees: Planning					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4 - 6	2	2	2	0	0
7 - 9	2	2	2	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
Total	6	6	6	0	0

Employees and Posts numbers are as at 30 June

Table 118.: Employees: Planning

3.11.3 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

a) Introduction to Economic Development

HIGHLIGHTS: LED

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
Agriculture	One of the biggest producers of agricultural products in the country and the continent
Tourism	Remains a sought after tourism destination in the country.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Highlights	Description
Infrastructure	Development and maintenance of a good infrastructure, as well as the continuing availability of bulk basic services
Economy	The area has a strong entrepreneurial basis

Table 119.: LED Highlights

CHALLENGES: LED

The following challenges with regard to the implementation of the LED strategy are:

Description	Actions to address challenges
Unemployment	One of the biggest producers of agriculture products, but the commodities that are grown does not require labour intensiveness. The products need to be diversified to facilitate more job creation opportunities
Largely dependent on agriculture	Diversify the economy and facilitate bigger investment in the tourism & manufacturing sector. Utilise the fact that CAM is already a sought after tourism destination
Limited available natural sources	Marketing of the fynbos and wildflower species that grows in abundance in our area
Not situated on major national routes N2	The placement of sign boards on the N2 will direct people to the Most Southern Point of Africa. Development of a tourism route will culminate in a more vibrant tourism experience.
High skills shortages	Utilise the Skills Development Centre in Napier to develop skills that are required in the critical economic sectors of the area
Lack of tertiary training	A satellite campus of Boland College was set up in Bredasdorp by the Department of Education. Learnership courses by FET and SETA to a minimum of 100 students, focussing on the youth, will improve skills development.
Limited access for marginalized communities to enter the mainstream economic opportunities	Facilitate BBBEE through the procurement processes of the municipality. The capacity of emerging farmers can be improved by provision of agricultural land.
Spatial segregation of communities where marginalized communities are normally located away from central business districts	Put integration of communities as a high priority with the review of our Spatial development Framework

Table 120.: Challenges LED

a) LED Strategy

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The Local Economic Development (LED) strategy along with the LED process plan is completed, reviewed yearly and being implemented. The LED strategy is built around commitment to develop a climate in which economic development and economic growth can prosper and growth is shared.

The LED strategy identifies various issues and strategic areas for intervention such as:

Strategic areas	Description
Growing of the major economic sectors with comparative advantage	Unemployment and job creation present key challenges to Government and Cape Agulhas Municipality because it is only through equitable job creation that the problems of poverty and inequality can be addressed on a sustainable basis
Natural resource economics	The biodiversity of especially the Agulhas plain is another unique feature of this region, which can be utilised as a catalyst to stimulate the economic growth of the region. Properly managed eco-tourism holds great potential as an economic incentive for conservation, especially with regard to job creation
Construction	The construction sector performed quite well. The one factor that needs to be addressed is the skills shortages that exist in this sector
Trade promotion	Although the Cape Agulhas manufacturing sector plays a relatively large role on a district level, the sector is not really export-focussed
Enterprise development	Cape Agulhas already has a vibrant SMME sector, which is an important component of any regional economy because it employs local labour and increases the local buying power. Around the world, small businesses are a big part of the global economy
Increased economic participation	A major portion of entrepreneurs in Cape Agulhas still find it extremely difficult to enter the mainstream economy and the issue of Black Economic Empowerment is barely visible. The lack of business knowledge related to product development, marketing and management is still a huge limitation for communities and individuals to participate in the local economies
Youth Economic Empowerment	Out of the 26 474 people residing in the Cape Agulhas municipal area 38.8% falls under the youth category between 16– 35 years. This is also the category that suffers the worst socio-economic challenges in our communities such as the high rate of unemployment, abject poverty, substance abuse and more importantly a lack of access to business opportunities
EPWP job creation portal	The second phase of the Expanded Public Works Programme (EPWP) has recently been rolled out by the Department of Transport & Public Works with the strategic objective to create approximately two million fulltime equivalent (FTE) job opportunities countrywide
Safety and security	The lifeblood of a vibrant local economy is investment and if Cape Agulhas endeavours to be a haven for potential investors a collective effort needs to be exercised to ensure a safe & secure environment

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Strategic areas	Description
Sustainable development	Cape Agulhas Municipality has already pledged its support to the principles of sustainable development and illustrated its sensitivity towards the conservation of the environment
Institutional Capacity	The Council and management of Cape Agulhas Municipality are fully supportive of development and determined to increase capacity for economic development and other developmental objectives. A Local Economic Development (LED) unit was established recently, which provide adequate capacity to implement this LED strategy and give effect to the strategic objectives of the municipality in terms of LED
Skills development programs	The increasing number of the unemployed people in the area is either very low skilled or have experience of farm work where people have been evicted. These individuals are now forced to find alternative work but do not have the educational background or skills to find permanent employment

Table 121.: LED Strategic areas

The progress with regard to the implementation of the LED strategy can be summarized as follows:

Phase	Activities	Timeframes
Phase 1	Orientation of relevant officials and councillors in respect of the economic character of the region	Completed
	Conduct desktop research out of various source documents of economic development studies done of the area	Completed
	Compilation of economic profile of the municipal area	Completed
Phase 2	Determine the key economic drivers in the region	Completed
	Determine the respective growth sectors and the performance of growth	Completed
	Engagement with the sector specialist within those growth sectors	Completed
Phase 3	Identify the respective stakeholders to participate in the LED strategy development process (Government, Business, Organised Labour, Civil Society)	Completed
	Interactive workshops with relevant stakeholders to determine strategic development interventions	Completed
	Convert strategic interventions into sustainable project proposals	Completed
	Alignment of project proposals to policy frameworks such as SDF	Completed
	Interventions should also include rural development	Completed
Phase 4	Development of a strategic framework document	Completed
Phase 5	Target setting linked to Monitoring & Evaluation System (PMS)	Completed

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Table 122.: LED progress

The LED strategy identifies various issues and strategic areas for intervention such as:

Objectives	Strategies
To ensure that positive growth takes place in the local economy and create a conducive environment for businesses to sustain itself in a competitive arena	Agriculture: Improve its comparative advantage by applying more innovative farming methods and marketing strategies to improve its competitive edge
We want to grow our major economic sectors with comparative advantage	Tourism: drafting of a comprehensive integrated Tourism development plan for CAM
Job creation & Skills development	Roll out of Capital projects to conform with EPWP principles
Create a conducive environment for business	Business Retention & Expansion Strategy

Table 123.: LED Objectives and Strategies

Cape Agulhas's economy accounted for approximately 15.3% of the total regional economy of the Overberg District in 2011/12.

The table below identifies the economic activity within the different sectors:

Economic Activity by Sector		
R '000		
Sector	2010/11 (projected)	2011/12 (projected)
Agriculture, forestry and fishing	189 286	193 450
Mining and quarrying	50	51
Manufacturing	79 866	79 547
Electricity	36 784	37 998
Construction	51 164	55 769
Trade	166 969	168 138
Transport	77 175	79 336
Finance	282 318	302 363
Community and social services	159 757	162 792

Table 124.: Economic Activity by Sector

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The outlook for local job opportunities in Cape Agulhas remains the same as in the past. This can be attributed to the fact that the area is of the normal tourist routes e.g. the N2, as well as the limited opportunities for the establishment of industries. There is also a limited inflow of people further limiting availability of skilled labour.

With a limited budget for LED projects the table below identifies the detail of the various LED initiatives in the municipal area:

Description of project	No of man-days created	Total Investment R'000	Amount spent to date R'000	Performance Highlights
Hotagterklip B&B/Coffee shop	252 days	0	0	Due to difficulty of obtaining entrepreneurs to manage the project it became dormant.
Health Gro emerging farming project	756 days	40	40	Empowering of local women as emerging farmers to enter the main stream Agricultural economy
Sizabanthu Vegetables	444 days	10	10	Food security provided to people residing in the informal settlement of Zwelitsha. Empowering the beneficiaries as agricultural entrepreneurs
Southern Whales	135 days	0	0	Provides alternative economic opportunities for women entrepreneurs from fishing village of Kassiesbaai. Establish a sustainable economic empowerment initiative in the Arniston tourism industry.
Redistribution of commonage land to emerging farmers	432 days	0	0	Accelerate the transformation of the agriculture industry and facilitate land reform.
Establishment of the Cape Agulhas LED agency	122 days	64	64	Establish increased capacity to implement high impact catalyst LED projects. Innovative Telematic distance learning Centre.
Salga P3 initiative	0	4	4	Establish effective strategic partnerships with

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Description of project	No of man-days created	Total Investment R'000	Amount spent to date R'000	Performance Highlights
				stakeholders to facilitate economic development and create a conducive environment for business
Total	2 141	118	118	-

Table 125.: Jobs Created during 2011/12 by LED Initiatives (Excluding EPWP projects)

Job creation through EPWP* projects		
Year	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2011/12	136	1 061

Table 126.: Job creation through EPWP* projects

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL56	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Consider possible recycling initiatives that can be implemented in the future with all role players in the municipal area	Strategic session and report with initiatives for consideration completed by December 2011	All	New performance indicator for 2011/12. No comparatives available	100%	50%
TL53	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream	Empowerment of emerging farmers on commonage land of the council	No of farmers benefitting	All	New performance indicator for 2011/12. No comparatives available	20	36

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
	economy						
TL52	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Establishment of a functional LED agency in cooperation with the Industrial Development Corporation	LED agency established by December 2011	All	New performance indicator for 2011/12. No comparatives available	100%	0%
TL54	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Facilitate the optimal functioning of the Healthgro Women Empowerment project in Napier	No of women benefitting	1	New performance indicator for 2011/12. No comparatives available	11	11
TL55	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation	Host a tender workshop with the Department of Public Works and Transport to assist emerging entrepreneurs with tender processes and	Workshop hosted by December 2011	All	New performance indicator for 2011/12. No comparatives available	1	1

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
	amongst all sectors of society in the mainstream economy	procedures						
TL51	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Revise the Local Economic Development strategy	LED strategy reviewed by March 2012	All	100%	100%	0%	
TL57	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy	Value of contracts assigned to SMME's to enhance economic development	Value of contracts assigned	All	R 19,000,000	R 5,000,000	R 1,000,000	
TL19	To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation	The number of jobs created through municipality's local economic development initiatives including capital projects	Number of jobs opportunities created through EPWP	All	351	300	269	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
	amongst all sectors of society in the mainstream economy						
TL33	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	IDP reviewed and approved annually by the end of May	IDP approved by the end of May	All	100%	100%	100%

Table 127.: Service delivery indicators: Local Economic Development

Employees: Local Economic Development					
Job Level	2010/11		2011/12		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	1	1	1	0	0
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
Total	2	2	2	0	0

Employees and Posts numbers are as at 30 June.

Table 128.: Employees: Local Economic Development

The leading local economic sectors in the Cape Agulhas area are Agriculture and Tourism. The businesses assisted through LED were the Health-Gro Emerging Farming project by empowering local women as emerging farmers to enter the mainstream Agricultural economy. With funding from

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Department of Agriculture for infrastructure and funding from LED for operating expenditure, the project is in full operation, profitable, sustainable and will also be a tourist attraction due to the rare plant species growing in the area.

Retribution of commonage land to small emerging farmers is still in process and the total value of the approved projects is expected to be increased in future.

The establishment of the Cape Agulhas LED Agency will establish increased capacity to implement high impact catalyst LED projects. The rent of the building for the Agency, as well as the security system will be paid out of LED funds.

The SALGA/P3 initiative, together with the LED Department, will keep on establishing effective strategic partnership with stakeholders to facilitate economic development and create a conducive environment for business. The Business Retention and Expansion surveys will be a continuing initiative in future and will be funded by the LED Department

3.12 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.12.1 LIBRARIES



Cape Agulhas municipal library services consist of 8 libraries and the main library is in Bredasdorp. There is an additional library in Bredasdorp namely Welverdiend. Furthermore, we have facilities at Struisbaai, Waenhuiskrans, Napier, as well as Klipdale and Proteem in the rural areas.

We deliver a very important service to our community members, because in towns in the CAM region where people don't always have many recreational outlets, the library forms an essential part of people's daily or weekly schedule. Mostly school learners use the library.

There are also services to old age homes and service centres for the elderly, as well as assisting school libraries with their limited collections. The internet that is now available in 3 of these libraries is a highly efficient tool especially to those people who do not have the ability to afford their own personal computers and internet service.



Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The usage of such facilities is free and it gets paid by the provincial library services.

a) Highlights: Libraries

Highlights	Description
Library week	Every year the provincial library launches its national library week in March and a specific theme gets selected. This year the theme was "Get connected to your library" and the CAM libraries heartily participated in that. Learner groups visited the library and were educated in caring for their books and also how to use the library. At other libraries learners coloured in pictures that were exhibited in the library or props were made by them
Holiday programme	The holiday programmes during the school holidays are also a hit, because Punch and Judy shows were given, crafts were made, learners were taught the old games of yesteryear and stories were told.
Story telling	Informal storytelling takes place at most libraries
Visits by well-known writers	On occasion a writer will visit the library and present their work to the Reading circles. This year Bredasdorp was fortunate to have Helena Gunther.

Table 129.: Libraries Highlights

b) Service statistics for Libraries

Service statistics for libraries are highlighted in the table below:

Type of service	2010/11	2011/12
Library members	10 860	10 096
Books circulated	295 870	252 614
Exhibitions held	172	198
Internet users	16 000	18 400
New library service points or Wheelie Wagons	Waenhuiskrans new building	Klipdale, Protem
Children programmes	7	108
Visits by school groups	29	20
Book group meetings for adults	0	1
Primary and Secondary Book Education sessions	6	35

Table 130.: Service statistics for Libraries

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Employees: Libraries					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	2	2	2	0	0
7 - 9	0	0	0	0	0
10 - 12	9	9	9	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	12	12	12	0	0

Employees and Posts numbers are as at 30 June.

Table 131.: Employees: Libraries

The Klipdale Library was completed during the 2010/11 financial year and R27 000 was budgeted in 2011/12 for finalisation which was found not to be required. The funds were, therefore channelled to other smaller capital expenditure items.

The entrance lobby for the Waenhuiskrans Library was set as a priority project as the library would fill up with sand and water during adverse weather conditions. However, the project was not started as planned.

The back entrance to the Bredasdorp Library was open to the public and needed to be fenced off as a matter of urgency to prevent unauthorised entry to the library as well as use of the back of the library as ablution facilities.

3.12.2 CEMETERIES

a) Highlights: Cemeteries

Highlights	Description
Wall of Memories	The Wall of Memories at Bredasdorp was upgraded and expanded during the year
Expansion of cemeteries	The crematories at Bredasdorp and Napier was also expanded during the year

Table 132.: Cemeteries Highlights

b) Service statistics for Cemeteries

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Type of service	2010/11 No	2011/12 No
Pauper burials	1	2

Table 133.: Service stats for Cemeteries

Employees: Cemeteries					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts
There is only one team for the whole of Public Services which includes cemeteries. The detail of the employees are completed under the section "Sport and Recreation"					

Table 134.: Employees: Cemeteries

Capital Expenditure 2011/12: Cemeteries					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	30	-	30	-	30
Wall of Memories: Bredasdorp	30	-	30	-	30

Total project value represents the estimated cost of the project on approval by Council

Table 135.: Capital Expenditure 2011/12: Cemeteries

As can be seen in table above, there was only one project for cemeteries during the 2011/12 financial year. The Wall of Memories was upgraded in terms of the maintenance schedule and the expansion was necessary due to the increased need for space on the Wall.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.12.3 HUMAN DEVELOPMENT

a) Highlights: Human Development

Highlights	Description
Child Care	<ul style="list-style-type: none"> • Establishment of a committee for the Haasbekkie ECD Centre in Napier • Attended ECD forum meetings • Supported the local clinic with immunization and polio campaign
Elderly Care	<ul style="list-style-type: none"> • Quarterly forum meetings for the aged • Hosted an event on the rights of the elderly during the national day for the elderly
Social Programmes	<ul style="list-style-type: none"> • Established Nutrition centres in Arniston, Struisbaai, Napier and Bredasdorp • Established the Cape Agulhas Youth Council • Hosted the Youth day event • Hosted World Aids Day event in partnership with the Department of Health • Drafted a strategy for Human Development • Established a functional disability forum

Table 136.: Human Development Highlights



b) Challenges: Human Development

Description	Actions to address
Child Care, Aged, Social Programmes	The general challenge in the three focus areas is that there is no integration of programmes. Organisations and sector departments are still rolling out programmes/initiatives in silo's which result in unsustainable programmes. The impact of these initiatives cannot be determined. Integrated planning from sector departments, NGO's and local government should be implemented.

Table 137.: Human Development Challenges

c) Service Statistics for Human Development

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Human Development programmes		
Detail	2010/11	2011/12
Vegetables gardens established	1	9
Soup kitchens established or supported	4	4
Initiatives to increase awareness on child abuse	1 (16 days of activism)	1 (16 days of activism)
Youngsters educated and empowered	Youth conference established. Youth policy adopted by council	Established Cape Agulhas Youth Council Leadership Workshop for Youth Council members
Initiatives to increase awareness on disability	Disability framework adopted by council	Disability forum established
Initiatives to increase awareness on women	1 (16 days of activism)	Hosted Women's Day event 1 (16 days of activism)
Women empowered	16 days of activism	1 (16 days of activism)
Initiatives to increase awareness on HIV/AIDS	0	1 World Aids Day event
Initiatives to increase awareness on Early Childhood Development	Visits to ECD centres and Engagement meetings	Established a committee for the Haasbekkie ECD Centre
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	Drug awareness campaign with stakeholders	Drug awareness campaign with stakeholders
Special events hosted (World's Aids Day, World Arbor day, World Disability Day, Youth Day, 16 Days of activism against women abuse)	World AIDS DAY event initiated. 16 days of activism against women	The following events were hosted: National Day for the Aged Youth Day World AIDS DAY 16 days of activism against women

Table 138.: *Service statistics for Human Development programmes*

Employees: Human Development		
Job Level	2010/11	2011/12

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
Total	1	1	1	0	0

Employees and Posts numbers are as at 30 June.

Table 139.: *Employees: Child care, aged care, social programmes*

3.13 COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: air quality control; biodiversity and landscape; coastal protection.

3.13.1 INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental protection and management entails, *inter alia*, environmental impact management, ecosystems, sustainable development, environmental research, state of the environment, environmental education, environmental resource economics, and coastal zone management.

There is a need for mainstreaming climate change, specifically green economy and low carbon transition. You may ask why is the green economy so critical ?

The green economy has potential benefits for job creation and reducing poverty through projects aimed at reducing carbon emissions, such as energy efficiency and the Kyoto Protocol's Clean Development Mechanism, while still fulfilling our responsibilities on environmental stewardship and climate change.

The process can be summarized as an attempt by the South African government, and specifically the Cape Agulhas Municipality, to support and facilitate the establishment of a renewable-energy sector, resulting in an initial generation of some 3750 MW from wind, solar and biomass fuel sources.

Cape Agulhas Municipality's own proposed waste-to-energy project will feed energy into the electricity grid.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Never let it be said that anyone can tell the future, but this sector seems to be a possible rising star for the country, and is viewed by many participants as vital to our attempts to employ people. It is also positive for economic development.

The high initial capital costs attract those companies that have well-established records in the renewable space, and the financial institutions have developed innovative financing solutions to help with these costs. It can technically be argued that renewable energy is often at an economic, regulatory or institutional disadvantage relative to other forms of energy supply. It is our vision to overcome these barriers by the strength and alignment of the government, the financial institutions and the developers, who are showing commitment to working together.

The argument can be made that this sector will potentially carry the growth aspirations of South Africa on its shoulders. The green economy has real potential to bring a new growth impetus.

Developers are required to have established what the specific risks to their project are, and have a detailed mitigation plan in place. They also need sufficient expertise for commercial operation and to sustain the plant for the given contract period. The high initial capital costs require a well-established company and innovative financing solutions build on co-operation and a shared commitment to reduce the carbon footprint and combat climate change.

In Cape Agulhas we believe that the proposed waste-to-energy project of Ark Industries will do just that.

3.13.2 AIR QUALITY CONTROL

The National Environment Management: Air Quality Act, 2004 (Act No. 30 of 2004) was promulgated in 2004. Municipalities have a number of duties in terms of this legislation. Local municipalities must:

- Designate a municipal air quality officer;
- Develop an air quality plan (AQMP) for inclusion in the municipality's Integrated Development Plan; and
- Prepare an annual and progress report regarding the implementation of the AQMP and compliance with the plan.

The municipality has appointed an air quality officer during the financial year and training in this regard is expected to take place in the next financial year. A draft air pollution plan has since been developed but was not included in the IDP due to the plan still being in draft format.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

However, due to capacity and financial constraints and a proposal made by the Overberg District Municipality (ODM) which is still under discussion, this service is not yet fully operational.

3.13.3 BIO-DIVERSITY AND LANDSCAPE

Biodiversity refers to genes, species (animals and plants), eco-systems, and landscape and the ecological and evolutionary processes that allow these elements of biodiversity to exist.

The Department of Environmental Affairs and Tourism prepared the National Biodiversity Strategy and Action Plan (NBSAP) "...to develop a plan of action for the conservation and sustainable use of the country biological diversity". During the NBSAP preparation the National Biodiversity Implementation Plan identified objectives, outcomes, and activities required for the NBSAP to achieve its goals.

A major part of the municipality is covered by sensitive biodiversity and there is a need to have sensitive biodiversity areas mapped as well as clear and appropriate guidelines to guide their conservation.

The Critical Biodiversity Areas (CBA) of the Overberg District Municipality report was prepared in April 2010, and indicates the CBA's for the district. These include protected areas, critical biodiversity areas and ecological support areas. The report indicated that the southern part of the municipal area contains an important mosaic of CBA's, and the northern part, the Runes agricultural area, contains some Renosterveld remnants identified as CBA's.

Bioregional planning has gained increasing importance in recent years as a methodology for simply and effectively addressing the issue of land use management in regional planning and the municipality has developed a full Spatial Development Framework (SDF) report in this regard and which was amended and updated in March 2012. The purpose of this report is to describe the *status quo* analysis and conclusions of the SDF for the Cape Agulhas and Overberg District Management Area and will guide the municipality in its future development to ensure the conservation of biodiversity areas.

3.13.4 COASTAL PROTECTION

The Cape Agulhas coast has several large bays of which 43% are sandy beaches, 39% rocky and 18% wave cut rocky platform. A few of these beaches have been identified as susceptible to sea level rise due to climate change. The De Hoop Nature Reserve has about 50 km of protected coastline.

The Integrated Coastal Management programme (CMP) for the Western Cape in 2003 was prepared in terms of the Coastal Zone Management Bill and the Coastal Zone Policy. The objectives of the CMP

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

are to "...facilitate improved planning of coastal resources as well as allow for better targeted investment from government and non-government organisations to support sustainable coastal development".

Many parts of the Agulhas coastline are currently being eroded and poses a problem in already developed areas such as Struisbaai, especially around the Nostra beach area, and the Arniston swimming beach. Substantial funds will have to be invested to stop or slow down this erosion and the municipality is also currently in constant discussions with Cape Nature as many of the problems are below the high water mark which falls outside the jurisdiction of the municipality.

3.14 COMPONENT F: SECURITY AND SAFETY

This component includes: traffic and law enforcement; fire; and disaster management.

3.14.1 INTRODUCTION TO SECURITY & SAFETY

The Protection Services Division is committed to provide a high quality community-oriented service to meet the needs of a diverse community. The Division strives to constantly improve its standing within both the communities we serve and the profession.



STRATEGIC FOCUS AREAS

The vision, mission, objectives and functions of the Protection Services Division support the following strategic focus areas for the Cape Agulhas Municipality:

- ➔ Maintaining public order
- ➔ Protect and securing the inhabitants of Cape Agulhas Municipality and their property
- ➔ Combating specific crime generators
- ➔ Alleviation of traffic flow
- ➔ Facilitate the provision of affordable, safe and sustainable transport system
- ➔ Take action to reduce the effects of a disaster
- ➔ Take measures to reduce long-term risks associated with human activity or natural events

CORE FUNCTIONS

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Traffic Management, Security & Investigation, Training

- Traffic Control
- Escorting of VIP's and other dignitaries
- Escorting of Funerals
- Road, Cycle and Fun Races
- All traffic complains
- Attending of accidents
- Daily point duties at scholar patrols and traffic points
- Revenue collection
- Law Enforcement
- Dog complaints
- Painting of road markings and erection of road signs
- Visible Traffic Policing
- Protecting of Council's properties and its employees
- Announcements
- Hawkers Complaints
- Detection and combatting of crime
- To identify and prevent crime generators
- Law and order
- Traffic safety education



3.14.2 TRAFFIC SERVICES AND LAW ENFORCEMENT

a) Highlights: Traffic Services and Law Enforcement

Highlights	Description
Five (5) New Vehicles	The municipality bought five (5) new vehicles: Two(2) for Traffic , Two(2) for Law Enforcement and one (1) Road signage to enhance its service delivery and

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Highlights	Description
	execution of its mandate

Table 140.: Traffic Services and Law enforcement

Description	Actions to address
Manpower: To enforce a shift system	<p>Due to lack of manpower the following problems occur after hours and weekends:</p> <ul style="list-style-type: none"> • Drag racing • Speeding • Reckless driving • Disobey stop signs • Accidents • Drunken Driving, Un-roadworthy vehicles
Equipment	Bullet proof vests, firearms, dragger, pepper spray and handcuffs needs to be issued to all applicable staff

Table 141.: Traffic Services and Law Enforcement Challenges

Service statistics for Traffic Services and Law Enforcement are highlighted in the tables below:

Details		2010/11	2011/12
		Actual No.	Actual No.
1	Number of road traffic accidents during the year	417	393
2	Number of by-law infringements attended	449	322
3	Number of Traffic and Law Enforcement Officers in the field on an average day	6	6
4	Number of Traffic and Law Enforcement Officers on duty on an average day	10	10

Table 142.: Traffic Services and Law Enforcement Data

Type of service	2010/11	2011/12
Animals impounded	256	182
Motor vehicle licenses processed	13 545	17 073
Learner driver licenses processed and issued	5 247	3 185
Driver licenses processed	5 500	3 971
Driver licenses issued	2 528	2 378
Fines issued for traffic offenses	5 236	5 659

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Type of service	2010/11	2011/12
R-value of fines collected	655 611	750 944
Roadblocks held	62	62
Special Functions – Escorts	65	45
Awareness initiatives on public safety	22	23

Table 143.: Additional performance information for Traffic Services and Law Enforcement

Employees: Traffic Services and Law Enforcement (Protection services)					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	3	3	3	0	0
7 - 9	10	10	10	0	0
10 - 12	4	4	4	0	0
13 - 15	1	1	1	0	0
Total	19	19	10	0	0

Employees and Posts numbers are as at 30 June.

Table 144.: Employees: Traffic Services and Law Enforcement

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Capital Expenditure 2011/12: Traffic Services and Law Enforcement					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	800	670	452	218	452
Speed camera	300	200	90	110	90
Enforcement Vehicles	200	170	154	16	154
Fencing	300	300	208	92	208

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate).

Table 145.: Capital Expenditure 2011/12: Traffic Services and Law Enforcement

1. Speed enforcement was the priority – To bring down the speed of all vehicles to create a safe road environment to all road users in the Cape Agulhas Municipal Area. The under spent of the budget is due to the fact that the Camera number plate recognition software was not purchased.
2. Enforcement vehicles – To ensure effective, efficient traffic law enforcement operation by patrolling and monitoring the whole municipal area.
3. Enclosed yard with Fencing – To ensure that the testing of applicants for K53 continue without disruptions.

3.14.3 FIRE

Cape Agulhas Municipality renders a Fire Service by agreement with Overberg District Municipality and is employed for:

- ➔ Preventing the outbreak or spread of a fire
- ➔ Fighting or extinguishing a fire
- ➔ The protection of life or property against a fire or other threatening danger
- ➔ The rescue of life or property from a fire or other danger

Fire Service Data

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Details		2010/11	2011/12
		Actual No.	Actual No.
1	Total fires attended in the year	80	98
2	Total of other incidents attended in the year	75	94

Table 146.: Fire Service Data

3.14.4 DISASTER MANAGEMENT

The Cape Agulhas Municipal, Disaster Management Plan serves as a situational analysis of operating arrangements within the area, which will provide officials and other role players in disaster management, as well as communities, to effectively prevent disasters from occurring and to minimize the impact of hazards which cannot be avoided. The plan is currently in draft form and will be tabled for approval by Council in October 2012.

Disaster management is a continuous integrated and multi-sectored and disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery and rehabilitation. (Disaster Management Act. No. 57 of 2002)

Social Assistance Packets

When damage or loss occur the following social assistance packets are issued by the municipality:

- R1 000 voucher to buy food and clothing per household
- Each victim is issued with a blanket
- Clothing is also provided when the sizes is in stock
- Accommodation is provided when needed for a short term
- Food is provided for the victims during the emergency period and thereafter they are issued with a voucher
- Material as a starting kit is provided to rebuild their structure
- Temporary accommodation when needed

This assistance is available to anyone who needs to be assisted during an incident or damage.

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

TL73	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Disaster Management Plan reviewed by the end of June	Plan reviewed by the end of June	All	New performance indicator for 2011/12. No comparatives available	100%	90%	
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Table 147.: Service delivery indicators: Disaster Management

3.15 COMPONENT G: SPORT AND RECREATION

The municipal area currently has 16 parks with playground equipment as well as a community park in every ward. There are also sports fields and halls in every ward as well as camp sites at Bredasdorp, Arniston, Struisbaai and L'Agulhas. Provision for maintenance, upgrading and expansions are budgeted for annually in terms of maintenance plans, but is limited to available funds at the time.

a) Highlights: Sport and Recreation

Highlights	Description
Lighting	Lighting is of such quality that cricket games can be also be played at night
Provincial rugby	Sports facilities and complex are regularly used for Provincial rugby games

Table 148.: Sport and Recreation Highlights

b) Challenges: Sport and Recreation

Description	Actions to address
Funding	Limited funds are available to expand and continuously upgrade sports grounds and facilities
Sports grounds	Too few sports grounds to house various sports codes at the same time

Table 149.: Sport and Recreation Challenges

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

c) Service statistics for Sport and Recreation

Type of service	2010/11	2011/12
Community parks		
Number of parks with play park equipment	11	16
Number of wards with community parks	5	5
Camp sites/Resorts		
Number of visitors per annum	82 536	75 624
R-value collected from visitation and/or accommodation fees	R4 063 498	R3 878 917
Sport fields		
Number of wards with sport fields	5	5
Number of sport associations utilizing sport fields	18	20
Community halls		
Number of wards with community halls	5	5
Number of sport associations utilizing community halls	15	15
R-value collected from rental of sport halls	R66 978	R71 411

Table 150.: Additional performance information for Sport and Recreation

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL67	To improve the standard of basic service delivery in the entire Cape Agulhas Municipality	Municipal parks and recreational areas is provided to all HH measured by the no of HH with access to recreational areas	No of wards with access to recreational areas	All	New performance indicator for 2011/12. No comparatives available	5	5
TL74	To improve the standard of basic service delivery in	Provision of sport facilities	No of wards with access to sport facilities	All	New performance indicator for 2011/12. No compara-	5	5

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
	the entire Cape Agulhas Municipality				tives available		

Table 151.: Service delivery indicators: Sport and recreation

Employees: Sport and Recreation					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	1	1	1	0	0
4-6	0	0	0	0	0
7-9	5	5	5	0	0
10-12	12	12	12	0	0
13-15	31	31	31	0	0
Total	49	49	49	0	0

Employees and Posts numbers are as at 30 June.

Table 152.: Employees: Sport and Recreation

Capital Expenditure 2011/12: Sport and Recreation					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 253	1 253	1 149	104	1 253
Reseal Netball Course: Klipdale	50	50	65	(15)	65
Resorts: Upgrading	878	878	745	133	878
New Playgrounds	86	86	86	0	86
Ticket Office: Struisbaai Sports Grounds	50	50	49	1	50
Upgrading of Ablution: Coastal Towns	26	26	16	10	16

Total project value represents the estimated cost of the project on approval by Council

Table 153.: Capital Expenditure 2011/12: Sport and Recreation

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

There was only one major project for the 2011/12 financial year under review namely the expansion and upgrading of the resorts which is linked to a three year plan. This is considered a high priority due to the fact that the resorts have a direct impact on revenue generation and needs to be constantly upgraded in order to maintain the municipality's position in the tourism market.

3.16 COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: executive and council, financial services, human resource services, ICT services, property services.

3.16.1 EXECUTIVE AND COUNCIL

a) Highlights: Executive and Council

Highlights	Description
Successful establishment of ward committees	Cape Agulhas Municipality successfully established five ward committees; members received training and are fully functional
Unqualified financial audit	Unqualified financial audit from Auditor General for 13 years +
Political stability	Political stability with no service delivery protests
Effective oversight measures	Establishment of MPAC, Performance & Audit Committee, community feedback meetings and ward committees
Stimulating local economic development	Establishment of LED Agency, implementation of procurement policies and practices that support emerging business, support to emerging business projects that addresses the imbalances of the past
Implementation of EPWP projects	Successful implementation of EPWP principles on capital projects that are now provided internally
Housing implementation	Successful implementation of housing projects in Bredasdorp (435 units)
Catalyst project facilitation	Section 78 process completed for waste to energy green city model project as part of green economy

Table 154.: Executive and Council Highlights

b) Challenges: Executive and Council

Description	Actions to address
Ensuring cost effectiveness of basic services	Cost break down of services, conclude service level agreements with wards
Financial sustainability of municipality	Organisational restructuring
Financing bulk services	Accessing government funding

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Description	Actions to address
Addressing unemployment	EPWP projects and unlocking catalyst projects
Optimizing income sources	Strategic session to revisit optimization of potential income sources
Implementing green economy strategies	Raising awareness and implementing waste to energy project of Ark Industries
Housing accreditation	Submit accreditation business plan and adjust organogram accordingly
Improving work productivity	Organisational re-design; alignment of work procedures

Table 155.: Executive and Council Challenges

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
TL23	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Integrated development planning measured by the alignment of the municipal spending with IDP	The percentage of a municipality's capital budget spent on capital projects identified in the IDP	All	New performance indicator for 2011/12. No comparatives available	100%	100%	
TL36	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations	Strengthen the role of communities by facilitating ward based development plans	No of ward based development plans completed	All	New performance indicator for 2011/12. No comparatives available	2	0	
TL35	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental	The municipality listens and talks back to its people by ensuring that the IDP is endorsed by all wards	No of ward committees endorsing the IDP	All	100%	5	5	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
	relations							
TL27	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	The adjustment budget is approved by Council by the legislative deadline	Approval of Adjustments Budget before the end of February 2012	All	100%	100%	100%	
TL26	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	The main budget is approved by Council by the legislative deadline	Approval of Main Budget before the end of May 2012	All	100%	100%	100%	
TL28	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved within 28 days after the Main Budget has been approved	All	100%	100%	100%	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL24	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	All	5	4	21
TL25	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Effective functioning of the committee system measured by the number of committee meetings per committee per quarter	No of sec 79 committee meetings per committee per quarter	All	22	4	18
TL38	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Effective functioning of ward committees to ensure consistent and regular communication with residents	No of ward committee meetings per annum	All	0	4	51
TL44	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Functional performance audit committee measured by the number of meetings per annum	No of meetings held	All	1	4	4

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL39	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Initiatives in the anti-corruption policy is successfully implemented	Reviewed strategy by June 2012	All	New performance indicator for 2011/12. No comparatives available	100%	10%

Table 156.: Service delivery indicators: Executive and Council

Employees: Executive and Council					
Job Level	2010/11		2011/12		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	15	15	14	1	6.7
Total	15	15	14	1	6.7

Employees and Posts numbers are as at 30 June.

Table 157.: Employees: Executive and Council

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.16.2 FINANCIAL SERVICES

a) Highlights: Financial Services

Highlights	Description
Unqualified audit report	An unqualified audit report for 2010/2011
IT	Implement own technical support for all IT related matters
SCM	Develop new SCM policy which include the SCM system and processes
SOP'S	Standard operating procedures for SCM (Bid Committee, complaints and abuse)
Policies	Develop new PPPFA policy in line with new regulations
Policies	Develop and implement new land disposal policy
Payment level	Increase the payment level from 95% to 97%
Delegations	Issued finance delegations and draft SCM delegations

Table 158.: Financial Services Highlights

b) Challenges: Financial Services

Description	Actions to address
SCM	Need a purchaser to centralize quotations and purchases functions
Salaries	Only one staff member in the salary section and volume increase with new staff and EPWP program, therefore, appoint additional staff
Services	Only one staff member doing all billing of water, electricity, sanitation and refuse. Appoint additional staff

Table 159.: Financial Services Challenges

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	2010/11		2011/12			2012/13	
	Billed	Proportion of accounts value billed that were collected %	Billed	Actual for accounts billed	Proportion of accounts value billed that were collected %	Billed	Estimated Proportion of accounts billed that were collected %
Property Rates	28 568	95.0	32 433	32 554	97	34 477	98
Electricity - B	49 964	95.5	61 652	62 650	97	66 084	98
Water - B	13 293	95.0	15 243	15 355	97	16 408	98

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	2010/11		2011/12			2012/13	
	Billed	Proportion of accounts value billed that were collected %	Billed	Actual for accounts billed	Proportion of accounts value billed that were collected %	Billed	Estimated Proportion of accounts billed that were collected %
Sanitation	4 885	94.8	5 716	5 671	97	6 178	98
Refuse	8 285	95.9	9 202	9 328	97	9 914	98

Table 160.: Debt recovery

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL22	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	All	89.85%	2	3.74
TL20	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can	Financial viability measured in terms of the municipality's ability to meet its service debt obligations	Debt coverage (Total operating revenue-operating grants received)/debt service payments due within the year)	All	6.05%	8	8.26

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
	be executed effectively						
TL21	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	All	15.63%	6%	17%
TL60	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Updated indigent register for the provision of free basic services	Updated indigent register by July 2011	All	100%	100%	100%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
TL62	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Approved financial statements submitted by 31 August	Approved financial statements submitted	All	100%	100%	100%	
TL58	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Compliance with GRAP 16, 17 & 102 to ensure effective asset management	0 findings in the audit report on non-compliance	All	New performance indicator for 2011/12. No comparatives available	0	0	
TL65	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget	Compliance with the SCM Act measured by the limitation of successful appeals against the municipality	0 successful appeals	All	0	0	2	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
	linkages can be executed effectively							
TL59	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Improved revenue collection	% Debt recovery rate	All	91.89%	94%	97.90%	
TL63	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Improvement in capital conditional grant spending measured by the % spent	% of the grant spent	All	100%	100%	100%	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL64	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	Improvement in operational conditional grant spending measured by the % spent	% of the grant spent	All	100%	100%	98%
TL61	To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively	No of Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit	% of Root causes addressed	All	100%	80%	71%

Table 161.: Service delivery indicators: Financial Services

Employees: Financial Services					
Job Level	2010/11		2011/12		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4 - 6					
7 - 9	4	4	4	0	0

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Employees: Financial Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
10 – 12	10	10	10	0	0
13 – 15	2	2	2	0	0
16 – 18					
19 – 20					
Total	18	18	18	0	0

Employees and Posts numbers are as at 30 June.

Table 162.: *Employees: Financial services*

Capital Expenditure 2011/12: Financial Services					
R'000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	595	595	942	347	595
Computers & equipment	200	196	180	20	196
Furniture	25	25	17	8	25
Domain sever	370	370	360	10	370
Security gate	0	4	4	(4)	4

Total project value represents the estimated cost of the project on approval by Council

Table 163.: *Capital Expenditure 2011/12: Financial Services*

Computers and equipment were only used where a need developed in the municipality or if the current computers and equipment required replacement during the year. The variance is 10.03% which indicate that a high number of computers and equipment had to be replaced during the year.

The furniture in the finance department needs to be replaced on a regular basis and it is done only where needed, therefore the variance of 30.7%

A domain sever had to be installed in the IT section with the necessary software and the whole IT system has been upgraded. A security gate was installed at the credit control building for security purposes.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.16.3 HUMAN RESOURCE SERVICES

Human Resource Management Services was identified as one of the six critical posts in any municipality. Currently, at the Cape Agulhas Municipality, the functioning within HR involves recruitment and selection, labour relations, training and development, performance management, health and safety and all personnel administration with regard to all staff related matters. With limited staff capacity HR has provided critical information on time every time in order for the correct salaries to be paid even when it meant that HR staff had to work overtime, on Saturdays or public holidays to get crucial information ready. The HR staff is a highly skilled team with all of them having a post matric tertiary qualification. In order to improve performance within the section the HR staff is trained in the different key performance areas of the section and can, therefore, assist anyone if one of the relevant HR members is not available.

a) Highlights: Human Resources

Highlights	Description
Starting with the TASK process	A consultant was appointed to draft and update job descriptions for each employee in order to evaluate the post and implement TASK.

Table 164.: Human Resources Highlights

b) Challenges: Human Resources

Description	Actions to address
Electronic HR System to provide accurate and up to date information	Identified as a high risk area to make provision for in the adjustment budget
Capacity in terms of staff shortages as a result of vacancies, absenteeism due to illnesses of staff, spouses or children, maternity leave and extended leave periods	Request filling vacancies in the section

Table 165.: Human Resources Challenges

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL18	To implement internal policies, strategies and work	Targeted skills development measured by	% of the budget spent on implementation of the WSP	All	90%	1%	1%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
	procedures in an integrated manner	the implementation of the workplace skills plan						
TL42	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Institutional Performance management system in place and implemented up to level (No)	Implemented up to level 6	All	95%	6	15	
TL40	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Determine citizen satisfaction	No of wards with agreed service charters	All	New performance indicator for 2011/12. No comparatives available	5	0	
TL46	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Effective and up to date By-laws	No of By-laws revised annually	All	5	1	1	
TL37	To provide an administration that ensures public participation in a transparent and accountable way as well as to	Effective communication with communities	Reviewed communication policy by March 2012	All	New performance indicator for 2011/12. No comparatives available	100%	90%	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12		
						Target	Actual	
	promote inter-governmental relations							
TL48	To implement internal policies, strategies and work procedures in an integrated manner	Effective labour relations by facilitating regular LLF meetings per annum	No of meetings of the LLF per annum	All	10	6	8	
TL49	To implement internal policies, strategies and work procedures in an integrated manner	Revise identified HR policies by the end of June to ensure compliant and up to date HR policies	No of policies revised	All	5	3	3	
TL47	To implement internal policies, strategies and work procedures in an integrated manner	Creation of an effective institution with sustainable capacity	% Vacancy level as % of approved organogram	All	New performance indicator for 2011/12. No comparatives available	10%	33%	
TL50	To implement internal policies, strategies and work procedures in an integrated manner	Implementation of skills development plan with targeted skills development	No of personnel actually trained/ No of personnel identified for training (%)	All	New performance indicator for 2011/12. No comparatives available	90	193	

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	IDP Objective	KPI	Unit of Measurement	Wards	Actual 2010/11	Overall Performance 2011/12	
						Target	Actual
TL43	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	Annual report and oversight report of council submitted before the end of March 2012	Report submitted to Council	All	100%	100%	100%
TL41	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote inter-governmental relations	No of Section 57 performance agreements signed by the end of July	No of performance agreements signed	All	5	5	5

Table 166.: Service delivery indicators: Human Resources

Employees: Human Resource Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	3	3	2	1	33
4 – 6	2	2	2	0	0
Total	5	5	4	1	20

Employees and Posts numbers are as at 30 June.

Table 167.: Employees: Human Resource services

3.16.4 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Cape Agulhas Municipality (CAM) experiences a lot of challenges regarding lack of ICT systems at the beginning of the book year.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The main challenge that set the pace and backbone for a more secure controllable environment, was the implementation of a **Domain environment** which include the implementation of Active Directory, Microsoft Exchange (**E-mail**), Microsoft Lync and Microsoft Threat Management Gateway (TMG). With Active Directory the IT department has a global view of what is happening on the network and by applying group policies also have better control of what users can and cannot do as opposed to not having control of what users previously did on their workstations.

This Domain implementation and e-mail challenge was overcome by appointing Deon Ferrier & Associates. We achieved our goals by September 2011 and now have better control over user rights, security and accessibility to e-mail.

With this project at an end Cape Agulhas Municipality now acquired Microsoft Open Volume Subscription (OVS) Licensing which means that we always stay up to date with the latest Microsoft Software without the extreme Capital Layout on a yearly basis.

In the figure below, the reader can get an idea of where Cape Agulhas Municipality is currently regarding IT growth and towards what Cape Agulhas Municipality should strive in the future. At the beginning of the project Cape Agulhas Municipality was not even close to the basic step but after successful implementation we can at least find us at standard to rationalized step but should strive toward dynamic and beyond.

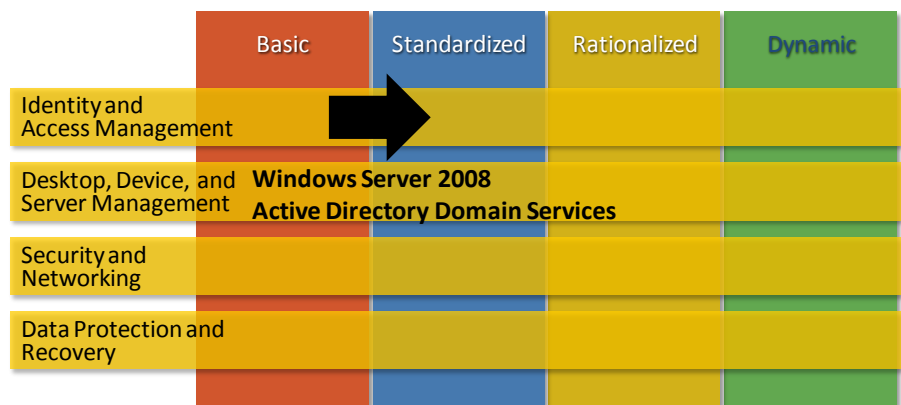


Figure 6.: IT Growth

The Implementation of Active Directory Windows 2008 and Microsoft Exchange allowed the IT Department to manage the entire work environment from a single location. With Microsoft Exchange 2010, Cape Agulhas Municipality now have a “proper” email, calendaring, and collaborating solution that enables them to work together.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

The Windows 2008 Active Directory allows for single sign-on onto PC/domain, email integration, as well as the document management system (Collaborator) integration. With Microsoft Lync server the Municipality now has the ability to inter branch communication (messaging, video – line speed permitting).

Cape Agulhas Municipality received more and more queries regarding availability of resellers of **Pre-Paid electricity**. We had challenges regarding the management of vendors and affordability of supplying more Point of Sales (POS) without losing control over money received. To overcome these challenges we appointed Syntell Networks as partner. This resulted in us moving from a 3 POS (not including our local offices), to 8 POS and also an internet site at which electricity can now be bought. The website now also address the vast amount of holiday homes that is situated within the borders of Cape Agulhas Municipality, which means that creditors with holiday homes and permanent residents can now buy electricity any time of the day and night once registered and can also get this service by using their cell phone.

a) Highlights: ICT Services

Highlights	Description
Pre-Paid electricity	Supply better accessibility for pre-paid electricity users
E-mails	Outlook Anywhere (OWA) and cost implications
Domain implementation	Implement Active Directory (AD) and security controls

Table 168.: ICT Service Highlights

b) Challenges: ICT Services

Description	Actions to address
VOIP	Appoint relevant Service Provider
VPN (Network)	Procure relevant software and services
Mail archiving	Procure relevant software and services
Accessibility of secure data off-site	Research relevant secure solutions

Table 169.: ICT Service Challenges

Employees: ICT Services		
Job Level	2010/11	2011/12

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
4 - 6	1	1	1	0	0
Total	1	1	1	0	0

Employees and Posts numbers are as at 30 June.

Table 170.: Employees: ICT Services

Capital Expenditure 2011/12: ICT Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 190	0	1 161	29	1 190
Domain Implementation and Microsoft Licensing	370	0	360	10	370
IT Network Upgrade	600	0	581	19	600
Disaster Recovery Site	220	0	220	0	220

Total project value represents the estimated cost of the project on approval by Council

Table 171.: Capital Expenditure 2011/12: ICT Services

c) Domain Implementation and Microsoft Licensing

Although there were a big initial cost implication in setting up and acquiring these software and services, Cape Agulhas Municipality has managed a remarkable saving of R70 000 per year on e-mails alone, with a further minimum saving of R30 000 per month on other services due to better management and control capabilities. The afore-mentioned measures have also resulted in credits of over R230 000 from Telkom SA Ltd and possible further savings in the near future as systems are implemented and researched.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

d) IT Network Upgrade

After extensive troubleshooting and continuous problem handling it came to light that the existing network of Cape Agulhas Municipality was no longer adequate to handle the strain put on it on a daily basis.

The network was updated about 8 years prior to the current upgrade and after that initial implementation, a lot of switches and wiring have been added without proper planning or management.

This big “Daisy chain” like network looked more like a ring topology than the Star topology initially implemented. We appointed a service provider with relevant experience and skills to assist us with the upgrade or, in this case, replacement of our existing network.

In the planning phase we looked at possible future developments and how we would like to address these possible developments to ensure that we do not end with a similar “Daisy chain” network in the near future.

Exelcom was appointed and the old network of 10/10 mbs was replaced with a 10/100 mbs backbone network. A network that offer a stable Gigabit backbone, fiber backbone, failover at each manageable stackable switch, which in its turn make way for future development.

This project, collaboration between the finance and electrical departments, not only make the network accessible for existing users but also for future new users.

e) Disaster Recovery Site

After implementation of the various IT Systems the next logical step in the process of reaching the proposed Dynamic level as in Figure 1, we have seen the need to ensure the availability and sustainability of these systems in the event of a disaster such as “Act of God”, data corruption, human error or vandalism e.g. fire, break-in and so forth.

The first phase was successfully completed by the end of the book year whereby we acquired all the relevant hardware and software needed to ensure that a successful backup solution can be implemented. In collaboration with our IT Service partner, we completed the initial phase of the disaster recovery site and should have the second and last phase completed by the end of August 2012. We foresee a further cost of R100 000 to R120 000 to complete this project.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

3.17 COMPONENT I: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2012/13

The main development and service delivery priorities for 2012/13 forms part of the Municipality's top layer SDBIP for 2012/13 and are indicated in the tables below:

3.17.1 DEVELOPMENT AND REGULAR MAINTENANCE OF BULK INFRASTRUCTURE SUCH AS ROADS, STORM WATER NETWORKS, POTABLE WATER NETWORKS, WASTE WATER TREATMENT PLANTS, LAND AND INTEGRATED HUMAN SETTLEMENTS

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL33	Review the Human Settlement Plan by the end of May 2013	Plan reviewed	All	1
TL76	Construct reservoirs to increase water storage capacity by the end of March 2013	Number of reservoirs	1; 5	2
TL109	Commission a study to investigate the extension of the landfill site	% completed	All	100%
TL77	Purchase Light Duty Vehicles for replacement of rental vehicles by the end of December 2012	Number of vehicles	All	2
TL78	Construction of a new Waste Water Treatment Works in Struisbaai by the end of June 2014	% of project completed	All	40%
TL79	Square meters of existing roads resealed in the financial year	Square meters resealed	5	19,390
TL72	Equip boreholes in Struisbaai to increase water sources by the end of December 2012	Number of projects	5	1
TL80	Square meters of pavements upgraded in the financial year	Square meters upgraded	1; 3; 5	2,667
TL81	Construction of lay buys in Bredasdorp as part of the implementation of the Integrated Transport Plan	Number of lay buys	3	1
TL82	Provide paved road for existing gravel roads in the financial year	Square meters paved	3; 5	750
TL83	Running meters of the Droërivier rehabilitated in the financial year	Number of running meters	3	750
TL84	Implement projects in terms of the Storm water Master Plan	Number of projects	1; 3; 5	3
TL85	Upgrade of the Fletcher Street storm	% completed	3	100%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
	water canal by the end of June 2013			
TL86	Square meters of the walkway from Struisbaai to L'Agulhas paved for the financial year	Square meters paved	5	1,500
TL87	Construction of a storm water detention pond in Struisbaai by the end of June 2013	Number of activities	5	3
TL88	Activities completed for the rehabilitation of the road to Suiderstrand by the end of June 2013	Number of activities	3	2
TL89	Replace redundant road division vehicles	Number of vehicles	All	2
TL90	Construction of speed bumps for traffic calming by the end of March 2013	Number of speed bumps	All	6
TL91	Complete Phase 2 of the Dirkie Uys Street upgrade by the end of June 2013	% completed	4	100%
TL92	Square meters of roads tarred for the RDP houses in Napier by the end of June 2013	Square meters tarred	1	1,949
TL93	Appointment of the consulting engineers, detail design of the system and completion of the Environmental Impact Assessment to plan for the provision of a storm water system in Struisbaai North according to the master plan	Number of planning activities completed	5	3
TL104	Replacement of existing pavement bins	Number of bins	All	30
TL105	Replacement of redundant solid waste service vehicles	Number of vehicles	All	2
TL106	Upgrade of drop off infrastructure	Number of drop off sites upgraded	5	1
TL107	Upgrade of pipelines of the Water Treatment Works network by the end of June 2013 to limit water losses	% completed	All	100%

Table 172.: *Service Delivery Priorities for 2012/13 – Development and regular maintenance of bulk infrastructure such as roads, storm water networks, potable water networks, waste water treatment plants, land and integrated human settlements*

3.17.2 ESTABLISHING A FUNCTIONAL MUNICIPALITY THAT CAN DELIVER ON THE IDP PRIORITIES, IMPLEMENT POLICIES THAT WILL FACILITATE TRANSFORMATION, EFFECTIVE STAFF STRUCTURE, GENERAL MANAGEMENT PRACTICES AND TRAINING

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL37	Processing of land use applications within 120 days after receipt of all outstanding and relevant information and documents	% Of applications evaluated	All	100%
TL38	Approval of building plans within 30 days for buildings less than 500m2 and 60 days for buildings larger than 500m2 after all information required is correctly submitted	% Approved	All	100%
TL39	Finalisation of the Zoning Schemes by the end of June 2013	% Completion & getting approval from Provincial Government	All	100%
TL40	Development of an Integrated Environmental plan by the end of March 2013	% Completed	All	100%
TL43	Review Workplace Skills Plan by the end of June 2013	% Completed	All	100%
TL44	Train personnel in terms of the Workplace Skills Plan	Number of personnel trained	All	300
TL45	Review the Employment Equity Plan by the end of September 2012	Plan reviewed	All	100%
TL42	Percentage of the total municipal budget spent on skills development	% of the budget spend	All	1%
TL41	Limit the vacancy rate to less than 25%	Less than 25%	All	25%

Table 173.: *Service Delivery Priorities for 2012/13 – Establishing a functional municipality that can deliver on the IDP priorities, implement policies that will facilitate transformation, effective staff structure, general management practices and training*

3.17.3 PROMOTE SERVICE EXCELLENCE AND A CORRUPTION FREE ENVIRONMENT

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL62	Develop a risk management strategy that include a risk management plan and submit to council for approval by end September 2012	% Completed	All	100%
TL63	Develop a Risk based audit plan and submit to the Audit Committee for approval by end September 2012	Plan approved by end September 2012	All	100%
TL64	Implementation of RBAP	% Implemented	All	80%
TL65	Complete the implementation plan to achieve Blue flag status for beaches	% Completed	All	100%
TL67	Implement anti-corruption awareness	Number of initiatives implemented	All	1

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
	initiatives			
TL68	Review the performance of the municipality to identify early warning signs and implement corrective measures	Number of performance reports submitted to council	All	4
TL66	Applications for funding, through the Green Fund, for the Greening initiatives for the urban renewal of the CBD, main arteries, pathways, parks and open spaces during the financial year	Number of applications processed	All	1

Table 174.: Service Delivery Priorities for 2012/13 – Promote service excellence and a corruption free environment

3.17.4 PROVISION OF QUALITY BASIC SERVICES SUCH AS WATER, ELECTRICITY, REFUSE REMOVAL AND SANITATION

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL34	Limit electrical losses to less than 15% for the financial year	% Of electricity unaccounted for	All	15%
TL35	Maintain the electricity distribution network for the financial year	Number of projects	All	3
TL36	Upgrade the electricity distribution network for the financial year	Number of projects	All	5
TL70	Commission a study to develop a practical water demand management strategy (document) by the end of February 2013	Strategy completed	All	1
TL108	Apply for permit for the drop offs	Number of permits	All	1
TL71	Annual revision of step water tariffs	Number of reviews	All	1
TL73	Desalination of ground water to improve water quality of Suiderstrand and Waenhuiskrans from Class 2 water to Class 1 by the end of March 2013	Number of projects	5	1
TL74	Limit unaccounted water	% of water unaccounted	All	15%
TL94	Arrange a workshop to identify a number of local entrepreneurs to take up the opportunities created through recycling and educate entrepreneurs	Number of workshops	All	1
TL75	Water awareness campaigns	Number of campaigns	All	1
TL95	Awareness programmes at Schools, institutions, communities as part of the implementation of the Waste	Number of awareness programmes	All	4

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
	Minimisation Strategy			
TL96	Cubes of solid waste recycled	Number of cubes recycled	All	30,000
TL97	Completion of an external audit of the landfill site	Number of audits	All	1
TL98	Ward clean-up programmes implemented, registered and reported on National Public Works Reporting Systems	% of budget spent	All	100%
TL99	Implementation of the approved Integrated Waste Management Plan	Number of priorities implemented	All	1
TL100	Quality of waste water discharge measured by the % waste water quality level	% water quality level of waste water discharge	All	97%
TL101	Water quality as per SANS 241 physical and micro parameters	% water quality level	All	95%
TL102	Apply for a permit for the Waste Water Treatment Works	Number of permits	1; 3; 5	3
TL103	Quarterly updated and monitoring of the blue drop compliance	Number of compliance results updated on DWA system	All	12

Table 175.: Service Delivery Priorities for 2012/13 – Provision of quality basic services such as water, electricity, refuse removal and sanitation

3.17.5 TO FACILITATE ECONOMIC DEVELOPMENT BY CREATING A CONDUCIVE ENVIRONMENT FOR BUSINESS DEVELOPMENT AND UNLOCK OPPORTUNITIES TO INCREASE PARTICIPATION AMONGST ALL SECTORS OF SOCIETY IN THE MAINSTREAM ECONOMY TO ULTIMATELY CREATE DECENT JOB OPPORTUNITIES

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL9	Review the LED Strategy by the end of September 2012	Strategy reviewed	All	1
TL10	Assist prospective businesses / persons with business plans and financing advice	Number of businesses / persons assisted	All	5
TL12	Facilitate the establishment of a CAM Economic Development Agency by the end of June 2013	Agency established	All	1
TL13	Implement SMME programmes to support entrepreneurs	Number of SMME's / entrepreneurs supported/mentored per month	All	6
TL14	Annual review and update of MOU with the Local Tourism agency by the end of July 2013	Signed MOU	All	1

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL15	Develop the CAM Tourism Strategic Plan by the end of November 2013	Plan developed	All	1
TL16	Implement rural development programmes	Number of programmes	All	5
TL69	Promote BEE and SMME development	% of municipal contacts awarded to SMME's	All	70%

Table 176.: Service Delivery Priorities for 2012/13 – To facilitate economic development by creating a conducive environment for business development and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy to ultimately create decent job opportunities

3.17.6 TO FACILITATE THE HOLISTIC DEVELOPMENT OF PEOPLE, EXPAND THE SAFETY NET FOR VULNERABLE GROUPS AND IMPLEMENT SUSTAINABLE PROGRAMMES TO IMPROVE THEIR LIVELIHOODS

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL1	Review the Integrated Human Development Strategy by the end of March 2013	Strategy reviewed	All	1
TL2	Implement projects in terms of the Integrated Human Development Plan by the end of June 2013	Number of projects	All	6
TL3	Conduct a port summit by the end of December 2013	Summit conducted	All	1
TL4	Develop a Sport Development Strategy by the end of March 2013	Strategy developed	All	1
TL5	Establish a local drug action team by the end of October 2013	Team established	All	1
TL6	Facilitate the registration process of NPO's by the end of June 2013	Number of registrations	All	1
TL7	Support the NPO's through workshops	Number of workshops	All	1
TL8	Finalise the Thusong community centre building plans by the end of September 2013	% finalised	All	100%
TL17	Establish 40 new plots at Waenhuis-krans main camp by the 15th of December 2012 (RDP houses - camp site B)	Number of plots established	5	40
TL18	Develop new play parks at Bredasdorp for the financial year	Number of projects	3; 4	2
TL22	Upgrade the library facilities for the financial year	Number of projects	1; 3	3

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL23	Upgrade the vehicle testing centre for the financial year	Number of projects	3	1
TL19	Complete Phase 1 to develop a new soccer field at Bredasdorp Sports grounds by the end of June 2013	% completed	4	100%
TL20	Upgrade Bredasdorp sport grounds with new combined soccer and rugby poles by the end of December 2012	% completed	4	100%
TL21	Upgrade the sports ground in Struisbaai North by the end of June 2013	% completed	5	100%
TL24	Replace traffic vehicles by the end of March 2013	Number of replacements	3	2
TL25	Sign MOU's to implement AARTO by the end of June 2013	Number of MOU's signed	All	1
TL26	Implement awareness campaigns of AARTO	Number of campaigns	All	1
TL27	Implement road safety awareness education to the community	Number of sessions	All	10
TL28	Collect at least 80% of fines issued for the financial year	% Of fines collected	All	80%
TL29	Conduct law enforcement initiatives to decrease incidents affecting traffic safety	Number of road blocks	All	24
TL30	Conduct joint operations to participate in annual Safely Home campaign	Number of joint operations	All	2
TL31	Annual review and submission of the Disaster Management Plan by the end of March 2013	Plan reviewed	All	100
TL32	Review the disaster preparedness and response and recovery plans	Number of plans developed/reviewed	All	3
TL57	Hold an indigent awareness campaigns by end September 2012	Number of campaigns held	All	1
TL58	Provide 6kl free basic water per month to all households	Number of HH receiving free basic water	All	7,500
TL59	Provide free basic sanitation to indigent households in terms of the equitable share requirements	Number of HH receiving free basic sanitation	All	2,200
TL60	Provide 50kwh free basic electricity per month per indigent household in terms of the equitable share requirements	Number of HH receiving free basic electricity	All	2,200
TL61	Provide free basic refuse removal to indigent households in terms of the	Number of HH receiving free basic	All	2,200

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
	equitable share requirements	refuse removal		

Table 177.: Service Delivery Priorities for 2012/13 – To facilitate the holistic development of people, expand the safety net for vulnerable groups and implement sustainable programmes to improve their livelihoods

3.17.7 TO IMPLEMENT SOUND FINANCIAL MANAGEMENT SYSTEMS & PROCEDURES THAT WILL ENSURE THE FINANCIAL VIABILITY OF CAPE AGULHAS MUNICIPALITY

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL51	Compile and submit the annual financial statements by end August 2012	% of target reached	All	100%
TL52	Achieve a debtors payment percentage of at least 94% by end June 2013	Payment %	All	94%
TL53	Maintain an unqualified audit opinion for the 2012/13 financial year	% achieved	All	100%
TL54	Develop Long Term Financial Strategy by end March 2013	% completion	All	100%
TL55	Complete a Supplementary Valuation Roll by end March 2013	% completed	All	100%
TL56	Upgrade identified municipal ITC hardware and software by end June 2013	Equipment bought and installed as per approved budget	All	100%

Table 178.: Service Delivery Priorities for 2012/13 – To implement sound financial management systems & procedures that will ensure the financial viability of Cape Agulhas Municipality

3.17.8 TO PROVIDE AN ADMINISTRATION THAT ENSURES PUBLIC PARTICIPATION IN A TRANSPARENT AND ACCOUNTABLE WAY AS WELL AS TO PROMOTE INTERGOVERNMENTAL RELATIONS

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL11	Implement an effective public participation process for LED and IDP processes	Number of public participation meetings held per ward	All	5
TL46	Revise communication strategy by the end of September 2012	% Completed	All	100%
TL47	Conducting of an annual customer survey by the end of March 2013	% Completed	All	100%
TL48	Development of a Language policy by	% Completed	All	100%

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE

REPORT PART I)

Ref	KPI	Unit of Measurement	Wards	Annual Target
	the end of September 2012			
TL49	Purchasing of a recording system for the Council Chambers by end of 30 September 2012	% Completed	All	100%
TL50	Revisit the Corporate Identity by the end of May 2013	% Completed	All	100%

Table 179.: Service Delivery Priorities for 2012/13 – To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations

3.18 SERVICE PROVIDER STRATEGIC PERFORMANCE

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. A service provider:

- ➔ means a person or institution or any combination of persons and institutions which provide to or for the benefit of the local community
- ➔ External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality
- ➔ Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

During the year under review the municipality did not appoint any service providers who provided municipal services to or for the benefit of the local community on behalf of the municipality and therefore this report contains no such details. All other contract appointments are regularly monitored and ensured, that the requirements of the contract is complied with.

**CHAPTER 4:
ORGANISATIONAL
DEVELOPMENT
PERFORMANCE
(PERFORMANCE
REPORT PART 11)**

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

4.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

KPA & INDICATORS	Municipal Achievement	
	2010/11	2011/12
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	15 of 27	1 of 1
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	96	114%

Table 180.: National KPIs– Municipal Transformation and Organisational Development

a) Performance Highlights – Municipal Transformation and Organisational Development

Highlight	Description
Staff training	All staff on the municipality underwent training during the year

Table 181.: Performance Highlights– Municipal Transformation and Organisational Development

b) Challenges – Municipal Transformation and Organisational Development

Challenge	Actions to address
Staff shortages and under capacitated departments	Prioritising of critical vacant posts and provision of adequate funding

Table 182.: Challenges – Municipal Transformation and Organisational Development

4.2 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Cape Agulhas Municipality currently employs **278** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.2.1 EMPLOYMENT EQUITY

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

a) Employment Equity Targets/Actual

African			Coloured			Indian			White		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
6	1	16.7%	2	0	0%	0	0	N/A	3	0	0%

Table 183.: 2011/12 EE targets/Actual by racial classification

Male			Female			Disability		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
4	0	0%	7	1	14.3%	3	0	0%

Table 184.: 2011/12 EE targets/actual by gender classification

b) Employment Equity vs. Population

Description	African	Coloured	Indian	White	Total
Population numbers	2 759	18 944	29	6 713	28 445
% Population	9.7	66.6	0.1	23.6	100
Number for positions filled	25	214	0	39	278
% for Positions filled	9	77	0%	14	100

Table 185.: EE population 2011/12

c) Occupational Categories - Race

Below is a table that indicates the number of employees by race within the specific occupational categories: **(including Councillors)**:

Occupational categories	Posts filled								Total
	Male				Female				
	A	C	I	W	A	C	I	W	
Legislators, senior officials and managers	2	9	0	12	2	4	0	1	30
Professionals	0	0	0	5	0	1	0	1	7
Technicians and associate professionals	0	6	0	1	0	1	0	0	8

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

Posts filled									
Occupational	Male				Female				Total
categories	A	C	I	W	A	C	I	W	
Clerks	1	8	0	2	2	26	0	9	48
Service and sales workers	1	17	0	2	0	6	0	6	32
Craft and related trades workers	1	18	0	1	0	0	0	0	20
Plant and machine operators and assemblers	3	24	0	2	0	0	0	0	29
Elementary occupations	12	68	0	0	3	30	0	0	113
Total permanent	20	150	0	25	7	68	0	17	287
Non- permanent	0	0	0	0	0	0	0	0	0
Grand total	20	150	0	25	7	68	0	17	287

Table 186.: Occupational Categories

d) Occupational Levels - Race

The table below categories the number of employees by race within the occupational levels (including Councillors):

Occupational	Male				Female				Total
Levels	A	C	I	W	A	C	I	W	
Top Management	1	3	0	3	1	1	0	0	9
Senior management	1	6	0	9	1	3	0	1	21
Professionally qualified and experienced specialists and mid-management	0	2	0	5	0	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	4	41	0	8	2	34	0	16	105
Semi-skilled and discretionary decision making	2	36	0	0	0	1	0	0	39
Unskilled and defined decisionmaking	12	62	0	0	3	29	0	0	106
Total permanent	20	150	0	25	7	68	0	17	287
Non-permanent employees	0	0	0	0	0	0	0	0	0
Grand total	20	150	0	25	7	68	0	17	287

Table 187.: Occupational Levels

e) Departments - Race

The following table categories the number of employees by race within the different departments:

Department	Male	Female	Total
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Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	0	2	0	0	0	1	0	1	4
Corporate Services	1	4	0	4	1	14	0	3	27
Financial Services	0	12	0	4	0	7	0	6	29
Community Services	5	36	0	5	4	30	0	6	86
Civil Engineering Services	12	82	0	3	1	15	0	1	114
Electro Mechanical Engineering Services	1	11	0	6	0	0	0	0	18
Total permanent	19	147	0	22	6	67	0	17	278
Non- permanent	0	0	0	0	0	0	0	0	0
Grand total	19	147	0	22	6	67	0	17	278

Table 188.: Department - Race

4.2.2 VACANCY RATE

The approved organogram for the municipality had **411** posts for the 2011/12 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. **133** Posts were vacant at the end of 2011/12, resulting in a vacancy rate of **32.4%**.

Below is a table that indicates the vacancies within the municipality:

PER POST LEVEL		
Post level	Filled	Vacant
MM & MSA section 57 & 56 (Top Management)	5	1
Senior Management	16	3
Professionally qualified and experienced specialists and middle management	7	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	105	79
Semi-skilled and discretionary decision making	39	11
Unskilled and defined decision making	106	35
Total	278	133
PER FUNCTIONAL LEVEL		
Functional area	Filled	Vacant
Office of the Municipal Manager	4	7
Corporate Services	27	27
Financial Services	29	13
Community Services	86	34
Civil Engineering Services	114	49

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

PER POST LEVEL		
Post level	Filled	Vacant
Electro Mechanical Engineering Services	18	3
Total	278	133

Table 189.: Vacancy rate per post and functional level

The table below indicates the number of staff per level expressed as total positions and current vacancies express as full time staff equivalents:

Salary Level	Number of current critical vacancies	Number total posts as per organogram	Vacancy job title	Vacancies (as a proportion of total posts per category)
Municipal Manager	0	1	N/A	0%
Chief Financial Officer	0	1	N/A	0%
Other Section 57 Managers	1	3	Director: Community Services	33%
Senior management	3	19	Internal Auditor; Manager, Risk Management; Manager; Financial Aid Services	16%
Highly skilled supervision	0	0	N/A	0%
Total	4	24	-	17%

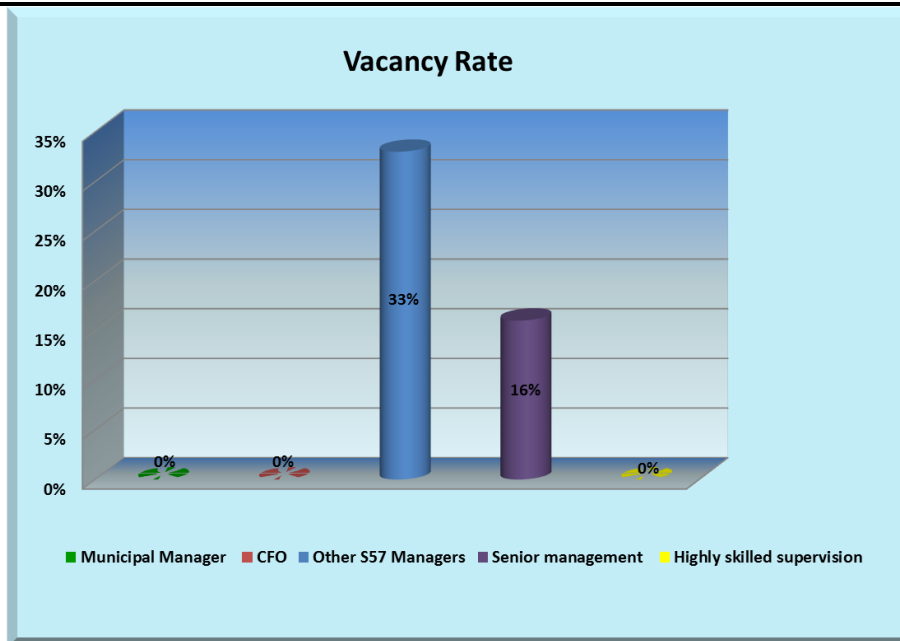
Table 190.: Vacancy rate per salary level

The following graph specify the vacancy rate as a percentage per salary level

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)



Graph 22.: Vacancy rate

4.2.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate shows an **increase** from **2.8%** in 2010/11 to **4.3%** in 2011/12.

The table below indicates the turn-over rate over the last two years:

Financial year	Total number of appointments at the end of each Financial Year	New appointments	Number of terminations during the year	Turn-over Rate
2010/11	284	11	8	2.8%
2011/12	278	13	12	4.3%

Table 191.: Turnover Rate

4.3 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analysing and coordinating employee behaviour.'

4.3.1 INJURIES

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows a slight increase for the 2011/12 financial year from **70** employees injured against 49 employees in the 2010/11 financial year. The main reasons for the injuries were back injuries.

The table below indicates the total number of injuries within the different directorates:

Directorates	2010/11	2011/12
Office of the Municipal Manager	0	0
Corporate Services	33	3
Financial Services	7	3
Community Services	2	18
Civil Engineering Services	6	31
Electro Mechanical Engineering Services	1	15
Total	49	70

Table 192.: Injuries

4.3.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of sick leave days taken during the 2011/12 financial year shows a **decrease** when comparing it with the 2010/11 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Department	2010/11	2011/12
Office of the Municipal Manager	114	20
Corporate Services	457	465
Financial Services	208	214
Community Services	585	684
Civil Engineering Services	1 088	846
Electro Mechanical Engineering Services	63	68
Total	2 515	2 297

Table 193.: Sick Leave

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

4.3.3 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved and that still needs to be developed:

Approved policies	
Name of policy	Date approved/ Revised
HIV/AIDS policy	November 2006
Recruitment and selection policy	October 2008
Sexual harassment	September 2006
Cell Phone	12 September 2005
Skills development plan	30 June 2011
Acting Allowance policy	24 July 2009 (reviewed)
Scarce skills policy	29 September 2010
Policies still to be developed	
Name of policy	Proposed date of approval
Employment Equity policy and Plan 2011-2016	October 2012
Internal Bursary Policy	To be determined
Performance Policy	To be determined
Healthy, Safety and Environmental Policy	To be determined

Table 194.: HR policies and plans

4.3.4 EMPLOYEE PERFORMANCE REWARDS

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to an employee, after -

- (1) the annual report for the financial year under review has been tabled and adopted by the municipal council;
- (2) an evaluation of performance in accordance with the provisions of regulation 23; and
- (3) approval of such evaluation by the municipal council as a reward for outstanding performance.

The evaluation of the performance of Section 57 managers forms the basis for rewarding outstanding performance.

The table below shows the total number of S57 that received performance rewards:

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees received performance rewards
African	Female	0	0	0
	Male	1	1	100
Asian	Female	0	0	0
	Male	0	0	0
Coloured	Female	0	0	0
	Male	3	3	100
White	Female	0	0	0
	Male	1	1	100
Disability	Female	0	0	0
	Male	0	0	0
Total		5	5	100

Table 195.: Performance Rewards

4.4 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, (Act No. 28 of 1999).

4.4.1 SKILLS MATRIX

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
MM and S57	Female	0	0
	Male	2	5
Legislators, senior officials and managers	Female	2	3
	Male	7	10
Associate professionals and Technicians	Female	0	0
	Male	1	13
Professionals	Female	2	6
	Male	0	8
Clerks	Female	14	7

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
	Male	7	31
Service and sales workers	Female	0	18
	Male	2	14
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and assemblers	Female	0	0
	Male	12	14
Elementary occupations	Female	29	48
	Male	61	79
Sub total	Female	47	82
	Male	92	174
Total		278	512

Table 196.: Skills Matrix

4.4.2 SKILLS DEVELOPMENT – TRAINING PROVIDED

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that, as Head of Administration, the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Training provided within the reporting period						
		Learnerships		Skills programmes & other short courses		Total		
		Actual	Target	Actual	Target	Actual	Target	% achieved
MM and S57	Female	0	0	0	0	0	0	0
	Male	2	2	3	0	5	2	250
Legislators, senior officials and managers	Female	1	1	2	1	3	2	150
	Male	3	3	7	4	10	7	143
Professionals	Female	1	1	5	1	6	2	300
	Male	0	0	8	0	8	0	800
Technicians and associate professionals	Female	0	0	0	0	0	0	0
	Male	1	1	12	0	13	1	1 300
Clerks	Female	0	0	7	14	7	14	(50)
	Male	0	0	31	7	31	7	443

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

Occupational categories	Gender	Training provided within the reporting period						
		Learnerships		Skills programmes & other short courses		Total		
		Actual	Target	Actual	Target	Actual	Target	% achieved
Service and sales workers	Female	0	0	18	0	18	0	1 800
	Male	0	0	14	2	14	2	700
Craft and related trade workers	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0	0	0
	Male	3	3	11	9	14	12	117
Elementary occupations	Female	0	0	48	29	48	29	166
	Male	0	0	79	61	79	61	130
Sub total	Female	2	2	80	45	82	47	174
	Male	9	9	165	83	174	92	189
Total		22	22	490	256	512	278	184

Table 197.: Skills Development

4.4.3 SKILLS DEVELOPMENT – BUDGET ALLOCATION

The table below indicates that a total amount of **R400 000** were allocated to the workplace skills plan and that **114%** of the total training budget was spend in the 2011/12 financial year:

Total personnel budget	Total Allocated	Total Spend	% Spend
R61 397 000	R400 000	R459 553.71	114

Table 198.: Budget allocated and spent for skills development

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

4.5 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.5.1 PERSONNEL EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the municipality is well within the national norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	%
2010/11	60 744	160 364	37.9
2011/12	64 907	191 376	33.9

Table 199.: Total Personnel Expenditure

Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2010/11		2011/12	
	Actual	Original Budget	Adjusted Budget	Actual
Councillors (Political Office Bearers plus Other)				
Salary	1 768	1 871	1 871	1 813
Pension Contributions	258	280	280	276
Medical Aid Contributions	13	13	13	1
Motor vehicle allowance	684	721	721	695
Cell phone allowance	134	139	139	134
Sub Total	2 857	3 024	3 024	2 919
% increase/ (decrease)	(9.6)	-	-	2.2
Senior Managers of the Municipality				
Basic Salaries and Wages	2 807	3 031	3 031	2 907
Pension Contributions	512	546	546	526
Medical Aid Contributions	128	130	130	133

Chapter 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

Financial year	2010/11	2011/12		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000
Motor vehicle allowance	398	296	296	398
Cell phone allowance	0	0	0	0
Housing allowance	0	0	0	0
Performance Bonus	436	510	510	479
Other benefits or allowances	123	95	95	117
Sub Total	4 404	4 608	4 608	4 560
% increase/ (decrease)	0.6	-	-	1.7
Other Municipal Staff				
Basic Salaries and Wages	40 242	40 700	43 484	42 580
Pension Contributions	4 855	5 794	5 717	5 165
Medical Aid Contributions	1 611	1 816	2 163	1 900
Motor vehicle allowance	2 625	2 797	3 277	3 156
Cell phone allowance	0	0	0	0
Housing allowance	353	386	375	375
Overtime	1 937	1 862	2 146	2 044
Performance Bonus	0	0	0	0
Other benefits or allowances	1 860	1 958	2 425	2 208
Sub Total	53 483	55 313	59 587	57 428
% increase/ (decrease)	(8.3)	-	-	15.1
Total Municipality	60 744	62 943	67 219	64 907
Total Managers and Staff	57 887	59 921	64 195	61 988
% increase/ (decrease)	(7.5)	-	-	14.0

Table 200.: Detail of Personnel Expenditure

CHAPTER 5: FINANCIAL PERFORMANCE

Chapter 5

FINANCIAL PERFORMANCE

This chapter provides details regarding the financial performance of the municipality for the 2011/12 financial year.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

5.1 FINANCIAL SUMMARY

The table below indicates the summary of the financial performance for the 2011/12 financial year:

Financial Summary						
R' 000						
Description	2010/11	2011/12		2011/12 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	28 470	31 670	32 433	32 427	2.39%	(0.02%)
Service charges	71 200	86 163	85 941	87 023	1.00%	1.26%
Investment revenue	3 290	2 400	2 300	2 224	(7.33%)	(3.30%)
Transfers recognised - operational	34 770	39 661	57 396	57 996	46.23%	1.05%
Other own revenue	10 695	11 178	11 273	10 321	(7.67%)	(8.45%)
Total Revenue (excluding capital transfers and contributions)	148 424	171 072	189 343	189 991	11.06%	0.34%
Employee costs	57 887	62 632	64 195	61 988	(1.03%)	(3.44%)
Remuneration of councillors	2 857	3 024	3 024	2 919	(3.46%)	(3.46%)
Depreciation & asset impairment	5 717	8 330	8 666	6 011	(27.84%)	(30.64%)
Finance charges	448	145	325	351	141.79%	7.88%
Materials and bulk purchases	34 472	40 504	42 504	44 665	10.27%	5.08%
Transfers and grants	0	0	0	0	0	0
Other expenditure	58 984	67 328	79 144	75 443	12.05%	(4.68%)
Total Expenditure	160 365	181 963	197 858	191 376	5.17%	(3.28%)
Surplus/(Deficit)	(11 940)	(10 891)	(8 515)	(1 385)	(87.29%)	(83.75%)
Transfers recognised - capital	7 965	8 479	7 709	8 592	1.33%	11.46%

Chapter 5

FINANCIAL PERFORMANCE

Financial Summary						
R' 000						
Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Contributions recognised - capital & contributed assets	0	0	0	0	0	0
Surplus/(Deficit) after capital transfers & contributions	(3 976)	(2 412)	(806)	7 207	(398.79%)	994.04%
Share of surplus/ (deficit) of associate	0	0	0	0	0	0
Surplus/(Deficit) for the year	(3 976)	(2 412)	(806)	7 207	(398.79%)	994.04%
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	7 965	8 479	7 709	8 592	1.33%	11.46%
Public contributions & donations	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0
Internally generated funds	18 972	16 556	15 524	22 531	36.09%	45.14%
Total sources of capital funds	26 937	25 035	23 233	31 124	24.32%	33.96%
Financial position						
Total current assets	48 949	27 213	33 319	46 627	71.34%	39.94%
Total non current assets	244 102	252 393	259 700	267 622	6.03%	3.05%
Total current liabilities	17 095	19 171	17 205	20 153	5.12%	17.13%
Total non current liabilities	26 284	23 366	28 563	37 218	59.28%	30.30%
Community wealth/Equity	249 671	237 069	247 250	256 879	8.36%	3.89%
Cash flows						
Net cash from (used) operating	(6 863)	5 562	9 608	15 516	178.96%	61.49%
Net cash from (used) investing	(26 726)	(25 030)	(23 209)	(22 682)	(9.38%)	(2.27%)
Net cash from (used) financing	(736)	59	(455)	368	523.93%	(180.91%)

Chapter 5

FINANCIAL PERFORMANCE

Financial Summary						
R' 000						
Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Cash/cash equivalents at the year end	33 383	14 589	19 327	26 585	82.22%	37.55%
Cash backing/surplus reconciliation						
Cash and investments available	33 383	14 589	19 326	26 585	82.22%	37.56%
Application of cash and investments	32 768	12 640	18 419	26 528	1 098	44.03%
Balance - surplus (shortfall)	615	1 949	907	57	(97.08)	(93.72%)
Asset management						
Asset register summary (WDV)	243 494	251 953	258 088	257 979	2.39%	(0.04%)
Depreciation & asset impairment	5 003	8 330	8 666	6 012	-27.83%	(30.63%)
Renewal of Existing Assets	12 239	14 739	14 829	0	(100.00%)	(100.00%)
Repairs and Maintenance	16 899	13 691	8 669	7 533	(44.98%)	(13.10%)
Free services						
Cost of Free Basic Services provided	4 614	6 904	6 904	5 981	(13.38%)	(13.38%)
Revenue cost of free services provided	4 147	2 842	2 842	6 107	114.88%	114.88%
Households below minimum service level						
Water:	0	0	0	0	0	0
Sanitation/sewerage:	0	0	0	0	0	0
Energy:	0	0	0	0	0	0
Refuse:	0	0	0	0	0	0
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 201.: Financial Performance 2011/12

Chapter 5

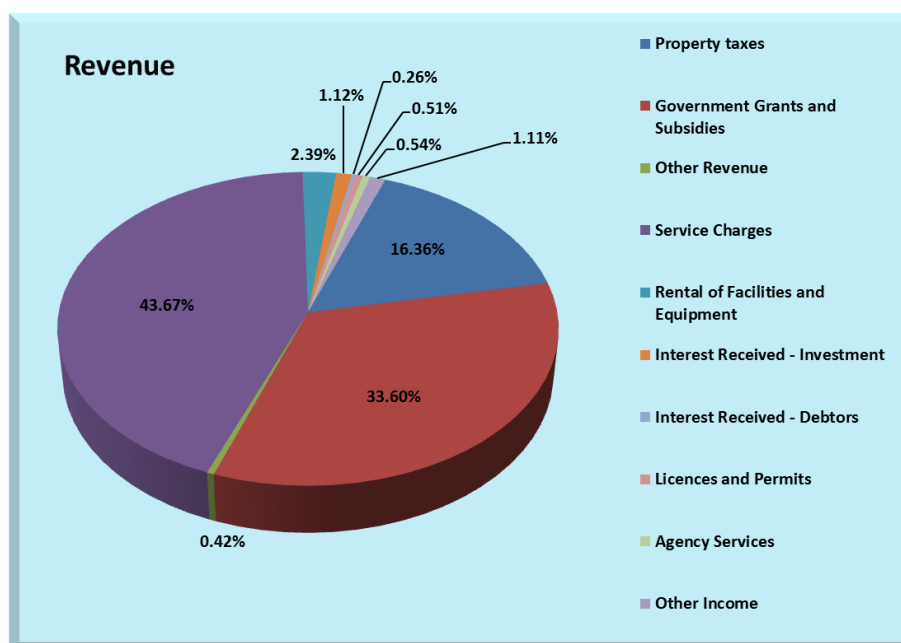
FINANCIAL PERFORMANCE

The table below shows a summary of performance against budgets

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2010/11	159 109	156 389	2 721	98.29	161 336	160 365	972	99
2011/12	197 052	198 583	(1 531)	100.78	197 858	191 376	6 482	97

Table 202.: Performance against budgets

The following graph indicates the various types of revenue items in the municipal budget for 2011/12

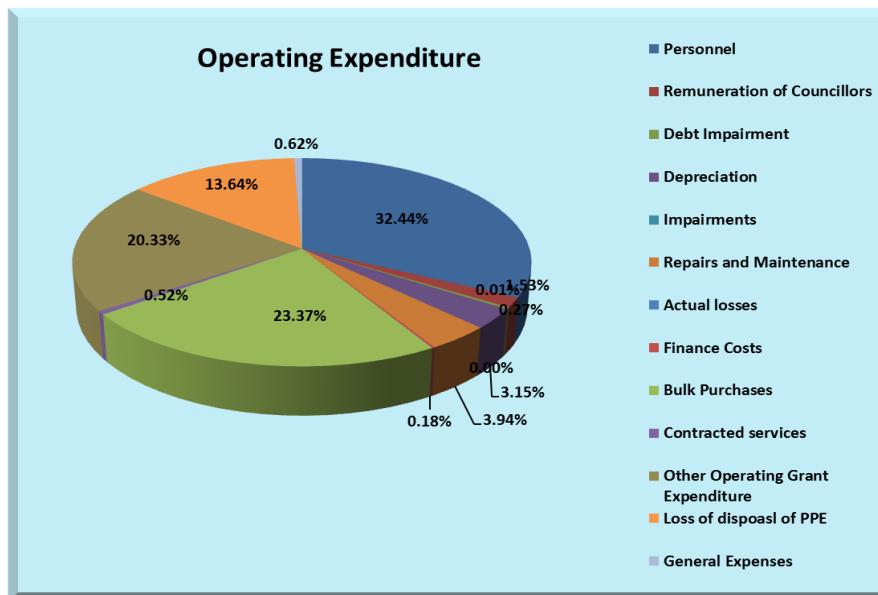


Graph 23.: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2011/12

Chapter 5

FINANCIAL PERFORMANCE



Graph 24.: Operating expenditure

5.1.1 Revenue collection by Vote

The table below indicates the Revenue collection performance by Vote

Vote Description	2010/11	2011/12		2011/12 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Executive and Council	34 116	43 037	54 563	54 275	26.11%	26.78%
Vote 2 - Budget and Treasury Office	32 612	34 966	35 777	35 603	1.82%	(0.49%)
Vote 3 - Corporate Services	189	471	948	881	87.03%	(7.08%)
Vote 4 - Planning and Development	0	0	0	0	0%	0%
Vote 5 - Public Safety	2 736	3 168	3 179	2 710	(14.46%)	(14.76%)
Vote 6 - Health	0	0	0	0	0%	0%
Vote 7 - Community and Social Services	1 402	1 622	3 529	3 514	116.60%	0.40%
Vote 8 - Sports and Recreation	4 131	4 572	4 572	3 932	(14.00%)	(14.00%)
Vote 9 - Housing	0	0	0	0	0%	0%
Vote 10 - Waste Management	8 374	9 303	9 303	9 645	3.68%	3.68%
Vote 11 - Road Transport	8 225	4 770	1 733	3 083	(35.37%)	77.89%

Chapter 5

FINANCIAL PERFORMANCE

Vote Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Vote 12 - Waste Water Management	4 964	5 515	5 805	5 757	4.38%	(0.83%)
Vote 13 - Water	13 531	15 479	15 490	15 567	0.57%	0.50%
Vote 14 - Electricity	50 702	56 649	62 153	62 785	10.83%	1.02%
Vote 15 - Environmental Management	0	0	0	0	0%	0%
Total Revenue by Vote	160 982	179 552	197 052	198 583	10.60%	9.75%

Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Table 203.: Revenue by Vote

5.1.2 Revenue collection by Source

The table below indicates the revenue collection performance by source for the 2011/12 financial year:

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	28 470	31 670	32 433	32 427	2.39%	(0.02%)
Property rates - penalties & collection charges	0	0	0	0	0%	0%
Service Charges - electricity revenue	46 277	56 287	57 766	58 583	4.08%	1.41%
Service Charges - water revenue	12 364	15 243	14 257	14 338	(5.94%)	0.57%
Service Charges - sanitation revenue	4 558	5 430	5 369	5 392	(0.70%)	0.43%
Service Charges - refuse revenue	7 737	9 203	8 622	8 708	(5.34%)	(1.00%)
Service Charges - other	0	0	0	0	0%	0%
Rentals of facilities and equipment	4 618	5 277	5 327	4 756	(9.87%)	(10.72%)
Interest earned - external investments	3 290	2 400	2 300	2 224	(7.33%)	(3.30%)
Interest earned - outstanding debtors	450	650	650	514	(20.90%)	(20.90%)

Chapter 5

FINANCIAL PERFORMANCE

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Dividends received	0	0	0	0	0%	0%
Fines	656	1 018	1 018	751	(26.23%)	(26.23%)
Licences and permits	1 154	1 084	1 091	1 012	(6.61%)	(7.21%)
Agency services	1 029	1 189	1 201	1 079	(9.23%)	(10.14%)
Transfers recognised - operational	34 825	39 661	57 397	57 996	46.23%	1.04%
Other revenue	2 929	1 960	1 913	2 124	8.37%	7.24%
Gains on disposal of PPE	0	0	0	0	0%	0%
Environmental Protection	0	0	0	0	0%	0%
Total Revenue (excluding capital transfers and contributions)	148 357	171 072	189 343	189 904	11.58%	4.20%

Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Table 204.: Revenue by Source

5.1.3 Operational Services Performance

The table below indicates the Operational services performance for the 2011/12 financial year:

Financial Performance of Operational Services						
R '000						
Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	4 588	5 978	4 121	5 704	(4.81%)	27.75%
Waste Water-Sanitation	(301)	112	207	42	(163.35%)	(387.11%)
Electricity	9 159	7 813	11 472	11 176	30.08%	(2.65%)
Waste Management	1 717	1 628	1 298	2 294	29.06%	43.42%
Housing (incl. as part of Community & Social Services)	0	0	0	0	0%	0%
Component A: sub-total	15 163	15 531	17 098	19 216	19.18%	11.02%
Waste Water (Stormwater Drainage) (incl. as part of Roads)	0	0	0	0	0%	0%

Chapter 5

FINANCIAL PERFORMANCE

Financial Performance of Operational Services						
R '000						
Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Roads	(8 475)	(10 717)	(10 324)	(8 707)	(23.09%)	(18.58%)
Transport	0	0	0	0	0%	0%
Component B: sub-total	(8 475)	(10 717)	(10 324)	(8 707)	(23.09%)	(18.58%)
Planning (incl. as part of Corporate Service)	0	0	0	0	0%	0%
Local Economic Development (incl. as part of Community & Social Services)	0	0	0	0	0%	0%
Component C: sub-total	0	0	0	0	0%	0%
Community & Social Services	(7 939)	(9 477)	(7 628)	(6 760)	(40.19%)	(12.84%)
Environmental Protection	(309)	(544)	(361)	(332)	(64.10%)	(8.96%)
Health	0	0	0	0	0%	0%
Security and Safety	(1 704)	(2 072)	(2 421)	(2 298)	9.84%	(5.35%)
Sport and Recreation	(2 071)	(2 891)	(3 138)	(2 960)	2.36%	(5.99%)
Corporate Policy Offices and Other	558	6 838	4 644	7 989	14.41%	41.87%
Component D: sub-total	(11 465)	(8 146)	(8 904)	(4 361)	(86.78%)	(104.16%)
Total Expenditure	(4 776)	(3 332)	(2 130)	6 148	154.20%	134.65%

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Table 205.: Operational Services Performance

The municipality originally budgeted for a deficit of R3.3 million which was reduced to R2.1 million with the adjustment budget. Due to stringent financial controls and strategies the municipality ended up with a R6.1 million surplus which indicates the success of the controls and strategies.

5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

5.2.1 Water Services

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	13 531	15 479	15 490	15 567	0.57%

Chapter 5

FINANCIAL PERFORMANCE

Expenditure:					
Employees	4 678	3 682	5 374	4 934	25.39%
Repairs and Maintenance	1 103	1 242	1 258	1 176	(5.67%)
Other	3 161	4 577	4 737	3 754	(21.94%)
Total Operational Expenditure	8 943	9 501	11 369	9 864	3.67%
Net Operational (Service) Expenditure	4 588	5 978	4 121	5 704	(4.81%)

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

Table 206.: Financial Performance: Water services

5.2.2 Waste Water (Sanitation)

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	4 964	5 515	5 805	5 757	4.21%
Expenditure:					
Employees	2 350	2 485	2 537	2 777	10.50%
Repairs and Maintenance	649	825	748	743	(10.92%)
Other	2 266	2 093	2 312	2 194	4.61%
Total Operational Expenditure	5 265	5 403	5 598	5 714	5.45%
Net Operational (Service) Expenditure	(301)	112	207	42	(163.35%)

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

Table 207.: Financial Performance: Waste Water (Sanitation) services

5.2.3 Electricity

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	50 702	56 649	62 153	62 785	9.77%
Expenditure					
Employees	3 766	4 319	4 254	4 201	(2.81%)
Repairs and	764	983	872	697	(41.13%)

Chapter 5

FINANCIAL PERFORMANCE

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Maintenance					
Other	37 012	43 533	45 554	46 515	7.01%
Total Operational Expenditure	41 543	48 835	50 681	51 413	5.30%
Net Operational (Service) Expenditure	9 159	7 813	11 472	10782	38.00%

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

Table 208.: Financial Performance: Electricity

5.2.4 Waste Management

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	8 374	9 303	9 303	9 645	3.55%
Expenditure:					
Employees	3 122	3 393	3 701	3 567	4.86%
Repairs and Maintenance	1 664	1 741	1 467	1 448	(20.16%)
Other	1 871	2 541	2 837	2 336	(8.80%)
Total Operational Expenditure	6 657	7 675	8 005	7 351	(4.41%)
Net Operational (Service) Expenditure	1 717	1 628	1 298	2 294	29.06%

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

Table 209.: Financial Performance: Waste Management

Chapter 5

FINANCIAL PERFORMANCE

5.2.5 Roads

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	8 225	4 770	1 733	3 083	(54.73%)
Expenditure:					
Employees	4 110	4 846	4 406	4 360	(11.14%)
Repairs and Maintenance	10 484	6 895	1 876	1 727	(299.34%)
Other	2 106	3 746	5 776	5 703	34.31%
Total Operational Expenditure	16 700	15 487	12 058	11 789	(31.37%)
Net Operational (Service) Expenditure	(8 475)	(10 717)	(10 324)	(8 707)	(23.09%)

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

Table 210.: Financial Performance: Roads

5.2.6 Community & Social Services

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	1 417	1 622	3 529	3 929	58.72%
Expenditure:					
Employees	7 376	8 755	8 133	7 811	(12.09%)
Repairs and Maintenance	759	700	683	582	(20.24%)
Other	1 220	1 644	2 342	2 296	28.39%
Total Operational Expenditure	9 355	11 099	11 157	10 689	(3.83%)
Net Operational (Service) Expenditure	(7 939)	(9 477)	(7 628)	(6 760)	(40.19%)

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

Table 211.: Financial Performance: Community & Social Services

Chapter 5

FINANCIAL PERFORMANCE

5.2.7 Environmental Protection

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure:					
Employees	259	488	291	272	(79.11%)
Repairs and Maintenance	4	3	8	4	26.55%
Other	46	53	62	55	3.27%
Total Operational Expenditure	309	544	361	332	(64.10%)
Net Operational (Service) Expenditure	(309)	(544)	(361)	(332)	(64.10%)

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

Table 212.: Financial Performance: Environmental Protection

5.2.8 Security and Safety

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	2 736	3 168	3 179	2 710	(16.89%)
Expenditure:					
Employees	3 527	3 940	4 238	3 987	1.18%
Repairs and Maintenance	125	263	253	143	(84.03%)
Other	789	1 036	1 108	877	(18.07%)
Total Operational Expenditure	4 440	5 239	5 600	5 008	(4.62%)
Net Operational (Service) Expenditure	(1 704)	(2 072)	(2 421)	(2 298)	9.84%

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

Table 213.: Financial Performance: Security and Safety

Chapter 5

FINANCIAL PERFORMANCE

5.2.9 Sport and Recreation

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	4 131	4 572	4 572	3 932	(16.28%)
Expenditure:					
Employees	3 607	4 099	4 029	3 589	(14.20%)
Repairs and Maintenance	724	823	844	967	14.97%
Other	1 871	2 541	1 709	1 403	(44.19%)
Total Operational Expenditure	6 201	7 463	6 582	5 959	(20.20%)
Net Operational (Service) Expenditure	(2 071)	(2 891)	(2 010)	(2 027)	(29.88%)

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

Table 214.: Financial Performance: Sport and Recreation

5.2.10 Corporate Policy Offices & Other

Description	2010/11	2011/12			
	Actual R'000	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Variance to Budget
Total Operational Revenue	67 491	78 474	97 089	96 739	18.88%
Expenditure:					
Employees	25 092	26 624	27 231	26 488	-0.51%
Repairs and Maintenance	622	216	396	45	(377.53%)
Other	41 218	44 796	64 817	62 217	28.00%
Total Operational Expenditure	66 933	71 636	92 444	88 751	19.28%
Net Operational (Service) Expenditure	558	6 838	4 644	7 989	14.41%

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

Table 215.: Financial Performance: Corporate Policy Offices & Other

Chapter 5

FINANCIAL PERFORMANCE

5.3 GRANTS

5.3.1 Grant Performance

The municipality had a total amount of R56 997 million for infrastructure and other projects available that was received in the form of grants from the National and Provincial Governments during the 2011/12 financial year. The performance in the spending of these grants is summarised as follows:

Grant Performance						
R' 000						
Description	2010/11		2011/12		2011/12 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	16 015	25 325	26 040	27 134	7.14	4.2
Equitable share	13 494	14 806	14 806	14 805	(0.01)	(0.01)
Municipal Systems Improvement	577	790	821	818	3.50	(0.4)
Department of Water Affairs	0	0	0	0	0	0
Levy replacement	0	0	0	0	0	0
EPWP	0	0	0	429	0	0
MIG	0	0	470	1 498	0	0
RBIG	0	8 479	8 479	9 143	7.83	7.83
Finance Management Grant	1 944	1 250	1 684	1 685	34.80	(0.38)
Provincial Government:	18 424	22 815	38 965	37 071	62.48	(4.86)
Health subsidy	0	0	0	0	0	0
Housing	8 850	15 134	31 845	31 259	106.55	(1.83)
Ambulance subsidy	0	0	0	0	0	0
Sports and Recreation	0	0	0	0	0	0
Community Development	83	78	78	19	(75.80)	(100.10)
Provincial Financial Grant	0	0	200	119	0	0
Thusong Centre	0	2 500	2 500	0	(100.00)	(100.00)
Housing and Consumer Programme	14	0	0	1	0	0
Feeding Scheme	616	0	0	0	0	0
Masibambane Programme	294	0	0	0	0	0
Water Master Planning	19	0	0	0	0	0
Master Planning IMQS	4	0	0	0	0	0

Chapter 5

FINANCIAL PERFORMANCE

Grant Performance						
R' 000						
Description	2010/11		2011/12		2011/12 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Library Subsidy	345	363	2 639	2 639	627.00	(99.98)
Road subsidy	8 200	4 740	1 703	3 034	(36.00)	(100.00)
District Municipality:	202	0	0	0	0	0
Soccer 2010	202	0	0	0	0	0
Total Operating Transfers and Grants	34 641	48 140	65 005	64 205	33.37	(1.25)

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

Table 216.: Grant Performance for 2011/12

Operating grants are allocated to the municipality to assist with infrastructure and other projects. The municipality spent all its allocation in total. However, the major project that was not finalised is the Thusong Centre that was not completed at year end. This is being carried over to next financial year.

5.3.2 Level of Reliance on Grants & Subsidies

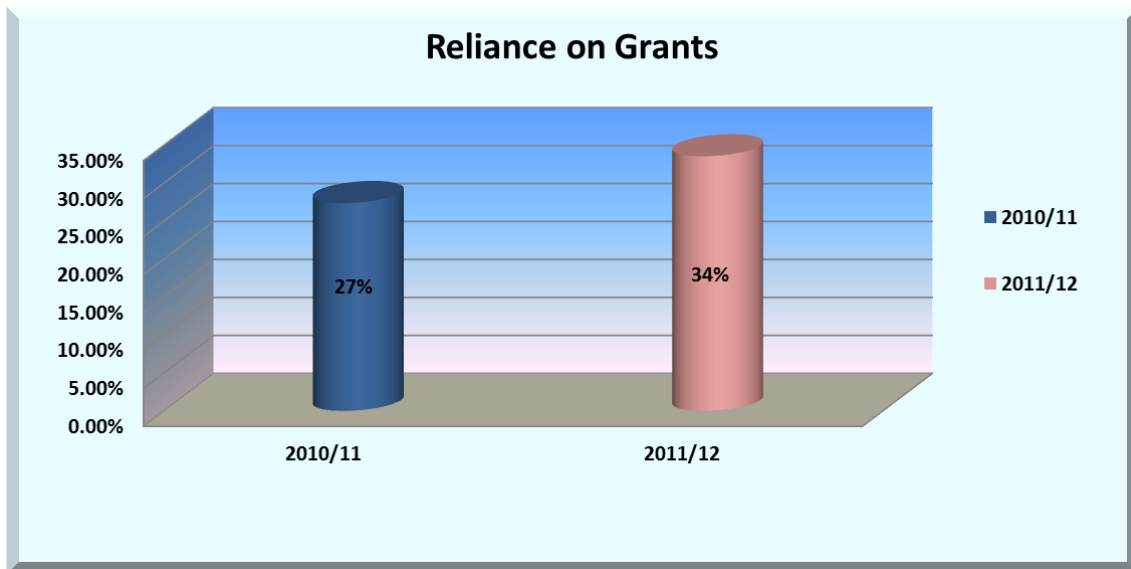
Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'000	R'000	%
2010/11	42 790	156 389	27.36
2011/12	66 588	198 583	33.53

Table 217.: Reliance on grants

Chapter 5

FINANCIAL PERFORMANCE

The following graph indicates the municipality's reliance on grants as percentage for the last two financial years



Graph 25.: Reliance on grants as %

5.4 REPAIRS AND MAINTENANCE

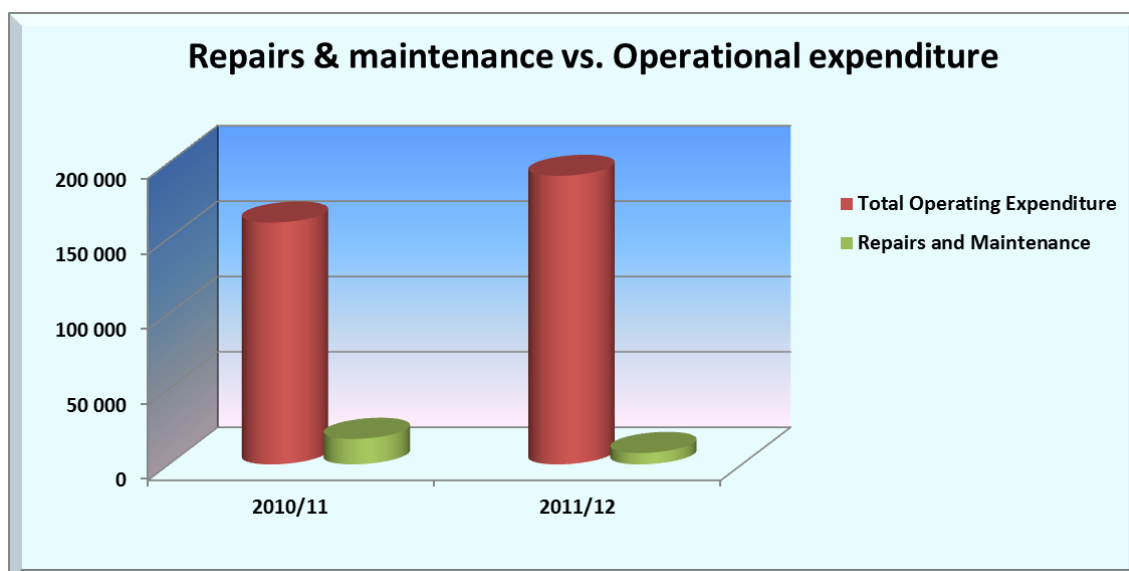
Description	2010/11	2011/12
	R'000	R'000
Total Operating Expenditure	160 364	191 376
Repairs and Maintenance	16 899	7 533
% of total OPEX	10.54	3.94

Table 218.: Repairs & maintenance as % of total Operating Expenditure

Chapter 5

FINANCIAL PERFORMANCE

The following graph indicates the percentage of the budget that was spent on repairs & maintenance in relation to the operational budget



Graph 26.: Repairs and Maintenance

Repair and maintenance expenditure is used for the repair and maintenance of the municipality's infrastructure, buildings and vehicles.

The Council is not running a costing system and, therefore, the cost of labour is not debited to repair and maintenance. The effect is that the spending indicated above only includes material and if private contractors were used. The difference between the 2010/11 and 2011/12 financial years, is the allocation of Long Street which was booked to the 2010/11 financial year and not the 2011/12 financial year.

It is, however, the Council's long term vision to increase the budget for repair and maintenance to ensure the sustainability of its assets.

Chapter 5

FINANCIAL PERFORMANCE

5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.5.1 Liquidity Ratio

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Current Ratio	Current assets/current liabilities	2.86	2.31
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.59	2.03
Liquidity Ratio	Monetary Assets/Current Liabilities	1.95	1.32

Table 219.: Liquidity Financial Ratio

Financial year	Net current assets	Net current liabilities	Ratio
	R'000	R'000	
2010/11	48 949	17 095	2.86:1
2011/12	46 627	20 153	2.31:1

Table 220.: Liquidity Financial Ratio

5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.69	2.11
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	14.26%	15.05%
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	177.41	242.64

Table 221.: Financial Viability National KPAs

5.5.3 Borrowing Management

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.002	0.001

Table 222.: Borrowing Management

5.5.4 Employee costs

Chapter 5

FINANCIAL PERFORMANCE

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	40.94%	34.16%

Table 223.: Employee Costs

The ratios indicate a decrease in cash and Council is already in the process of developing a strategic plan to increase the cash reserves of the municipality in the future. However, borrowing ratio coverage is substantially better than most municipalities, hence the fact that only one external loan of R818 000 is outstanding.

Employee cost ratio will differ from year to year due to the fact that grants differ from year to year.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 ANALYSIS OF CAPITAL AND OPERATING EXPENDITURE

Description	Original Budget	Adjustment Budget	Actual	Original Budget variance	Adjusted Budget Variance
	R'000	R'000	R'000	%	%
Capital Expenditure	25 035	23 233	31 124	24.32	33.96
Operating Expenditure	181 963	197 858	191 376	5.17	(3.23)
Total expenditure	181 963	197 858	191 376	19.34	(6.03)
Water and sanitation	19 185	16 967	15 578	(18.80)	(8.19)
Electricity	51 182	50 681	51 610	0.84	1.83
Housing	0	0	0	0	0
Roads, Pavements, Bridges and storm water	18 709	12 058	11 789	(36.99)	(2.22)
Other	71 289	123 953	112 398	57.67	(9.32)
External Loans	0	0	0	0	0
Internal contributions	16 556	15 524	14 064	(15.05)	(9.41)
Grants and subsidies	8 479	7 709	8 592	1.33	11.45
Other	0	0	8 041	100.00	100.00
External Loans	0	0	731	100.00	100.00
Grants and subsidies	48 140	64 706	68 919	43.16	6.51
Investments Redeemed	0	0	0	0	0
Statutory Receipts (including VAT)	127 569	134 422	128 737	0.92	(4.23)
Other Receipts	269	44	672	150.17	1 410.97
Salaries, wages and allowances	65 656	67 271	64 907	(1.14)	(3.51)

Chapter 5

FINANCIAL PERFORMANCE

Description	Original Budget	Adjustment Budget	Actual	Original Budget variance	Adjusted Budget Variance
	R'000	R'000	R'000	%	%
Cash and creditor payments	104 492	122 249	117 659	12.60	(3.76)
Capital payments	25 035	23 233	22 656	(9.50)	(2.48)
Investments made	0	0	0	0	0
External loans repaid	205	475	635	209.69	33.80
Statutory Payments (including VAT)	0	0	0	0	0
Other payments	0	0	0	0	0
Property rates					
Property rates	31 670	32 433	32 427	2.39	-0.02
Service charges	86 163	91 814	92 529	7.39	0.78
Other own revenue	13 929	13 900	12 545	(9.94)	(9.75)
Employee related costs					
Employee related costs	62 632	64 247	64 907	3.63	1.03
Provision for working capital	1 000	1 000	519	(48.10)	(48.10)
Repairs and maintenance	13 691	8 669	7 533	(44.98)	(13.11)
Bulk purchases	40 504	42 504	44 664	10.27	5.08
Other expenditure	64 137	87 239	82 364	28.42	(5.59)
Service charges: Electricity					
Service charges: Electricity	56 287	61 652	62 269	10.63	1.00
Grants & subsidies: Electricity	0	0	0	0	0
Other revenue: Electricity	361	502	516	42.83	2.96
Provision for working capital: Electricity					
Employee related costs: Electricity	4 319	4 254	4 201	(2.74)	(1.25)
Provision for working capital: Electricity	400	400	(14)	(103.58)	(103.58)
Repairs and maintenance: Electricity	983	872	697	(29.14)	(20.12)
Bulk purchases: Electricity	39 846	41 846	44 057	10.57	5.28
Other expenditure: Electricity	3 287	3 308	2 670	(18.76)	(19.29)
Other revenue: Water					
Service charges: Water	15 171	15 171	15 261	0.59	0.59
Grants & subsidies: Water	0	0	0	0	0
Other revenue: Water	309	320	306	(0.73)	(4.15)
Other expenditure: Water					
Employee related costs: Water	3 682	5 374	4 934	34.03	(8.17)
Provision for working capital: Water	300	300	198	(33.85)	(33.85)
Repairs and maintenance: Water	1 242	1 258	1 176	(5.36)	(6.57)

Chapter 5

FINANCIAL PERFORMANCE

Description	Original Budget	Adjustment Budget	Actual	Original Budget variance	Adjusted Budget Variance
	R'000	R'000	R'000	%	%
Bulk purchases: Water	658	658	607	(7.68)	(7.68)
Other expenditure: Water	3 620	3 780	2 948	(18.55)	(22.00)

Table 224.: Analysis of Capital and Operating Expenditure

5.7 SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the 2011/12 financial year:

Capital Expenditure - Funding Sources 2010/11 to 2011/12						
R'000						
Details	2010/11	2011/12				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	0	0	0	0	0	0
Public contributions and donations	0	0	0	0	0	0
Grants and subsidies	7 965	8 479	7 709	8 592	(9.08)	1.33
Other	18 971	16 556	15 524	22 531	(6.23)	36.10
Total	26 937	25 035	23 233	31 124	(7.19)	22.62
Percentage of finance						
External loans	0.0%	0.0%	0.0%	0.0%	0.00	0.00
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.00	0.00
Grants and subsidies	29.6%	33.9%	33.2%	28.0%	(2.03)	(17.36)
Other	70.4%	66.1%	66.8%	72.0%	1.04	8.89
Capital expenditure						
Water and sanitation	6 916	12 189	10 724	10 198	(12.02)	(16.34)
Electricity	3 480	2 780	2 780	2 684	0.00	(3.44)
Housing	0	0	0	0	0	0
Roads and storm water	13 098	4 715	4 315	4 161	(8.48)	(11.75)
Other	3 443	5 351	4 414	14 081	(17.50)	163.16
Total	26 937	25 035	22 233	31 124	(11.19)	22.62
Percentage of expenditure						

Chapter 5

FINANCIAL PERFORMANCE

Capital Expenditure - Funding Sources 2010/11 to 2011/12						
R'000						
Details	2010/11	2011/12				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Water and sanitation	25.7%	48.7%	48.2%	32.8%	(0.9%)	(27.2%)
Electricity	12.9%	11.1%	12.5%	8.7%	12.6%	(21.3%)
Housing	0	0	0	0	0	0
Roads and storm water	48.6%	18.8%	19.4%	13.4%	3.0%	(28.0%)
Other	12.8%	21.4%	19.9%	45.2%	(7.1%)	97.8%

Table 225.: Capital Expenditure by funding source

The only large variance is "Other". The calculation of provision for a waste site in Bredasdorp at R8.7 million which was insufficient and provision must be made in this regard.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Although there are currently no serious backlogs in the municipal area, the continuous influx of people in our area to the informal settlements are putting a heavy burden on the service delivery of the municipality which may result in an increase in backlogs in the future.

5.8.1 Service Backlogs

Households (HHs)				
Description	Service level above minimum standard		Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	8 748	100	0	0
Sanitation	8 905	100	0	0
Electricity	7 822	98	184	2
Waste management	9 831	100	0	0

Note: Information as at 30 June 2012

Table 226.: Service Backlogs

5.8.2 Municipal Infrastructure Grant (MIG)

Municipal Infrastructure Grant (MIG)* Expenditure 2011/12 on Service backlogs					
R' 000					
Details	Budget	Adjustments	Actual	Variance	Major conditions applied by donor

Chapter 5

FINANCIAL PERFORMANCE

		Budget		Budget	Adjustments Budget	
Infrastructure - Water	1 000	115	0	(100.00%)	(100.00%)	All conditions were complied with
<i>Dams & Reservoirs</i>	1 000	115	0	(100.00%)	(100.00%)	All conditions were complied with
Infrastructure - Sanitation	7 479	7 579	7 630	1.98%	0.67%	All conditions were complied with
<i>Reticulation</i>	7 479	7 579	7 630	1.98%	0.67%	All conditions were complied with
Computers	0	15	14	100.00%	(1.30%)	All conditions were complied with
Total	8 479	7 709	7 644	(10.92%)	(0.85%)	All conditions were complied with

* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Table 227.: Municipal Infrastructure Grant (MIG)

MIG grants have been utilised to redress the sanitation backlog in Struisbaai North

Chapter 5

FINANCIAL PERFORMANCE

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

R'000				
Description	2010/11	2011/12		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Cash flow from operating activities				
Receipts				
Ratepayers and other	107 405	124 519	131 473	126 151
Government - operating	31 793	39 662	45 036	68 919
Government - capital	0	8 479	7 709	0
Interest	3 740	3 050	2 950	2 779
Dividends	0	0	0	0
Payments				
Suppliers and employees	(149 352)	(170 003)	(177 235)	(181 983)
Finance charges	(448)	(145)	(325)	(351)
Transfers and Grants	0	0	0	0
Net cash from/(used) operating activities	(6 863)	5 562	9 608	15 516
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	(26 858)	(25 035)	(23 233)	(22 613)
Decrease (Increase) in non-current debtors	172	0	0	367
Decrease (increase) other non-current receivables	38	5	24	33
Decrease (increase) in non-current investments	(79)	0	0	(43)
Payments	0	0	0	0
Capital assets	0	0	0	426
Net cash from/(used) investing activities	(26 726)	(25 030)	(23 209)	(22 683)
Cash flows from financing activities				
Receipts				
Short term loans	0	0	0	731
Borrowing long term/refinancing	(979)	(205)	(475)	(635)
Increase (decrease) in consumer deposits	243	264	20	272
Payments	0	0	0	0
Repayment of borrowing	0	0	0	0
Net cash from/(used) financing activities	(736)	59	(455)	368

Chapter 5

FINANCIAL PERFORMANCE

R'000				
Description	2010/11	2011/12		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Net increase/ (decrease) in cash held	(34 325)	(19 409)	(14 056)	(6 798)
Cash/cash equivalents at the year begin:	67 708	33 998	33 383	33 383
Cash/cash equivalents at the year end:	33 383	14 589	19 327	26 585

Table 228.: Cashflow

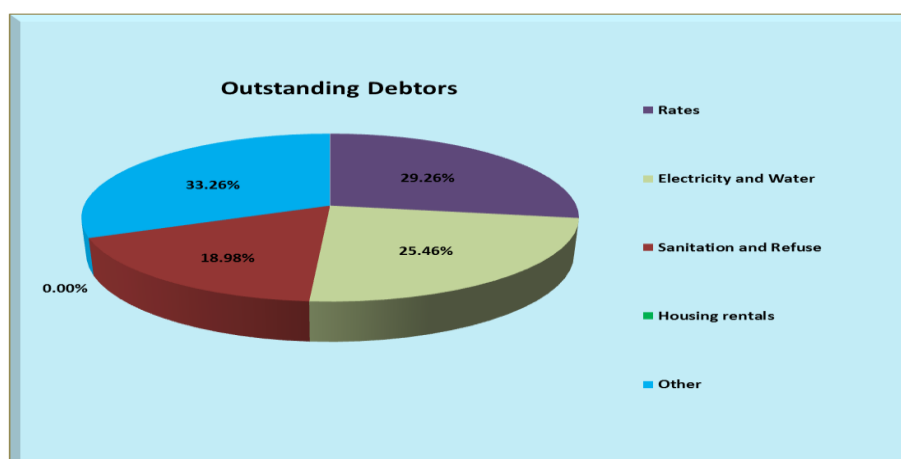
5.10 GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000	R'000	R'000	R'000	R'000	R'000
2010/11	2 269	9.655	1 949	0	2 162	16 035
2011/12	2 931	12 029	2 319	0	2 818	20 097
Difference	664	2 374	370	0	656	4 062
% growth year on year	29.26	24.59	18.96	0	30.34	25.33

Note: Figures exclude provision for bad debt.

Table 229.: Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service for 2011/12



Graph 27.: Debt per type of service

5.11 TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
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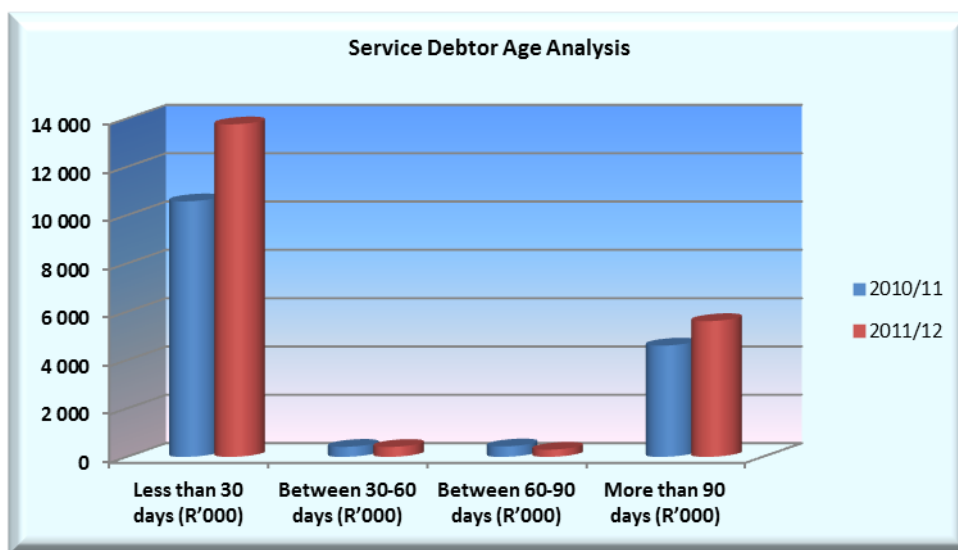
Chapter 5

FINANCIAL PERFORMANCE

	R'000	R'000	R'000	R'000	R'000
2010/11	10 577	416	433	4 609	16 035
2011/12	13 764	414	298	5 621	20 097
Difference	3 187	(2)	(136)	1 011	4 062
% growth year on year	30.13	(0.48)	(31.30)	21.94	25.33

Note: Figures exclude provision for bad debt.

Table 230.: Service debtor age analysis



Graph 28.: Service debtors age analysis for the 2010/11 and 2011/12 financial years

A municipality needs to have enough cash on hand to meet its monthly payments as and when they fall due. The level of cash coverage and cash management is especially important should the municipality be faced with circumstances that threaten revenue. It is generally accepted that a prudent level of cash coverage is three months of average operational expenditure. Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term.

The municipality's reserve cash decreased over the past years which may result in not having enough cash to finance the capital budget over the next few years and may have to rely on borrowing money in the open market against market related interest rates. Against this background the council is in process to finalize its long term financial strategy.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

Chapter 5

FINANCIAL PERFORMANCE

Management has developed a new SCM policy which includes the SCM system and processes to be used by the municipality. Standard operating procedures for SCM was developed during the year which include the bid committee, complaints and abuse of supply chain. The New PPPFA policy was develop and approved by Council.

No Councillor is members of any committee handling the supply chain processes.

The supply chain officials are busy with ongoing training to reach the prescribed level required for their positions by 2013 as prescribed by National Treasury through the MFMA Competency Regulations. There are only two officials in the supply chain section.

5.13 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance ensures that municipal accounts are comparable and more informative for the municipality. It also ensure that the municipality is more accountable to its citizens and other stakeholders

GRAP was fully implemented in the municipality in the 2010/11 financial year and the financial statements of 2011/12 in fully GRAP compliant.

CHAPTER 6:

AUDITOR-

GENERAL AUDIT

FINDINGS

Chapter 6

AUDITOR-GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION 2010/11

6.1 AUDITOR GENERAL REPORT 2010/11

Auditor-General Report on Financial Performance 2010/11	
Audit Report Status:	Unqualified with other matters
Non-Compliance Issues	Remedial Action Taken
During the audit of the audit committee meetings, it was noted that the audit committee met only twice and once respectively during the 2010-11 financial year and not at least 4 times as required by section 166(4Xb) of the MFMA	A new combined audit and performance audit committee was constituted and appointed by Council on 31 August 2012. This combined committee did convene the required number of times during the 2011/12 financial. It must be noted that the 4 meetings was not held to purely comply with legislation but was held due to need for such meetings.
The municipality did not establish an internal audit unit as required by section 165 of the MFMA	An internal auditor was appointed on 12 March 2012
Although leadership is in the process of establishing an independent internal audit unit as required by the MFMA, this process was not yet finalised at the date of this report.	An internal auditor was appointed on 12 March 2012 and an internal unit established

Table 231.: AG Report on Financial Performance 2010/11

Auditor-General Report on Service Delivery Performance: 2010/11	
Audit Report Status:	Unqualified with other matters
Non-Compliance Issues	Remedial Action Taken
The performance of service providers was not included as part of the performance report as the performance was not measured by the municipality	A process of evaluation and reporting of the municipalities service providers have been instituted by the Municipal manager during the 2011/13 financial year. However, it is not yet fully functional
Corrective measures were not disclosed for various indicators and targets which reflect an underperformance and have been marked as "KPI's not met" in the annual performance report	The 2011/12 SDBIP was audited by the internal auditor in its entirety regarding the performance comments and corrective measures to ensure that adequate comments were inserted where required
The reported performance information was deficient in respect of the following criteria: <ul style="list-style-type: none"> . Consistency: The reported objectives, indicators and targets are not consistent with the approved integrated development plan. . Measurability: Indicators are not well-defined and verifiable, and targets are not specific and measurable 	The 2011/12 SDBIP was also audited by the internal auditor in its entirety regarding the application of SMART principles of the contents of the SDBIP. The necessary changes were tabled in Council for approval and the system was corrected to ensure adherence to the SMART principles
Forty seven cases were identified where the actual performance was not valid, accurate and complete when compared to source documentation. This represented 79,1% of the sample selected	A test audit was done on the 2011/12 SDBIP to see if the matter has been rectified. However, there were still cases where the Portfolio of Evidence was not sufficient and the managers were instructed to ensure that their portfolio of evidence is correct before the next audit. For the 2012/13 SDBIP the portfolio of evidence is audited 100% on a monthly basis to ensure the sufficiency of evidence of targets reached
The accounting officer of the municipality did not by 25 January 2011 assess the performance of the	A section 72 report for 2011/12 was drawn before 25 January 2012 as required and assessed by 25 January

Chapter 6

AUDITOR-GENERAL AUDIT FINDINGS

Auditor-General Report on Service Delivery Performance: 2010/11	
Audit Report Status:	Unqualified with other matters
Non-Compliance Issues	Remedial Action Taken
municipality during the first half of the financial year, taking into account the municipality's service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan as required by section 72(1)(a)(ii) of the MFMA	2012. It was then tabled in Council on 28 January 2012
Leadership did not implement appropriate review and monitoring processes to ensure that the reporting on predetermined objectives were compliant with applicable laws and regulations. Furthermore management did not ensure that the consultants responsible for the compilation of the performance report transferred the necessary skills to municipal staff responsible for this function. A dedicated performance management unit is furthermore not established at the municipality.	A process of review has now been implemented by way of the newly established internal audit section and a dedicated performance monitoring official has been identified who is working closely with the internal audit section to ensure adequate supervision. The necessary skills for the compilation of the performance and annual reports have also now been transferred. However, it must be kept in mind that the use of a service provider for this task is not necessarily due to lack of skills but due capacity constraints at the municipality
Processes were not implemented by management to ensure the review and monitoring for reporting on predetermined objectives. Controls over the preparation of a complete and accurate annual performance report, which agreed to the supporting documentation and accurately reflected the performance of the municipality were lacking. Furthermore municipal staff responsible for performance management processes did not have a complete understanding thereof since the processes were not institutionalised throughout the entity	A process of review has now been implemented by way of the newly established internal audit section and a dedicated performance monitoring official has been identified who is working closely with the internal audit section to ensure adequate supervision. The internal audit unit is also now involved in the compilation of the performance report in an effort enhance the accuracy of the report. Through the monthly audit of the 2012/13 SDBIP on-going training is now conducted to build up the necessary skills over time
During the audit of the audit committee meetings, it was noted that the performance audit committee met only twice and once respectively during the 2010-11 financial year and not at least 4 times as required by section 166(4Xb) of the MFMA	A new combined audit and performance audit committee was constituted and appointed by Council on 31 August 2012. This combined committee did convene the required number of times during the 2011/12 financial. It must be noted that the 4 meetings was not held to purely comply with legislation but was held due to need for such meetings.

Table 232.: AG Report on Service Delivery Performance 2010/11

Chapter 6

AUDITOR-GENERAL AUDIT FINDINGS

COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

6.2 AUDITOR GENERAL REPORT 2011/12

Auditor-General Report on Financial Performance 2011/12*	
Status of audit report:	Unqualified with other matters
Non-Compliance Issues	Remedial Action Taken
The municipality incurred expenditure that was not budgeted for and or incurred expenditure in excess of the limits of the amounts provided for in the votes in the approved budget	The municipality is currently in the process developing a suitable plan of action to address these findings and will report thereon in detail in the next annual report

Table 233.: AG Report on Financial Performance 2011/12

Auditor-General Report on Service Delivery Performance: 2011/12*	
Status of audit report**:	Unqualified with other matters
Non-Compliance Issues	Remedial Action Taken
The National Treasury <i>Framework for managing programme performance information (FMPPi)</i> requires that the indicator be accurate enough for its intended use and respond to changes in the level of performance. A total of 64% of the actual reported indicators relevant to basic service delivery and local economic development objectives were not accurate when compared to source information. This was due to a lack of standard operating procedures for the recording of actual achievements and the lack of filing of supporting documentation by senior management	The municipality is currently in the process developing a suitable plan of action to address these findings and will report thereon in detail in the next annual report
The municipality did not afford the local community at least 21 days to comment on the final draft of its integrated development plan before the plan was submitted to council for adoption, as required by regulation 15(3) of the Municipal Planning and Performance Management Regulations	
The accounting officer did not make public the council's oversight report on the 2010-11 annual report within seven days of its adoption	
The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements identified by the auditors in the submitted financial statements were corrected	
The audit committee did not submit at least twice during the financial year, an audit report on the review of the performance management system to the council	
The internal audit unit did not audit the performance measurements for the first three quarters of the financial year	
Goods and services with a transaction value of between R10 000 and R200 000 were procured without obtaining written price quotations from at least three different prospective providers	

Chapter 6

AUDITOR-GENERAL AUDIT FINDINGS

Auditor-General Report on Service Delivery Performance: 2011/12*	
Status of audit report**:	Unqualified with other matters
Non-Compliance Issues	Remedial Action Taken
Goods and services of a transaction value above R200 000 were procured without inviting competitive bids	
Bonuses were awarded to the municipal manager and senior managers directly accountable to the municipal manager without the annual report for the 2010-11 financial year being adopted by council	
The municipality did not submit a report on compliance with prescribed competency levels to the National Treasury and relevant provincial treasury	
The performance agreements of the municipal manager and senior managers who did not have the minimum competencies, did not include the attainment of minimum competencies as a performance target	

Table 234.: AG Report on Service Delivery Performance 2011/12

Abbreviations

LIST OF ABBREVIATIONS

AG	Auditor-General
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal finance officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000

Abbreviations

MTECH	Medium Term Expenditure Committee
NGO	Non governmental organisation
NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

ANNEXURE A: FINANCIAL STATEMENTS

ANNEXURE B: REPORT OF THE AUDITOR GENERAL

ANNEXURE C: REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE
