

# Cape Agulhas Municipality

## Draft Annual Report 2017/18

### 13 December 2018





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## FOREWORDS

### MAYORS FOREWORD



As Executive Mayor of the Southernmost Municipality in Africa, it is my pleasure and privilege to present our Annual Report for the 2017/18 financial year.

The year was my Council's second year of office and even more significantly the first implementation year of the 2017/18-2021/22 Integrated Development Plan (IDP) and Spatial Development Framework (SDF), which were approved on 30 May 2017 for implementation from 1 July 2017.

The first review of the IDP also took place in 2017/18, and the community played a key role by participating in the public participation structures and platforms that we have such as ward committees, IDP meetings quarterly feedback meetings and budget imbizo's. These contributions have enabled us to confirm where our key challenges lie and develop plans to address these challenges and work towards developing sustainable solutions, both internally and in partnership with other stakeholders.

The Annual Report gives us the opportunity to reflect on what we have achieved in terms of our IDP objectives and what our contribution has been to achieving the strategic priorities of the Western Cape Provincial Strategic Plan: 2014 – 2019 as well as the National Development Plan 2030. Each of our goals, objectives and key performance indicators links to these plans to ensure that as a Municipality we contribute to the achievement of Provincial and National goals.

The Municipality did well in the achievement of its objectives for the year and although we were not able to achieve all our objectives, we continuously monitor our performance and where necessary, implement corrective measures.

Despite a small albeit proportionate budget for a Municipality our size, we are leaders in terms of service delivery. We have done extremely well in providing basic services and all households in the Municipality's area of jurisdiction have access to basic services despite very limited funding. We have also focussed on improving our infrastructure to ensure sustainable service delivery. We are also proud to say that our capital budget for the year was utilised effectively and some of our flagship projects include:

- Full blue flag status for Duiker Street Beach in Struisbaai for the second year in a row.
- Upgrading of the Nostra ablution facilities for the disabled.
- 683 stands in Area F Bredasdorp were serviced for the low cost housing development that is planned for 2018/19.
- Upgrading of the ablution facilities at Zwelitsha sport fields
- Upgrading of roads in Napier, Arniston and Bredasdorp low cost housing areas.
- Street lighting was installed in dark spots of the various towns.
- Upgrading of the Overberg Sports Academy with funding from the Department of Culture, Art and Sport

The Cape Agulhas Municipality endeavours wherever possible to create employment through our capital development and maintenance programmes and we are proud to say that we created 673 jobs (118 full time equivalents) during the financial year through the Expanded Public Works Programme.

In conclusion, I would like to express my appreciation and thanks to every community member, Ward Committee Member and Councillor for their contribution. I would also like to thank the management team as



well as every member of staff for their support during the year under review. Our achievements would not have been possible without you.

**Cllr Paul Swart**  
**Executive Mayor**

## MUNICIPAL MANAGERS FOREWORD



Cape Agulhas, the southern-most municipality in South Africa, is a Grade 2 municipality, committed to fulfilling its constitutionally mandated functions and powers. This is all done with limited financial and human resources amongst an ever-growing community need and within a severely constricted macro-economic environment. Nevertheless, the view is held that the Municipality is faring well regarding the delivery of quality and affordable services in a caring manner and by observing the principles of good governance.

In recognition of the fact that we are the sphere of government at the coal face of service delivery, but only responsible for the provision of certain services, the Municipality is constantly seeking better communication and cooperation between ourselves and the relevant sector departments. This is done to ensure that local, provincial and national government actually address the needs of the community as identified in the IDP. Once again as in previous years, the Department of Local Government and Provincial Treasury need to be commended for their continued support and cooperation in giving effect to their Constitutional mandate to support us.

The Municipality received an unqualified, with no matters, audit opinion once again for 2017/18, our fifth consecutive clean audit. Following the 2016/17 audit, an audit action plan was developed to implement recommendations on the audit by the Auditor General. Of the twenty-three non-reportable findings, eighteen were completed and finalised and six are still in progress and transferred to the 2017/18 audit action plan. These findings and recommendations assisted the Municipality to strengthen controls and enhance future audit processes. It should however be noted that even if the audit scope remains the same, the specific focus thereof changes year on year so it becomes challenging to maintain the clean audit status.

The Municipality's debt impairment provision as a percentage of accounts receivable has increased to 47 % (2016/17: 39,6%) which is a relatively high percentage. This is mainly due to the percentage of customers that will not be able to pay for services rendered, due to high unemployment rate of consumers within the Municipal Area.

The creditor payment period has decreased to 44 days from 70 days in 2016/17 and the debt collection period has increased to 63,3 days from 58 days. This is largely attributed to problems encountered with the implementation of the new financial system. We will work hard to increase this figure in the next year to ensure that it will increase significantly. Effective credit control is essential to ensure the future financial sustainability of the municipality.

The year-end bank balance has increased to 96% compared to the previous year that is indicative of adequate cash flow management. This is mainly attributed to investments that matured on 30 June 2018 as well as long term loans received and an increase in the capital replacement reserve, which resulted in a net increase in cash held of R23,4 million from the previous year with a total year-end bank balance of R 47,7 million.

Creditors as a percentage of cash and cash equivalents have decreased to 40,3% from the 112,3% of the previous year. Once again, this is a good indication of better cash management.

In terms of internal management changes on the senior and middle management level, there was none. All the middle and senior manager posts were filled at financial year-end and all of them possess the legislated qualifications and competencies. There were no occurrences of fraud and corruption that needed investigation

for the year under review and the one case reported on in the previous year is still with SAPS. Indications are that the investigation is completed and awaiting a decision from the NPA on the way forward.

The implementation of mSCOA remains a strategic risk as challenges are still experienced on a monthly basis with the system, albeit, that the relevant staff is more familiar with the operation of the system currently. There is ongoing support from the service provider.

In conclusion, I would like to extend our warmest appreciation to our Community, our Councillors, Ward Committees, as well as my management colleagues and their respective staff for their support during this reporting year. The future of this Municipality requires the collective effort of all its stakeholders and my wish is that we all strive towards achieving this collectivism; council, administration and community.

Please take time to browse through this report and your comment thereon is appreciated.

**DGI O'Neill**  
**Municipal Manager**

## CHAPTER 1: EXECUTIVE SUMMARY

### 1.1 MUNICIPAL OVERVIEW

The 2017/18 Annual Report of the Cape Agulhas Municipality is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA). This Annual Report reflects on the performance of the Municipality for the period 1 July 2017 to 30 June 2018, in relation to its Constitutional objectives, legislated functions and its Integrated Development Plan (IDP).

Section 152 (1) of the Constitution sets out the objectives of local government namely:

- To provide democratic and accountable government to the community;
- To ensure the sustainable provision of services to the community;
- To promote social and economic development;
- To promote a safe and healthy environment;
- To encourage communities and community organisations to get involved in local government matters.

The Constitution assigns a developmental duty to municipalities, which requires them to structure and manage their administration, budgeting and planning processes in a manner that gives priority to the basic needs of the community whilst promoting social and economic development of the community. The functions of municipalities are set out in Schedules 4B and 5B of the Constitution, and municipalities must perform these functions in a manner that enables them to achieve their Constitutional objectives.

Municipal elections took place on 3 August 2016. A new Municipal Council is required to adopt an IDP within one year after the municipal election, and this IDP remains in force for the elected term of office of the Council (Five years). The new IDP (2017/18-2021/22) was approved by Council on 30 May 2017 (Council Resolution 99/2017), and this annual report reflects on the performance of the Municipality in implementing the first year of the new IDP.

#### 1.2.1 VISION, MISSION AND VALUES

The vision, mission and values of the Cape Agulhas Municipality as contained in the 2017/18–2021/22 IDP are as follows:

##### VISION

“Together for excellence  
Saam vir uitnemendheid  
Sisonke siyagqwesa”

##### MISSION

“To render excellent services through good governance, public ownership and partnership in order to create a safer environment that will promote socio-economic growth and ensure future financial sustainability in a prosperous southernmost community”

##### VALUES

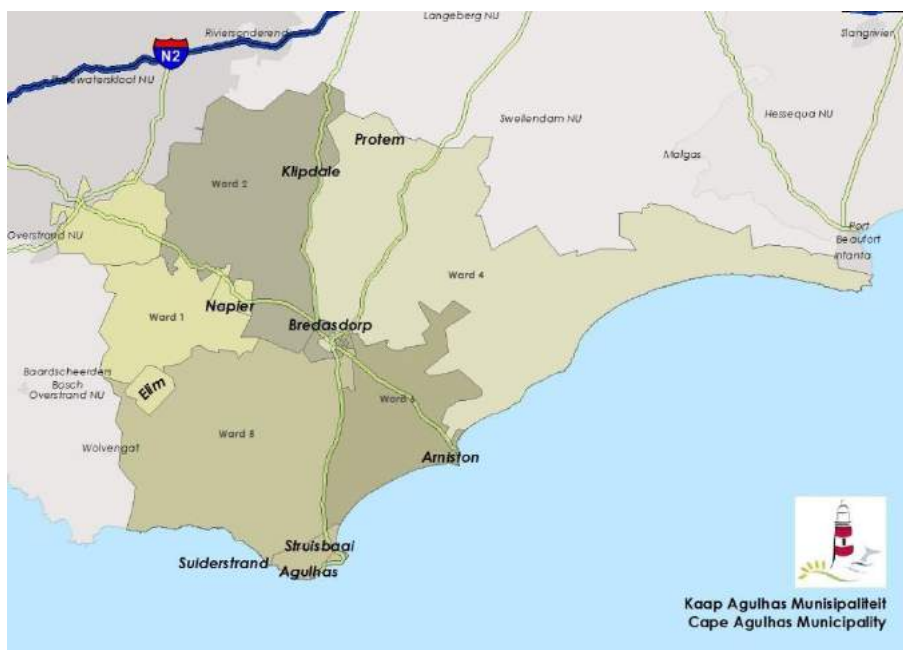
Fairness  
Integrity  
Accountability and responsibility  
Transparency

Innovativeness  
Responsiveness

1.2.2 **GEOGRAPHIC AREA**

Cape Agulhas Municipality is the southernmost municipality in Africa and falls within the Overberg District of the Western Cape. The Municipality is geographically diverse and comprises an area of 2 411 km<sup>2</sup>. It includes 9 urban settlements namely Bredasdorp which is the administrative seat, Napier, Struisbaai, Arniston/Waenhuiskrans, L’Agulhas, Klipdale, Protém and Suiderstrand and Elim which is a historical Moravian mission station. It also includes the vast rural areas in between and approximately 178 Km of coastline. The coastline comprises the Atlantic and Indian oceans, which meet at L’Agulhas, the most southern town in Africa.

**FIGURE 1 MAP OF CAPE AGULHAS MUNICIPALITY AND WARD DELIMITATION**



The following paragraphs provide an overview of each town within the Municipal Area

**Bredasdorp**



Bredasdorp is centrally located at the intersection of the R316 (which runs between Caledon and Arniston) and the R319 (which runs between Agulhas/Struisbaai and Swellendam). It is also the economic hub of the Cape Agulhas Municipal Area and is home to the biggest concentration of urbanised population. Bredasdorp is also regarded as the administrative capital of the Overberg Region as a number of Government Departments and State Owned Enterprises have established regional offices in this town. The head office of the Overberg District Municipality is also located in Bredasdorp and is strategic for the development of the local economy of

the area. Agriculture is the backbone of the town’s economy but the business and tourism sectors have also grown significantly over the years. Unique tourism products such as the Shipwreck Museum, Heuningberg Nature Reserve and the Anglican Rectory are some of the most important tourism attractions.

**Arniston / Waenhuiskrans**



The fishing village of Arniston/Waenhuiskrans is situated approximately 24 km southeast of Bredasdorp and is the only town with two official names. The name of the village was derived from a British ship, the Arniston, which ran ashore in this bay in 1815. Waenhuiskrans refers to a large cavern that can only be reached during low tide. The rugged coastline of the continental shelf dominates this unique fishing hamlet with its relatively closely-knit population. Fishermen prior to 1820 occupied the bay in which Arniston/Waenhuiskrans is situated and they called it Kassiesbaai. Kassiesbaai is a well-known and attractively restored fishing

village and a national monument. The backbone of Arniston's economy is tourism and fishing, and fishermen still go to sea in traditional boats known as chuckys. The Overberg Test Range is situated adjacent to the town.

### Struisbaai



Struisbaai, only a few kilometres from L'Agulhas, is renowned for its pristine 14 km beach, which is one of the longest uninterrupted stretches of white sandy beach in the southern hemisphere. Struisbaai is very popular for aquatic sports and its small convenient harbour facility offers boat owners the lure of deep-sea fishing. The route to Struisbaai skirts around the Karsrivierlei and Zoetendalsvlei, which is the largest natural body of fresh water in South Africa. Struisbaai is a secondary economic hub and is a renowned tourist destination. Other attractions in the town include the colourful, bustling Struisbaai Harbour where visitors can see

the traditional fisherman bring in their daily catch and buy fresh fish. Also not to be missed is the resident stingray Parrie making an appearance.

### L'Agulhas and Suiderstrand



L'Agulhas is the southernmost town on the African continent. A cairn marks the official position of the southernmost tip of Africa and it is at this longitudinal point that the Atlantic and Indian Oceans officially meet. The town of L'Agulhas developed around the famous lighthouse at Cape Agulhas, which is the country's second oldest lighthouse - dating back to 1848. The lighthouse is still fully functional and houses the only lighthouse museum in Africa.

Suiderstrand is widely regarded as an extension of the town of L'Agulhas and is situated approximately 10km west of this panoramic coastal town.

Suiderstrand mostly consists of a number of holiday homes along the beach and makes use of all public facilities and services of L'Agulhas.

### Napier



Napier is situated 58 km from Caledon and 16 km from Bredasdorp off the N2 on Route 316. Napier originated because of differences between two well-known personalities, Mr Pieter van der Byl and Mr Michiel van Breda who could not agree on where a church should be situated in the district. Neither would give way and thus in 1838 two villages were established. Agriculture, predominantly grain farming is the predominant economic activity of the town and its surrounds. It is also one of the most important wool producing areas in the country. The climate is also favourable for vegetable farming and it is renowned for its sweet potatoes commonly



known as patats. Due to the tranquil and laid-back atmosphere of the town various artists have made Napier their home and their work is for sale at local businesses and art galleries. Napier is also a very popular place for retirees. Attractions include the Kakebeenwa Monument (in memory of the Ossewa Trek) and the Dutch Reformed Church, which was declared a National Monument in 1978 as well as the only sundial in the province located at the Municipal offices built by Danie du Toit in 1965.

**Elim**



The Elim mission station was founded in 1824 and is predominantly inhabited by members of the Moravian Church. On 12 May 1824 Bishop Hallbeck of the Moravian Church acquired the 2 570 ha farm Vogelfontein from Johannes Schonken. On Ascension Thursday 12 May 1825 the name was changed to Elim (which means *palm trees*). The mission station was established around the original farmhouse built in 1796 by a Huguenot named Louis du Toit. The entire town has been declared a national monument and has also been identified as a cultural historic site. The church has the oldest working clock in South Africa

(more than 250 years old) and one of the most popular draw cards of Elim is the largest wooden waterwheel in South Africa. Elim also has a slave monument dedicated to the emancipation of slaves on 1 December 1938. The Geelkop Nature Reserve near Elim is renowned for the rare dwarf Elim Fynbos and is home to more than 200 plant species, of which 13 are on the Red Data Species List.

**Klipdale and Protem**



The construction of a railway line to the settlements of Klipdale and Protem and the grain elevator in the area contributed to the establishment and growth of these two settlements. With the completion of the railway line from Cape Town, via Sir Lowry's Pass, to Bredasdorp early in this century, a branch railway line was built from Klipdale (north of Napier) to a station called Protem. Protem or *'pro tempore'* means "for the time being or temporary" and it functioned as a railway halt. The extension of the railway line further into the Overberg was planned, but never materialised.

**1.2.2.1 WARD DELIMITATION**

Cape Agulhas Municipality is a municipality with a mayoral executive system combined with a ward participatory system. Wards are demarcated in terms of the Local Government Municipal Demarcation Act (Act 27 of 1998) for municipal election purposes.

Cape Agulhas Municipality was demarcated into six wards for the 2016 Municipal election in accordance with the Local Government Municipal Demarcation Act, No 27 of 1998. This demarcation became applicable from 3 August 2016, and the ward composition is as follows:

TABLE 1 WARD DELIMITATION 2016

WARD	AREA DESCRIPTION
1	Napier, Elim, Spanjaardskloof, Houtkloof and surrounding farming areas,
2	Part of Bredasdorp and Klipdale,
3	Part of Bredasdorp which includes the low cost housing scheme (Kleinbegin), Zwelitsha and Simunye
4	Part of Bredasdorp including the Central Business District, Protem and surrounding farms
5	Suiderstrand, L'Agulhas, Struisbaai and Haasvlakte



6	Arniston and surrounding Farms, Overberg Test Range, Part of Bredasdorp (Selfbou and Bergsig area)
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## 1.2 DEMOGRAPHIC, SOCIO ECONOMIC AND ENVIRONMENTAL OVERVIEW

### 1.2.1 DEMOGRAPHIC OVERVIEW

#### a) Population

The Cape Agulhas Municipality population is 33 038 people according to the 2011 Census, which makes it the smallest municipality in the Overberg District. The table below indicates the total population per town within the municipal area based on the 2011 statistics.

**TABLE 2 POPULATION DISTRIBUTION PER TOWN**

NAPIER	BREDASDORP	ELIM	ARNISTON	STRUISBAAI	L'AGULHAS	SUIDER-STRAND	FARMS	TOTAL
4 212	15 524	1 412	1 267	3 877	548	44	6 152	33 038

Source: Statistics SA 2011

The total population of Cape Agulhas is estimated to grow from 35 331 in 2018 to 36 773 in 2023. This equates to an estimated growth rate of 4.1% between 2018 and 2023, which is lower than the 5.8% estimated growth of the Overberg District for this period.

**TABLE 3 POPULATION PROJECTIONS**

2018	2019	2020	2021	2022	2023
35 331	35 637	35 934	36 223	36 503	36 773

Source: Socio-Economic profile 2017

The table below depicts the projected population composition of age cohorts:

**TABLE 4 AGE COHORTS**

YEAR	CHILDREN: 0-14 YEARS	WORKING AGE: 15-65 YEARS	AGED: 65+	DEPENDENCY RATIO
2011	7736	22343	2952	47.9
2018	8001	23629	3701	49.5
2023	8276	24257	4241	51.6

Source: Socio Economic Profile 2017

The comparison of the base year of 2011 and the estimated numbers for 2023 show a growth in the percentage of seniors and children. This is an important factor in the calculation of the dependency ratio. In Cape Agulhas, this ratio was 47.9% in 2011 and is estimated to increase to 51.6% in 2023.

#### b) Population by gender and race

The Coloured racial group constitutes the largest proportion of the population in the Cape Agulhas Municipal Area as well as in the Overberg District and makes up 66.2% of the population. The remaining composition of the population is 21.8% White, 0.3% and 11.6% African.

**TABLE 5 POPULATION BY GENDER AND RACE**

GENDER	BLACK AFRICAN	COLOURED	INDIAN OR ASIAN	WHITE	OTHER	TOTAL
Male	2178	10377	54	3419	201	16229
Female	1630	11285	57	3730	107	16808
<b>Total</b>	<b>3808</b>	<b>21662</b>	<b>111</b>	<b>7149</b>	<b>308</b>	<b>33038</b>

Source: StatsSA census 2011 (2016 Boundaries)

**c) Population by age and gender distribution**

The population is fairly equally distributed in terms of gender, which is in line with South African, Western Cape and ODM trends. The following table shows the composition of the population in terms of gender and age.

**TABLE 6 AGE AND GENDER COMPOSITION**

AGE	MALE	FEMALE	GRAND TOTAL
0 - 4	1356	1335	2691
5 - 9	1195	1211	2406
10 - 14	1342	1301	2643
15 - 19	1247	1406	2653
20 - 24	1354	1351	2705
25 - 29	1411	1396	2807
30 - 34	1158	1009	2167
35 - 39	1131	1111	2242
40 - 44	1226	1271	2497
45 - 49	1087	1178	2265
50 - 54	999	1025	2024
55 - 59	762	799	1561
60 - 64	642	780	1422
65 - 69	518	579	1097
70 - 74	378	472	850
75 - 79	237	272	509
80 - 84	129	188	317
85 - 89	35	77	112
<b>GRAND TOTAL</b>	<b>16207</b>	<b>16761</b>	<b>32968</b>

Source: StatsSA census 2011

The following table shows the gender composition per ward.

**TABLE 7 GENDER COMPOSITION PER WARD**

Gender	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Total
Male	3164	3186	2684	2748	2604	1844	16229
Female	3391	3343	2588	2865	2764	1858	16808
<b>Total</b>	<b>6555</b>	<b>6529</b>	<b>5272</b>	<b>5613</b>	<b>5368</b>	<b>3701</b>	<b>33038</b>

Source: StatsSA census 2011 (2016 Boundaries)

**d) Population by race**

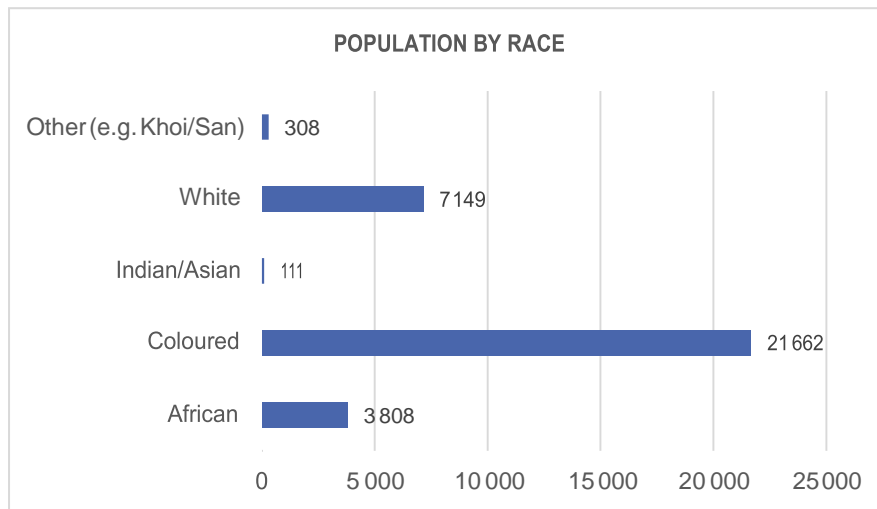
**TABLE 8 POPULATION BY RACE**

RACE	TOTAL

African	3 808
Coloured	21 662
Indian/Asian	111
White	7 149
Other (e.g. Khoi/San)	308
<b>Total</b>	<b>33 038</b>

Source: Statistics SA 2011

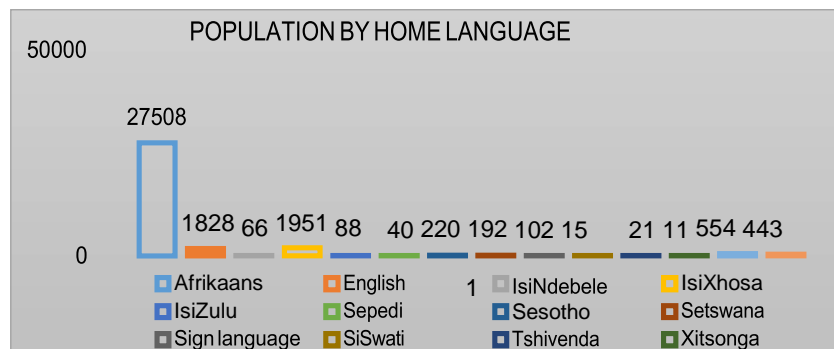
TABLE9 POPULATION BY RACE



**e) Population by language**

The predominant language in the Municipal Area remains Afrikaans, which is spoken by the majority of the population, followed by isiXhosa and English.

FIGURE 2 POPULATION BY HOME LANGUAGE



Source: StatsSA census 2011

**f) Farmworker demographics**

The Western Cape Department of Agriculture conducted a survey to provide comprehensive data on the state of farmworkers within the Cape Winelands region of the Western Cape and took the analysis to local municipal level. Cape Agulhas was also included in this study. The total study covered 6086 households with 23202 individuals living in these households. The lowest number of households and individuals was within the Cape Agulhas Municipal Area with a sample of 526 and 142 households. The following table provides a demographic profile of the Cape Agulhas farmworkers.

**TABLE 10 DEMOGRAPHIC PROFILE: FARM WORKERS**

CATEGORY	INDICATOR	NO/%
Demographics	Number of Farms	27
	Number of Households	142
	Population	526
Healthcare Services	Impaired Vision	19.72%
	Difficulty with self-care	7.75%
	Employed	10%+
Type of dwellings	Mud house	2
	RDP house	1
	Brick house	79
	Informal dwelling	6
	Back room	1
	Caravan/Tent	2
	Other	6

The table below illustrates the age distribution on Cape Agulhas Farms:

**TABLE 11 AGE DISTRIBUTION ON FARMS**

AGE BANDS	TOTAL
0	15.18%
1-7	14.78%
8-14	9.11%
15-19	27.94%
20-35	21.26%
36-50	10.53%
51-65	1.21%

## 1.2.2 HOUSEHOLDS

In order to ensure basic service delivery to all, municipal budget allocations are informed by credible and accurate assumptions regarding the number of households within a municipal area. Access to formal housing and services in Cape Agulhas is measured against a total number of households of 10 162 in 2011 and 11 321 in 2016.

**TABLE 12 HOUSEHOLDS**

2011	2016	Average annual change 2011-2016	Average annual growth 2011-2016
10 162	11 321	232	2.2%

Source: Socio-Economic Profile 2017

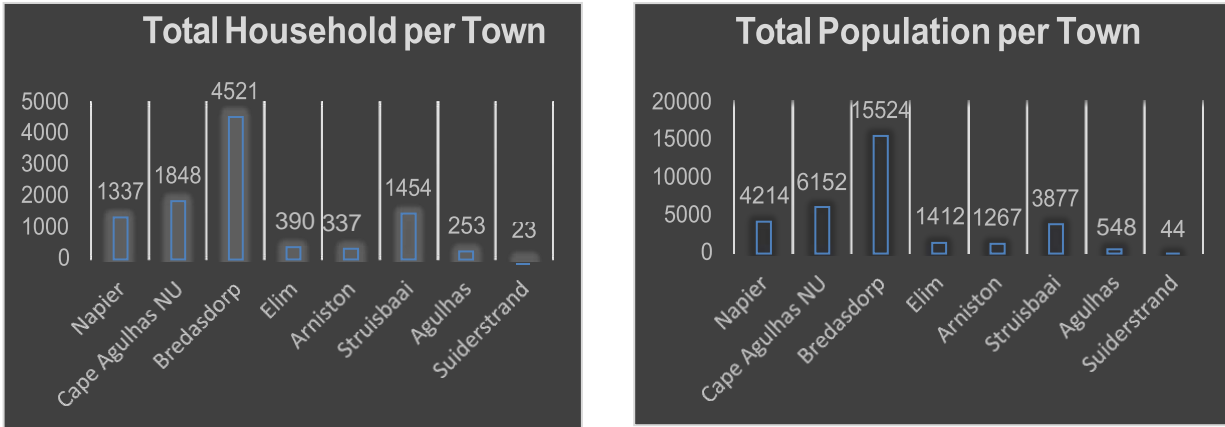
TABLE 13 INDIGENT HOUSEHOLDS

HOUSEHOLDS	2015/16	2016/17	2017/18
Number of indigent and poor households in municipal area	3419	3559	3145

Source: MERO 2017 read with CAM Indigent Register

The following graphs provides an overview of the population and households per town.

FIGURE 3 TOTAL HOUSEHOLDS PER TOWN



Source: StatsSA census 2011

1.2.3 SOCIO ECONOMIC OVERVIEW

a) Key economic activities

The Municipality is dependent on the following economic activities:

TABLE 14 KEY ECONOMIC ACTIVITIES

KEY ECONOMIC ACTIVITIES	DESCRIPTION
Agriculture and Agro-processing	<p>Agriculture is one of the most important economic sectors of the Cape Agulhas Municipality.</p> <ul style="list-style-type: none"> <li>○ Agriculture - Livestock farming, ostriches, wheat crops, canola, vegetables, dried flowers, grapes and olives.</li> <li>○ Agro-processing - Dairy products, wool, mutton, meat, wine, oilseed, ostrich meat, geese feathers and down.</li> </ul> <p>Bredasdorp has been identified as the location for an Agri Park, which will also contribute to this sector.</p>
Tourism	<p>Tourism is also one of the most important economic sectors of the Cape Agulhas Municipality, and the sector with the most growth potential.</p> <p>One of the most distinctive tourist attractions, which has the potential to become the single most branded item of the region is the southernmost tip of the African continent.</p> <p>The tourism industry includes:</p> <ul style="list-style-type: none"> <li>○ Nature Based Tourism (fynbos, fauna &amp; flora species);</li> <li>○ Adventure Tourism (horse riding, mountain biking, paintballing, quad biking, kayaking);</li> <li>○ Marine Tourism (whale watching, fishing, De Hoop and De Mond marine conservation areas);</li> </ul>

	<ul style="list-style-type: none"> <li>o Family Holidays (beaches &amp; play parks);</li> <li>o Agri Tourism (winefarms);</li> <li>o Cultural and Heritage Tourism (lighthouse, Elim, shipwrecks);</li> <li>o Business Tourism (conferences, events, teambuilding);</li> <li>o Events Tourism (Foot of Africa marathon, Overberg Air Show, Napier Patatfees, AgriMegaWeek, Heartbeat Christian Festival, Cape Floral Kingdom Expo, Arniston Weekender).</li> </ul>
Fishing and Mari-culture	Cape Agulhas contributes significantly to the Capeline-fish industry. Mari-culture and the processing of marine products like saltwater- and freshwater fish farms, abalone farm, mussels and seaweed cultivation, have the potential to become a very lucrative industry for the area. There is potential for our natural resources to be harvested and processed for commercial use.
Trade/SMME/Informal Enterprise Development	The trading industry has remained one of the dominant economic sectors in the Municipal Area during the past 10 years 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. The type of activities that form part of the informal economy includes hawkers, spaza shops and shebeens.
Natural Resource Economics	Our biodiversity is a 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. One of the greater economic benefits of the natural resources on the Agulhas Plain is the abundant variety of wildflower species.
Construction	The contribution of this sector is becoming increasingly important. A challenge is the skills shortages that exist in the sector. Most of the construction workers have low skills levels and there is a shortage of management level skills. The Municipality tries to ensure sufficient access to business opportunities for local contractors within its procurement capabilities. The construction of the Anene Booysen Skills Centre in partnership with the Construction SETA will also assist in this regard.
Manufacturing	One of the major challenges for the manufacturing industry particularly in the Cape Agulhas Municipal Area is the steep increase in agriculturally based food prices. Opportunities should be identified for innovative products that can be manufactured to address local demands instead of focussing on the export market.

**b) Socio economic growth indicators**

**TABLE 15 SOCIO ECONOMIC GROWTH INDICATORS**

FINANCIAL YEAR	HOUSING BACKLOG*	UNEMPLOYMENT RATE	HOUSEHOLDS WITH NO INCOME	SKILLS PROP. OF POP. – LOW SKILLED EMPLOY	PEOPLE OLDER THAN 14 YEARS ILLITERATE	HIV/AIDS PREVALENCE	URBAN/RURAL HOUSEHOLD SPLIT
2011/12	4 331	13.8%	15.2%	40%	26%	2.8%	83.2/16.8%
2012/13	3 726	Statistics only available on provincial level and not on municipal level					
2013/14	3 319	Statistics only available on provincial level and not on municipal level					
2014/15	3 411	Statistics only available on provincial level and not on municipal level					
2015/16	3505	Statistics only available on provincial level and not on municipal level					
2016/17	3594	Statistics only available on provincial level and not on municipal level					
2017/18	3685	Statistics only available on provincial level and not on municipal level					

\*Source: Municipal housing database

**1.24 ENVIRONMENTAL OVERVIEW**



The Environment is a concurrent National and Provincial competency in terms of Part A of Schedule 4, of the Constitution. The Municipal Systems Act requires municipalities to work together with other organs of state to contribute to the progressive realisation of the right to environment (Section 23). The Bill of rights (Section 24) states that

*“Everyone has the right -*

- a) to an environment that is not harmful to their health or well-being; and*
- b) to have the environment protected, for the benefit of present and future generations through reasonable legislative and other measures that;
 
  - i. prevent pollution and ecological degradation*
  - ii. promote conservation*
  - iii. secure ecologically sustainable development and use of natural resources while**
- c) promoting justifiable economic and social development”*

One of the biggest attributes of the Municipal Area is its natural environment, which attracts thousands of tourists to this area on a daily basis. Our natural environment is the foundation of our tourism industry, and plays a key role in the agriculture industry. It is therefore imperative that our planning and decision making support the principles of sustainable development.

#### **a) Coastal management**

The Overberg coastline is about 330km long and stretches over jurisdictional areas of three local municipalities. Approximately 178Km of this coastline is in the Cape Agulhas Municipality.

The Overberg District Municipality (ODM) plays a key role in coastal management, and have developed an integrated Coastal Management Plan (ICMP) for the District as a whole. The ICMP co-ordinates the roles of each of the local municipalities in coastal management. ODM is also in process of doing a pilot coastal access strategy.

The coast is a critical source of economic opportunity including:

- Tourism and eco-tourism activities: such as whale watching, bird watching, hiking, recreational fishing, blue flag beaches and several heritage sites such as the shell middens, historic fisherman’s cottages, the Cape Agulhas Lighthouse, most southern point of Africa and the Waenuiskrans Cave.
- Marine living resources: There are two proclaimed fishing harbours in the Municipal Area namely Arniston and Struisbaai. The fishing communities along the coast are highly dependent on subsistence fishing.

#### **b) Climate change**

The impacts of climate change such as floods, droughts, changes in rainfall patterns and temperature, all have serious implications for local municipalities and the communities they serve. Climate change cannot only be limited to natural disasters but it also has economic and social impacts that will need to be accounted for.

Climate change affects multiple systems and so risks from climate change require a systemic and coordinated response. From a practical perspective, this requires input, agreement and collaboration from various stakeholders. Both government entities and the private sector should therefore respond to these impacts through mainstreaming climate change mitigation and adaptation into its way of doing business. Climate change also holds significant opportunities namely:

- Mainstreaming climate change into municipal planning through the Overberg District Municipality Climate Change Response Framework;
- Through the establishment of partnerships, secure the implementation of climate change mitigation and adaptation projects; and
- The National Strategic Environmental Assessment (SEA) for the efficient and effective rollout of wind and solar PV energy in South Africa highlighted the Overberg area as a strategic Renewable Energy Development Zone for large-scale wind energy projects in which significant negative impacts on the natural environment are limited and socio-economic benefits to the country are enhanced.

**c) Biodiversity management**

Cape Agulhas is a signatory to the internationally recognised ICLEI Durban Commitment, which is a long term political commitment to the protection of biodiversity. The Municipality also plays a key role in bioregional planning and biodiversity management and is a commenting authority for any development applications. Comments are provided in accordance with set criteria which are based on the principles of sustainability (which includes the protection and conservation of endangered/threatened ecosystems, CBAs and ESAs), is used. Biodiversity conservation guidelines informing the abovementioned criteria are:

- The Western Cape’s Spatial Biodiversity Plan;
- ODM GIS database and Spatial Development Framework (SDF);
- Cape Agulhas GIS database and Spatial Development Framework (SDF);
- National list of ecosystems that are threatened and in need of protection.

**TABLE 16 ENDANGERED ECOSYSTEMS**

<b>CRITICALLY ENDANGERED</b>	<b>ENDANGERED</b>	<b>VULNERABLE</b>
Cape Lowland Alluvial Vegetation	Agulhas Sand Fynbos	Agulhas Limestone Fynbos
Central Rûens Shale Renosterveld	Greyton Shale Fynbos	Albertinia Sand Fynbos
Eastern Rûens Shale Renosterveld	Hangklip Sand Fynbos	Boland Granite Fynbos
Elgin Shale Fynbos	Potberg Ferricrete Fynbos	Cape Winelands Shale Fynbos
Elim Ferricrete Fynbos	Western Cape Milkwood Forest	Hawequas Sandstone Fynbos
Kogelberg Sandstone Fynbos		Montagu Shale Renosterveld
Overberg Sandstone Fynbos		Swellendam Silcrete Fynbos
Rûens Silcrete Renosterveld		
Western Rûens Shale Renosterveld		

**d) Air quality**

Air quality management has been implemented at Cape Agulhas Municipality in terms of the following legislation:

- Constitution of the Republic of South Africa (1996), section 156(2), schedule 4 Part B and schedule 5 Part B;
- National Environmental Management Act: Air Quality Act, 2004 (Act No.39 of 2004) the 2012 National Framework for Air Quality Management.

In terms of the above municipalities are responsible for interalia:

- Development and implementation of air quality management Plans for particular areas
- The setting up of source emission inventories
- Setting up ambient air monitoring networks

- Setting up of community monitoring forums
- Development of standards in line with national baseline standards
- By-laws

The Municipality also has an approved Air Quality Management Plan (AQMP), which guides its activities as well as a Cape Agulhas Air Quality By-Law (2014).

### 1.3 BASIC SERVICE DELIVERY OVERVIEW

Government policy places specific emphasis on the provision of basic services, which entail the provision of electricity, water, sanitation and waste collection. These services also underlie the delivery of housing, which is a concurrent Provincial and National Government competency.

The following paragraphs provide an overview of basic service delivery highlights and challenges in respect of each service. Full detail on basic service delivery for 2017/18 is contained in Chapter 3.

#### 1.3.1 BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS

The following paragraphs provide an overview of the Municipality’s service delivery highlights.

**TABLE 17 BASIC SERVICE DELIVERY HIGHLIGHTS**

SERVICE	DESCRIPTION
Water provision	<ul style="list-style-type: none"> <li>▪ Reduction of water losses from 17.48% to 13.80%</li> <li>▪ Good water quality, the average water quality (SANS 241) for the year is 95.40%</li> <li>▪ Two boreholes in Bredasdorp were rehabilitated to mitigate the impact of the drought</li> </ul>
Waste water provision (Sanitation)	<ul style="list-style-type: none"> <li>▪ The design and development of contract documentation for the rehabilitation of the Waste Water Treatment Works in Bredasdorp commenced</li> </ul>
Electricity provision	<ul style="list-style-type: none"> <li>▪ Unaccounted for electricity is 6.93% which is well below the norm.</li> <li>▪ The electrification of 140 plots in Bredasdorp in preparation for the planned low cost housing development in Area F.</li> <li>▪ Installation of numerous streetlights and floodlights in all wards.</li> <li>▪ Maintenance of street lights in the Eskom supply areas in accordance with an agreement concluded with ESKOM</li> </ul>
Waste management (Refuse removal)	<ul style="list-style-type: none"> <li>▪ Waste management is used as an opportunity to create jobs through the Municipality’s EPWP Programme.</li> <li>▪ The community identified a need for wheelie bins, and this was investigated as part of the regional landfill site investigation. As a result, the Council budgeted for the implementation of wheelie bins throughout the Municipal Area over the course of two financial years.</li> </ul>
Roads and storm water	<ul style="list-style-type: none"> <li>▪ A stormwater canal was constructed in Bredasdorp using labour intensive methods in preparation for the planned low cost housing development in Area F.</li> <li>▪ 4.45 Km roads were also upgraded in Area F</li> <li>▪ 802.8 Square metres of paving was done in Bredasdorp</li> </ul>

	<ul style="list-style-type: none"> <li>▪ The upgrading of the Struisbaai industrial road was completed</li> </ul>
Human settlement	<ul style="list-style-type: none"> <li>▪ 55 Title Deeds were restored from the old Housing Schemes and 151 Title Deeds was received from the Transferring Attorneys for the Struisbaai Housing Project in the financial year under review</li> <li>▪ 683 stands were serviced in Area F, Bredasdorp in preparation for the planned low cost housing development.</li> </ul>

### 1.3.2 BASIC SERVICE DELIVERY CHALLENGES

The following paragraphs provide an overview of the Municipality's service delivery challenges.

**TABLE 18 BASIC SERVICE DELIVERY CHALLENGES**

SERVICE	DESCRIPTION	ACTIONS
General infrastructure	<ul style="list-style-type: none"> <li>▪ The Municipality does not have an Infrastructure Growth and Development Plan (IGDP)</li> </ul>	<ul style="list-style-type: none"> <li>▪ A consulting Engineer was appointed for the development of an Infrastructure Growth and Development Plan, which will be rolled out in 2018/19</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Ageing infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Infrastructure maintenance is addressed in the approved Long Term Financial Plan.</li> </ul>
Water provision	<ul style="list-style-type: none"> <li>▪ Outdated Water Services Development Plan</li> </ul>	<ul style="list-style-type: none"> <li>▪ A consulting Engineer was appointed for the development of a new Water Services Development Plan, which will be rolled out in 2018/19</li> </ul>
Waste water provision (Sanitation)	<ul style="list-style-type: none"> <li>▪ Waste water quality and compliance with green drop standards</li> </ul>	<ul style="list-style-type: none"> <li>▪ A consulting Engineer was appointed for the design and development of contract documentation for the rehabilitation of the Waste Water Treatment Works in Bredasdorp. Phase 1 of the project will commence in 2018/19</li> </ul>
Electricity provision	<ul style="list-style-type: none"> <li>▪ Eskom Capacity constraints, which will limit development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council approved the Small Scale Embedded Generation Policy and contract</li> </ul>
Waste management (Refuse removal)	<ul style="list-style-type: none"> <li>▪ Bredasdorp Landfill site capacity</li> </ul>	<ul style="list-style-type: none"> <li>▪ An Investigation was done on the feasibility of a shared landfill site. The process will be taken forward in 2018/19</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Illegal dumping</li> </ul>	<ul style="list-style-type: none"> <li>▪ Recycling is encouraged to lengthen the lifespan of the landfill sites.</li> <li>▪ Law enforcement and awareness campaigns are ongoing to address illegal dumping.</li> </ul>
Roads and storm water	<ul style="list-style-type: none"> <li>▪ Extensive gravel roads that need to be maintained</li> </ul>	<ul style="list-style-type: none"> <li>▪ Re-gravelling of sections of road on an annual basis with budget available.</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Storm water backlogs due to inadequate storm water systems</li> </ul>	<ul style="list-style-type: none"> <li>▪ Systematic annual upgrade of storm water system with budget available in accordance with master plans.</li> </ul>
Human settlement	<ul style="list-style-type: none"> <li>▪ Living conditions of backyard dwellers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council has a strategy to start addressing the housing needs for the affordable market and to</li> </ul>

SERVICE	DESCRIPTION	ACTIONS
	and people living in informal settlements	make available serviced plots for beneficiaries earning R3501-R7000.

**1.3.3 HOUSEHOLD ACCESS TO BASIC SERVICES**

The Municipality is providing basic services at the prescribed level to all urban households within its area of jurisdiction and there are no backlogs. The ongoing increase of indigent households is placing ever-increasing financial pressure on the Municipality to fulfill its obligations.

**TABLE 19 PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICES**

DESCRIPTION	2015/16	2016/17	2017/18
Electricity - service connections	100%	100%	100%
Water - available within 200m from dwelling	100%	100%	100%
Sanitation - Households with at least VIP service	100%	100%	100%
Waste collection - kerbside collection once a week	100%	100%	100%

**1.4 FINANCIAL HEALTH OVERVIEW – TO BE INSERTED ON COMPLETION OF CHAPTER 5**

The following paragraphs provide an overview of the financial performance highlights and challenges and key trends. Full detail on financial performance for 2017/18 is contained in Chapter 5.

**1.4.1 FINANCIAL VIABILITY HIGHLIGHTS**

**TABLE 20 FINANCIAL VIABILITY HIGHLIGHTS**

HIGHLIGHT	DESCRIPTION
Clean audit	The Municipality achieved a clean audit in 2017/18 for the fifth consecutive year
Debt Collection	The debt collection rate is 96.50%
Creditor payments	Creditors are being paid within the 30 day limit
Long term financial viability	Council approved a revised and updated Long Term Financial Plan Strategy (LTFP) as well as a Revenue Enhancement Strategy implementation plan for rollout per set target date.
mSCOA	The municipality was able to meet National Treasury’s mSCOA requirements

**1.4.2 FINANCIAL VIABILITY CHALLENGES**

**TABLE 21 FINANCIAL VIABILITY CHALLENGES**

CHALLENGE	ACTION TO ADDRESS
Employee related costs	Employee related costs are 39,74%, slightly less than National Treasury’s norm of between 30 -40%. The Municipality completed a productivity study during the 2017/18 financial year, and approved a new macro organogram whereby a number

	of positions not fully utilized became redundant and scrapped from the personnel structure. The Municipality only considers the filling of legislative required and / or service delivery orientated positions.
Bulk electricity purchases	Increasing costs of bulk purchases of electricity from ESKOM coupled limitations on tariffs imposed by NERSA. Ongoing review and update of the current tariff structure aligned with NERSA's tariff benchmark guideline for electricity and other services continues in in order to be more transparent, fair and equitable
Increasing of reserves	By applying a mix of other sources for capital funding aligned with the Municipality's LTFFP recommendations, the Municipality embarked on a process to introduce external borrowing as an additional source of funding for infrastructure related capital projects. The Municipality managed to improve its cash position and as a result could increase the capital replacement reserve to R30 million for the financial year under review

**1.4.3 FINANCIAL VIABILITY (RATIO'S) -**

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 of Municipal Financial Viability and Management.

**TABLE 22 NATIONAL KPI'S FOR FINANCIAL VIABILITY AND MANAGEMENT**

KPA & INDICATOR	2015/16	2016/17	2017/18
Debt coverage ((Total operating revenue- operating grants received):debt service payments due within the year) (Higher is better)	232,10	324,72	72.82
Service debtors to revenue – (Total outstanding service debtors: revenue received for services) (Lower is better)	9.79	8.18%	10.470
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure (Higher is better)	0.79	1.18	2.26

**1.4.4 FINANCIAL OVERVIEW**

**TABLE 23 FINANCIAL OVERVIEW 2017/18**

DETAILS	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL
<b>Income</b>	57 206	58 299	37 463
Grants - Operational	13 001	18 104	12 456
Grants - Capital	226 814	213 000	211 080
Taxes, Levies and tariffs	27 895	33 254	51 999
Other	324 916	322 657	312 998
<b>Sub Total</b>	321 162	314 262	290 748
<u>Less: Expenditure</u>	3 754	8 395	22 250
<b>Net Total*</b>	57 206	58 299	37 463

**1.4.5 OPERATING RATIO'S**

**TABLE 24 OPERATING RATIOS**

DETAIL	EXPECTED NORM	ACTUAL	VARIANCE
Employee Cost (Inclusive of temporary workers – GRAP 1 disclosure requirements according to the nature of function performed)	<35-40%	39.74%	4.74% above minimum norm
Finance charges & depreciation	<10%	10.39%	0.39% above norm

The Municipality’s expenditure on employee related costs is above the national norm. The finance charges are also well below the norm due to the Municipality’s conservative approach to taking up new external loans to fund capital investment.

**1.4.6 TOTAL CAPITAL EXPENDITURE**

**TABLE 25 TOTAL CAPITAL EXPENDITURE**

DETAIL	2015/16 R'000	2016/17 R'000	2017/18 R'000
Original Budget	21 871	24 631	29 682
Adjustment Budget	25 511	25 452	34 217
Actual	21 286	24 280	32 033
% Spent	21 871	24 631	29 682

**1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW**

The Cape Agulhas Municipality currently employs 347 people (excluding non-permanent employees), who individually and collectively contribute to the achievement of the Municipality’s objectives. The primary objective of the Human Resource Department is to render an innovative human resource service that addresses both human resource development and human resource administration.

The following paragraphs provide an overview of organisational development highlights and challenges. Full detail on organisational development for 2016/17 is contained in Chapter 4.

**1.5.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS**

**TABLE 26 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS**

HIGHLIGHT	DESCRIPTION
Productivity assessment	<ul style="list-style-type: none"> <li>The Province funded an Organisational Productivity Assessment to enable us to assess our employee utilisation, and enable us to make optimal use of our current human resources without increasing our annual personnel expenditure.</li> </ul>
Skills development	<ul style="list-style-type: none"> <li>The Municipality fully utilised its skills development allocation in 2017/18</li> <li>A Recognition for Prior Learning (RPL) Programme funded internally and externally in partnership with North Link TVET College was implemented. Approximately 67 Infrastructure Services and Management Services</li> </ul>



	employees were initially assessed 55 employees are now eligible to be trained as artisans.
Employment equity	<ul style="list-style-type: none"> <li>A new Employment Equity Plan approved 27 September 2017</li> </ul>
Low vacancy rate	<ul style="list-style-type: none"> <li>The vacancy rate is 4.41%</li> </ul>
Organisational Structure	<ul style="list-style-type: none"> <li>The revised Organisational Structure was approved 7 December 2017 and further revisions approved 22 June 2018</li> </ul>

## 1.5.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

TABLE 27 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

CHALLENGE	ACTION TO ADDRESS
Implementation of the Employment Equity Plan	A concerted effort was made to implement the Municipality's Employment Equity Plan and achieve the goals and targets contained therein. Through training and development initiatives, we have created a pool of qualified local internal employees, mostly females, for possible opportunities when there are vacancies.
Individual performance management	The efficacy of individual performance management remains a challenge. Various workshops and training initiatives were convened for managers and supervisors to address this.

## 1.5.3 EMPLOYMENT EQUITY

TABLE 28 2017/18 EMPLOYMENT EQUITY TARGETS/ACTUAL BY RACIAL CLASSIFICATION FOR TOP THREE LEVELS OF MANAGEMENT

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
4	0	0	1	1	100	0	0	0	1	0	0

TABLE 29 2017/18 EMPLOYMENT EQUITY TARGETS/ACTUAL BY RACIAL CLASSIFICATION (All employees)

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
22	2	9.09%	17	4	0%	1	0	0%	4	1	25%

TABLE 30 2016/17 EMPLOYMENT EQUITY TARGETS/ACTUAL BY GENDER CLASSIFICATION

MALE			FEMALE			DISABLED		
TARGET JUNE	ACTUAL JUNE	TARGET REACHED	TARGET JUNE	ACTUAL JUNE	TARGET REACHED	TARGET JUNE	ACTUAL JUNE	TARGET REACHED
18	6	33.33%	23	1	4.38%	2	1	50%

## 1.5.4 SKILLS DEVELOPMENT

TABLE 31 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT

YEAR	TOTAL OPERATIONAL BUDGET	TOTAL ALLOCATED FOR TRAINING	TOTAL SPENT	% SPEND
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2016/17	R 279 470 030.00	1 450 000.00	R1 222 683.00	0.43%
2017/18	R 115,542,164.00	1450 000.00	R1 398 351.05	1.19%

## 1.6 AUDITOR GENERAL REPORT

The Municipality received a clean audit for 2017/18, and has maintained its record of unqualified audits with no matters (clean audit) for five successive years. This emphasizes the Municipality's commitment to clean administration and good governance.

An action plan (OPCAR) with corrective measures was drawn up to address the findings from the 2017/18 audit. This plan is monitored and progress evaluated on a monthly basis by the Internal Auditor and the CFO. This plan is a standing item on the Municipal Manager's monthly Directors meeting and is submitted to Council during their monthly meetings, as well as the Audit and Performance Audit Committee during their quarterly meetings.

### 1.6.1 AUDIT OUTCOMES

TABLE 32 AUDIT OUTCOMES

YEAR	2014/15	2015/16	2016/17	2017/18
Status	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters

## CHAPTER 2: GOVERNANCE

This Chapter provides an overview of the Municipality's performance in terms of the National Key Performance Area (KPA) of **good governance and public participation** as contained in the Local Government: Municipal Planning and Performance Management Regulations of 2001 read together with Section 43 of the MSA.

### 2.1 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance has eight 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.

#### 2.1.1 GOVERNANCE STRUCTURE

##### 2.1.1.1 POLITICAL GOVERNANCE STRUCTURE

Legislative and executive authority is vested in the Municipal Council. The Municipal Council has delegated its executive functions to the Executive Mayor and the Mayoral Committee in accordance with a delegation framework in terms of Section 59 of the Municipal Systems Act. A new system of delegations was approved on 18 April 2018 (Resolution 42/2018)

Section 79 of the Municipal Structures Act empowers the Municipal Council to establish committees that are necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers. It appoints the chairperson of such committees, determines the functions and may delegate powers and duties. Section 80 of the Municipal Structures Act makes provision for the appointment of committees to assist the Executive Mayor. These committees are commonly known as Portfolio Committees.

#### a) Municipal Council

The Municipal Council comprises eleven Councillors, six of whom are Ward Councillors and five of whom are Proportional Representation (PR) Councillors. The Council is now led by the Democratic Alliance (DA).

Section 37(c) of the Municipal Structures Act requires Municipal Councils to meet a minimum of quarterly. 14 Council Meetings took place during the year. There were 10 ordinary meetings and 4 special meetings.

TABLE 33 COUNCIL MEETINGS

DATE	SPECIAL / ORDINARY
4 July 2017	Special
29 August 2017	Ordinary
12 September 2017	Special
26 September 2017	Ordinary
31 October 2017	Ordinary
7 December 2017	Ordinary
30 January 2018	Special
9 March 2018	Special
27 March 2018	Ordinary

DATE	SPECIAL / ORDINARY
18 April 2018	Ordinary
29 May 2018	Ordinary
22 June 2018	Special

The table below provides a list of Councillors, their office and political affiliations. It also indicates whether they served as a ward or proportional Councillor for the 2017/18 financial year.

**TABLE 34: COUNCILLOR REPRESENTATION AND MEETING ATTENDANCE**

COUNCIL MEMBER	CAPACITY	POLITICAL PARTY	WARD OF PROPORTIONAL	COUNCIL MEETING ATTENDANCE %	APOLOGIES FOR NON-ATTENDANCE %
PJ Swart	Executive Mayor / Ward Councillor	DA	Ward 5	100	
Z Tonisi	Deputy Mayor PR Councillor	DA	Proportional	91.67	8.33 % (1)
GD Burger	Member of Mayoral Committee/ PR Councillor	DA	Proportional	91.67	8.33 % (1)
J Nieuwoudt	Speaker / Ward Councillor	DA	Ward 4	100	
RJ Baker	Ward Councillor	ANC	Ward 3	91.67	8.33 % (1)
D Europa	Ward Councillor	ANC	Ward 6	100	
E Sauls	District Representative / Ward Councillor	DA	Ward 1	100	
CJ Jacobs	PR Councillor	KAPCO	Proportional	83.33	16.66 % (2)
D Jantjies	PR Councillor	Diensleweringsparty	Proportional	100	
M October	Member of Mayoral Committee / Ward Councillor	DA	Ward 2	91.67	8.33 % (1)
EC Marthinus	PR Councillor / District Representative	ANC	Proportional	91.67	8.33 % (1)

**b) Executive Mayoral Committee**

The executive is headed by the Executive Mayor who is assisted by the Mayoral Committee. Cllr P Swart was elected Executive Mayor following the 2016 municipal election. A total of 8 Mayoral Committee meetings were held in 2017/18

**TABLE 35 EXECUTIVE MAYORAL COMMITTEE**

NAME OF MEMBER	CAPACITY	MEETING ATTENDANCE	MEETING DATES
P Swart	Executive Mayor	100 %	21 August 2017
Z Tonisi	Deputy Mayor	100 %	19 September 2017
D Burger	Member of Mayoral Committee	62.5 %	24 October 2017 1 December 2017
M October	Member of Mayoral Committee	100 %	6 February 2018 19 March 2018 17 April 2018 29 May 2018

**c) Portfolio Committees**

Portfolio Committees are established in terms of the Municipal Systems Act to assist the Executive Mayor. The number of committees may not exceed the number of members of the Mayoral Committee. They advise the Executive Mayor on policy matters and make recommendations to the Executive Mayor. The tables below indicate the portfolio committees, their composition and meeting dates.

**TABLE 36 PORTFOLIO COMMITTEES**

<b>COMMITTEE</b>	<b>MEMBERS</b>	<b>MEETING DATES</b>
Infrastructure Services	<b>M October (Chairperson)</b> D Burger RJ Baker CJ Jacobs D Jantjies	14 August 2017 12 September 2017 17 October 2017 21 November 2017 30 January 2018 13 March 2018 10 April 2018 21 May 2018
Management Services	<b>Z Tonisi (Chairperson)</b> M October D Europa CJ Jacobs D Jantjies	14 August 2017 12 September 2017 17 October 2017 21 November 2017 30 January 2018 13 March 2018 10 April 2018 21 May 2018
Finance & Strategic Services	<b>GD Burger (Chairperson)</b> Z Tonisi E Marthinus CJ Jacobs D Jantjies	14 August 2017 12 September 2017 17 October 2017 21 November 2017 30 January 2018 13 March 2018 10 April 2018 21 May 2018
Masakhane Committee	<b>Z Tonisi (Chairperson)</b> P Swart E Sauls J Nieuwoudt D Europa RJ Baker M October	14 August 2017 12 September 2017 17 October 2017 22 November 2017 30 January 2018 13 March 2018 10 April 2018 21 May 2018 13 June 2018

**d) Municipal Public Accounts Committee**

The Municipal Public Accounts Committee (MPAC) is a Committee of Council established in terms of section 79 of the Municipal Structures Act and performs an oversight function on behalf of Council. This Committee consists solely of Councillors appointed by the Council and is representative of all political parties on the Council. The Committee is chaired by one of the opposition political parties who is also appointed by the Council.

The primary functions of the Municipal Public Accounts Committees are as follows:

- To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on the annual report;
- In order to assist with the conclusion of matters that may not be finalized, information relating to past recommendations made on the Annual Report, must also be reviewed. This relates to current in-year reports, including the quarterly, mid-year and annual reports;
- To examine the financial statements and audit reports of the municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee’s and the Auditor General’s recommendations have been implemented;
- To promote good governance, transparency and accountability on the use of municipal resources;
- To recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee; and
- To perform any other functions assigned to it through a resolution of Council within its area of responsibility.

The table below indicate the MPAC composition and meeting dates.

**TABLE 37: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

NAME OF REPRESENTATIVE	CAPACITY	POLITICAL PARTY	MEETING DATES
C Jacobs	Chairperson	KAPCO	28 August 2017
E Marthinus	Member	ANC	6 September 2017
E Sauls	Member	DA	19 September 2017
D Jantjies	Member	Dienslewering Party	28 September 2017
			8 November 2017
			19 January 2018
			22 January 2018
			29 May 2018

2.1.1.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The Municipal Manager is the Accounting Officer of the Municipality. He is the Head of the Administration and is primarily responsible for service delivery and implementation of political priorities.

The Municipal Council adopted a revised macro structure in May 2017, and implementation took place with effect from 1 July 2017. The revised organisational structure reduced the previous four directorates to three. The administration consists of the office of the Municipal Manager and three directorates. Each directorate is headed by a Director, appointed in terms of Section 57 of the Municipal Systems Act. The position of Director Infrastructure Services was vacant from 21 August 2017 until 20 June 2018.

The Municipal Manager and Directors all meet the minimum qualification requirements and competency levels as required by the MFMA and have performance agreements in place that align to the Municipality’s top layer SDBIP.

The table below indicates the senior management administrative governance structure.

**TABLE 38 ADMINISTRATIVE GOVERNANCE STRUCTURE: SENIOR MANAGEMENT**

NAME OF OFFICIAL	DIRECTORATE	PERFORMANCE AGREEMENT SIGNED
Mr D O'Neill	Municipal Manager	Yes
Mr A Jacobs	Director: Infrastructure Services	No (Appointed on 20 June 2018)*
Mr H van Biljon	Director: Financial Services and Information Technology	Yes
Mr K Mrali	Director: Management Services	Yes

\*In terms of the Municipal Systems Act Municipal Performance Regulations for Municipal Managers and Managers accountable to Municipal Managers (2006) a performance agreement must be concluded within 60 days of appointment. That is to say 20 August 2018.

Each Directorate comprises a number of Departments, which are indicated in the table below.

**TABLE 39 ADMINISTRATIVE GOVERNANCE STRUCTURE: THIRD TIER**

DIRECTORATE	DEPARTMENTS
Municipal Manager	<ul style="list-style-type: none"> <li>▪ Internal Audit (Reports to Audit Committee)</li> <li>▪ Strategic Planning and Administration                             <ul style="list-style-type: none"> <li>○ Town and Regional Planning</li> <li>○ Client Services</li> <li>○ Corporate Support</li> </ul> </li> <li>▪ Human Resource and Organisational Development Services</li> <li>▪ Socio economic services</li> </ul>
Infrastructure Services	<ul style="list-style-type: none"> <li>▪ Water and Sanitation</li> <li>▪ Roads and Storm water</li> <li>▪ Waste Management</li> <li>▪ Electro Technical Services</li> <li>▪ Building Control</li> </ul>
Financial Services and Information Technology	<ul style="list-style-type: none"> <li>▪ Revenue</li> <li>▪ Expenditure</li> <li>▪ Budget and Treasury Office</li> <li>▪ Supply Chain Management and fleet</li> <li>▪ Information Technology</li> </ul>
Management Services	<ul style="list-style-type: none"> <li>▪ Library Services</li> <li>▪ Traffic and Law Enforcement</li> <li>▪ Public Services</li> <li>▪ Human Settlement</li> </ul>



## 2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another, inform and consult one another on matters of common interest, coordinate their actions, adhere to agreed procedures and avoid legal proceedings against one another.

### 2.2.1 INTERGOVERNMENTAL STRUCTURES

To adhere to the principles of the Constitution the Municipality participates in the following intergovernmental structures:

**TABLE 40 DISTRICT INTERGOVERNMENTAL STRUCTURES AND FORUMS**

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
DWA Bi-Lateral Meetings	Overberg District Municipality and Overberg Water	Water & sanitation related topics
DCF (District Coordinating Forum)	Municipal Managers and Mayor	Inter-municipal co-operation, shared services
District IDP Rep/ PPComm Forum	District Municipality, Overberg Local municipalities, Private Sector, Western Cape Government Sectors	Communication, IDP, Tourism topics
District LED/Tourism Forum	Overberg District Local Municipalities, LED and Tourism officials	LED and Tourism related topics
DCF Tech	Municipal Managers	Inter-municipal co-operation, shared services
District Skills Development Forum	Overberg District Municipality Local municipalities	Skills development related topics
District Expanded Public Works Programme Forum	Overberg District municipality Local municipalities	EPWP related topics
Overberg Air Quality Officers Forum	Overberg District municipality Local municipalities	Air Quality related issues
District CRO & CAE Forum	CRO Internal Auditors of Local Municipalities within the Overberg District	Risk and Audit related topics
Disaster Management Advisory Forum	Overberg District Municipalities Local Municipalities	Disaster related topics
Regional Waste Forum	Overberg District Municipality Local municipalities	Waste and Health related issues
Supply Chain Management District Forums	Supply Chain Managers Local Municipalities District Local Municipality	Municipal Supply Chain related topics

**TABLE 41 NATIONAL AND PROVINCIAL INTERGOVERNMENTAL STRUCTURES AND FORUMS**

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
SALGA	Western Cape Municipalities	All municipal service topics
Waste Forum	Western Cape Municipalities	Waste related topics
Blue and Green Drop Forum	Western Cape Municipalities	Water & sanitation related topics
MIG	Western Cape Municipalities	Infrastructure projects
IMESA	Southern Cape Engineers	Municipal related topics

EPWP	Provincial Government	EPWP related topics
MinMay	Municipal Managers and Mayor	Provincial Local Government driven agenda
MinMay Tech	Municipal Managers	Provincial Local Government driven agenda
PCF (Premier's Coordinating Forum)	Premier and Municipal Managers	Premier's Department responsible for agenda
Provincial IDP Managers Forum	Western Cape Municipalities, Directorate: Integrated Development Planning Department of Local Government, Provincial treasury	IDP related topics
Provincial LED Forum	Western Cape Local Government LED department, local municipalities LED officials	LED related topics
Provincial Public Participation and Communication Forum	Local municipalities: Public Participation- and Communication Officials, Provincial government: Communication and Public Participation, SALGA, GCIS	Public Participation, Communication matters
Western Cape Local Government Chief Audit Executive Forum	National Treasury, Provincial Treasury, Internal Auditors	Internal Auditing matters
Western Cape Local Government Chief Risk Forum	National Treasury, Provincial Treasury, Internal Auditors	Risk Management related topics
Western Cape ICT Managers Forum	Western Cape Local Government ICT Managers	ICT topics
Provincial Municipal Accounting Forum	Western Cape Local municipalities, Provincial Treasury	Accounting matters for local municipalities
Provincial Supply Chain Managers Forum	Provincial Treasury, Local municipalities SCM Managers	SCM matters
Provincial CFO Forum	Provincial Treasury, Local Municipalities CFO's	Accounting topics
Municipal Managers Forum	Municipal Managers HODs	Municipal related topics

## 2.2.2 JOINT PROJECTS AND FUNCTIONS WITH SECTOR DEPARTMENTS

All government functions are divided between the three spheres namely national, provincial and local. The Municipality therefore shares their area and community with other spheres of government and their various sector departments and have to work closely with national and provincial departments to ensure the effective implementation of various projects and functions. The table below provides details of such projects and programmes:

**TABLE 42 JOINT PROJECTS**

NAME OF PROJECT/ FUNCTION	EXPECTED OUTCOME/S OF THE PROJECT	SECTOR DEPARTMENT/S INVOLVED	CONTRIBUTION OF SECTOR DEPARTMENT
LGMTech (MGRO)	MFMA Compliance	Provincial Treasury, Municipality	Oversight, Planning, Compilation of project plans
Back-To-Basics	Implementation of Back to Basics Plan for enhanced sustainability and betterment of service delivery.	Driven by Local Government, but all sector departments participate	Back-To-Basics engagement with senior politicians & officials

EGAP	Internet based tool to collect municipal financial and governance information that will allow the Provincial Government to improve the monitoring and support of the municipalities in the Province	Provincial Treasury	Oversight and monitoring and support
Integrated performance and support system (IPSS)	Internet based tool to collect municipal service delivery and governance information that will allow the Provincial Government to improve the monitoring and support of the municipalities in the Province	Driven by the Department of Local Government but all sector departments participate	Oversight and monitoring and support

**2.3 COMPONENT C: PUBLIC ACCOUNTABILITY**

Section 16 of the Municipal Systems Act (MSA) refers to the development of a culture of public 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.

Participation is required for the following processes:

- 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
- the preparation of the municipal budget.

**2.3.1 WARD BASED PUBLIC MEETINGS**

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

**TABLE 43 WARD BASED PUBLIC MEETINGS**

**WARD 1**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
18 July 2017 – Napier 11 September 2017 - Napier	Feedback Meeting Feedback meeting	All Ward residents	Pamphlets, sms, loud hailing and Facebook.
11 September 2017	IDP meeting	All Ward residents	Advert in local media, Pamphlets, sms, loud hailing, Facebook and Municipal Website
7 December 2017	Year-end-Function	All Ward residents	Pamphlets, and Facebook
12 April - Napier 8 May 2018 - Elim	Budget Imbizo	All Ward residents	Advert in local media, sms, Facebook and Loudhailing

**WARD 2**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
26 February 2017 – Bredasdorp 27 February 2017 - Klipdale	Feedback Meeting	All Ward residents	Pamphlets, sms and Facebook, Loudhailing
9 April 2018 – Bredasdorp 18 April 2018 - Klipdale	Budget Imbizo	All Ward residents	Advert in local media Pamphlets, sms , Facebook and loud haling
12 September 2017 - Bredasdorp 13 September 2017 - Klipdale	IDP meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud haling, Facebook
7 December 2017 Bredasdorp 12 December 2017 - Klipdale	Ward year-end function	All Ward residents	Pamphlets, and Facebook

**WARD 3**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
18 July 2017	Feedback meeting to	All Ward residents	Pamphlets, sms, loud haling

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	community		and Facebook
14 September 2017	IDP & Feedback meeting	All Ward residents	Advert in local media, sms, Facebook and Loudhaling
20 February 2018	Feedback Meeting	All Ward residents	Pamphlets, sms, loud haling and Facebook
1o April 2018	Budget Imbizo	All Ward residents	Advert in local media Pamphlets, sms , Facebook and loud haling

**WARD 4**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
4 July 2017 – Protem 5 July 2017 - Bredasdorp	Feedback Meetings	All Ward Residents	Pamphlets, sms, loud haling and Facebook
19 September 2017 – Bredasdorp 20 September 2017 - protem	IDP meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud haling and Facebook
14 November 2017 – Bredasdorp 15 November 2017 - Protem	Feedback meeting	All Ward residents	Pamphlets, sms, loud haling and Facebook
4 April 2018 - Bredasdorp 5 April 2018 - Protem	Budget Imbizo's	All Ward residents	Advert in local media, Pamphlets, sms, loud haling and Facebook

**WARD 5**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
25 July 2017 15:00 – Suiderlig Service Centre 19:00 – Primary School Hall	Ward Feedback Meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud haling and Facebook
21 September 2017 15:00 – Suiderlig Service Centre 19:00 – Primary School Hall	IDP meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud haling and Facebook
13 December 2017	Year-end-Function	All Children in the Ward	Pamphlets, sms, loud haling and Facebook
22 March 2018 15:00 – Suiderlig Service Centre 19:00 – Primary School Hall	Feedback Meeting	All Ward residents	Pamphlets, sms, loud haling and Facebook
11 April 2018 15:00 – Suiderlig Service Centre- 19:00 – Primary School Hall	Budget Imbizo	All Ward residents	Advert in local media, Pamphlets, sms, loud haling and Facebook

**WARD 6**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
3 July 2017 - Bredasdorp 4 July 2017 - Arniston	Feedback Meetings	All Ward Residents	Pamphlets, sms, loud haling and Facebook
25 September 2017 -	IDP meetings	All Ward residents	Advert in local media,

Bredasdorp 26 September 2017 - Arniston			Pamphlets, sms, loud haling and Facebook
19 February 2018 - Bredasdorp 20 February 2018- Arniston	Feedback Meeting	All Ward residents	Pamphlets, sms, loud haling and Facebook
16 April 2018 - Bredasdorp 17 April 2018 - Arniston	Budget Imbizo	All Ward residents	Advert in local media, Pamphlets, sms, loud haling and Facebook

### 2.3.2 WARD COMMITTEES

The table below provides information on the establishment of ward committees and their functionality within the Cape Agulhas Municipal Area:

**TABLE 44 FUNCTIONALITY OF WARD COMMITTEES**

WARD	COMMITTEE ESTABLISHED YES / NO	NUMBER OF REPORTS SUBMITTED TO THE SPEAKERS OFFICE	NUMBER MEETINGS HELD DURING THE YEAR	NUMBER OF PUBLIC WARD MEETINGS HELD DURING THE YEAR
1	Yes	9	9	6
2	Yes	9	9	8
3	Yes	9	9	4
4	Yes	9	9	8
5	Yes	7	7	5
6	Yes	9	9	8

### 2.3.2.1 MEMBERSHIP AND FUNCTIONALITY OF WARD COMMITTEES

The following tables provides an overview of the composition and functionality of ward committees.

**TABLE 45 WARD COMMITTEE MEMBERSHIP AND FUNCTIONALITY**

#### a) WARD 1: NAPIER, ELIM, SPANJAARDSKLOOF AND SURROUNDING FARMS

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>E Sauls</b>	<b>Ward Councillor</b>	23 August 2017
J Wessels	Huis Klippe Drift/ Secretary	14 September 2017
R Coetzer	Napier Community Police Forum	18 October 2017
W Adams – until October 2017	Napier Health and Welfare Forum	22 November 2017
E Africa – From November 2017		7 December 2017
M Sauls	Agulhas School of Skills	1 February 2018
J De Kock	Overberg District Agricultural Association	10 April 2018
J Fillies	Napier Neighbourhood Watch	24 May 2018
P Richter	Elim Residents Forum	17 July 2018
E Johnson – until March 2018	Elim E-Centre	
Y Kerr – From April 2018		
P Apollis	Spanjaardskloof Residents	
K Donald	Napier Residents	

#### b) WARD 2: PART OF BREDASDORP, KLIPDALE, HOUTKLOOF AND SURROUNDING FARMS

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>M October</b>	<b>Ward Councillor</b>	17 August 2017
F Koebergh – from September 2017	Otto Du Plessis Hospital Board	18 September 2017
K Dunston	AMSSS	19 October 2017
J Adams	De Heide Primary	23 November 2017
W Abrahams	Bredasdorp Residents Association	31 January 2018
E Wildschut	Young Peoples Rugby Club	27 February 2018
E Plaatjies	Cape Agulhas Ratepayers Association	15 March 2018
H Eksteen	Standards Rugby Club	12 April 2018
E Hendricks	Klipdale Residents	24 May 2018
M Meyer	Anglican Church	
F Koebergh –until August 2017	Anglican Church Men Society	
E Moos – From September 2017		

**c) WARD 3: PART OF BREDASDORP (TUSSEN TREINE (SIMUNYE), KLEINBEGIN, ZWELITSHA AND KALKOONDE)**

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>R Baker</b>	<b>Ward Councillor</b>	21 Augustus 2017
A van Der Byl	Bredasdorp Neighbourhood Watch	19 September 2017
A Philiso – Until October 2017	Polapark residents	18 October 2017
Vacant		25 November 2017
Z Casiwe	Soccer Association	31 January 2018
H Temmers	Cape Agulhas Disability Forum	27 February 2018
E Pietersen	Compassion in Action	14 March 2018
K Grandfield	Religion	11 April 2018
A Klaasen	Sport	22 May 2018
A Rudolph	Woman in Progress	
B Gijana	WILCO	
J Van Reenen	Cape Agulhas Ratepayers Association	

**d) WARD 4: PART OF BREDASDORP (CBD), PROTEM, VANDER STELSKRAAL AND SURROUNDING FARMS**

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>J Nieuwoudt</b>	<b>Ward Councillor</b>	15 August 2017
D Gilomee	Otto du Plessis Hospital facility Council	26 September 2017
S van Dyk	ACVV Bredasdorp	17 October 2017
W Joubert	AGS Church	22 November 2016
M Geldenhuys	High School Bredasdorp	30 January 2018
J Bester	DR Church Bredasdorp	13 March 2018
M Hatting	WELFARE AND HEALTH	10 April 2018
L Marais	Lions Club	21 May 2018
H Odendaal	ACVV Service Centre	17 June 2018
R Arends	Individual	
J Neethling	Suideroord ACVV Home for the elderly	

**e) WARD 5: STRUISBAAI, L'AGULHAS, SUIDERSTRAND, HAASVLAKTE AND SURROUNDING FARMS**

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>P Swart</b>	<b>Ward Councillor</b>	21 August 2017
S Du Plessis	Struisbay Fishermen Union	18 October 2017

F De Wet – until May 2018 E Krige – From July 2018	Cape Agulhas Business Forum	6 November 2017 22 November 2017
H Joorst – until May 2018 K Gertse – From July 2018	Council of Stakeholders	5 February 2018 14 March 2018
C Visser	DR Church	25 April 2018
J Jacobs – until June 2017	Onse Hoop	
D de Jongh – until February 2018 Esna Swart – from March 2018	Suidpunt Conservation Association	
R Fourie – until February 2018 H Williams – From March 2018	Suidpunt Residents	
P van As	Springfield and Haasvlakte Rural Area	
G Thompson	Struisbaai Rugby Club	
J Taljaard	Agulhas National Park	

**f) WARD6: BREDASDORP (SELFBOU AREA AND BERGSIG), ARNISTON AND SURROUNDING FARMS**

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>D Europa</b>	<b>Ward Councillor</b>	21 August 2017
J Moos	Sport ( Social Golf )	28 September 2017
M Meyer	Anglican Church ( woman )	17 October 2017
G Hendricks	Early Childhood Development ( Babel and Krabbel )	28 November 2017
L Valentine	CARA	30 January 2018
N van Staden	Religion ( Verenigde Pinkster )	26 February 2018
W Marthinus	Religion – Arniston ( Siliom )	13 March 2018
G Gertse	Sea Hawks Rugby Club	10 April 2018
R Europa	Waenhuiskrans Fishermen Forum	15 May 2018
A Marthinus	Waenhuiskrans Ratepayers Association	
E R Adonis	Anglican Church ( Youth )	

**2.3.2.2 WARD COMMITTEE HIGHLIGHTS AND CHALLENGES**

**a) Ward Committee Highlights**

- Ward Committee Operational Plans for all wards was submitted to the Provincial Public Participation Unit. Positive feedback was received on all ward plans.
- The “Know your Ward Committee” campaign was implemented. Calendars with the photos of all ward committee members and the ward councillor were printed and distributed in the relevant wards. The campaign was funded by the Provincial Public Participation Unit.
- Paul Valentine, the official responsible for public participation and ward committees is a member of the Overberg Task team who will advise the Provincial Public Participation Unit on changes in the current ward committee legislation.
- 2 Ward Committee Members of each ward are represented on the CWP Local Reference Committee of the Municipality
- 2 Members of Wards 2,3 and 6 are also represented on the RSEP committee of the Municipality

**b) Ward committee challenges**

- To improve the functioning and feedback from representatives of organisations elected on the ward committees.
- To improve co-operation with Provincial CDW’s to assist in Public Participation Initiatives of the Municipality



**2.3.3 REPRESENTATIVE FORUMS**

**2.3.3.1 LOCAL LABOUR FORUM**

The Local Labour Forum (LLF) is a legislated structure designed to strengthen the relationship between organized labour and management. The Collective Agreement of the SALGBC requires every employer to establish a Local Labour Forum with equal representation from the trade unions and the employer. The trade unions’ representation is divided proportionate to their respective membership within the place of employment. Employer representatives consist of Councillors and Management, specifically the Municipal Manager and the Directors directly accountable to the Municipal Manager who are appointed in terms of section 57 of the Municipal Systems Act, 32 of 2000.

The table below indicates the members of the Local Labour Forum, and meeting dates for 2017/18.

**TABLE 46 LOCAL LABOUR FORUM**

NAME OF REPRESENTATIVE	CAPACITY	MEETING DATES
D O’Neill	Municipal Manager	10 August 2017
H Van Biljon	Director Financial Services and ITC	7 September 2017
K Mrali	Director Management	12 October 2017
Z Tonisi	Councillor	9 November 2017
D Burger	Councillor	8 December 2017
M October	Councillor	8 February 2018
F Xinela	SAMWU	28 March 2018
W Stanley	SAMWU	12 April 2018
R Jansen	SAMWU	10 May 2018
S Hendricks	SAMWU	8 June 2018
S Graaff	IMATU	
E Dyers	IMATU	

The Divisional Head HR and Organisational Development, Ms N Mlathi-Musewe and HR Official Mr J Diedericks participate in all Labour Forum meetings and play a strategic advisory role.

**2.3.3.2 IDP FORUM (CAPE AGULHAS MUNICIPAL ADVISORY FORUM)**

The Cape Agulhas Municipal Advisory Forum (CAMAF) was established in terms of Section 15 of the Municipal Planning and Performance Management Regulations, which require municipalities to establish a municipal wide structure to enhance community participation in respect of integrated development planning and performance management.

**TABLE 47 CAPE AGULHAS MUNICIPAL ADVISORY FORUM**

MEMBERSHIP	MEETING DATES
Executive Mayor (Chairperson)	31 October 2017
All Councillors	
Municipal Manager	
All Councillors	
2 Representatives from each Ward Committee	

## 2.4 COMPONENT D: CORPORATE GOVERNANCE

Corporate Governance is the set of processes, practices, policies, laws and relationships affecting the way an institution is directed, administered or controlled.

### 2.4.1 RISK MANAGEMENT

Section 62(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) stipulates that the *“Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control”*. This legislative prescript coupled with the obligation to ensure that the resources of the municipality are used effectively, efficiently and economically underlie the implementation of risk management at Cape Agulhas Municipality.

Risk management has been managed as a shared service of the Overberg District Municipality (ODM) since 1 August 2015, when a Chief Risk Officer (CRO) was appointed. The shared service business model between the municipalities within the district is premised on the delivery of a uniform service under a shared cost model. This model brought about substantial cost-savings as it meant that in-house skills and resources were available, and there was a corresponding reduction on the need for external service providers for the establishment and maintenance of risk management structures and processes. At local level, the Cape Agulhas Municipality has a local risk champion.

The initiatives and actions performed by the RMU during 2017/18 include:

- Introduced bi-annual risk assessments to ensure the risk register is thoroughly reviewed by the managers at least once after the initial risk assessment. This is in addition to the periodic reviews conducted by management on their own initiative;
- Comprehensive annual departmental risk assessments, involving the heads of department and line managers, which contributed to the compilation of the most detailed risk register to date;
- Strategic risk assessment with the Council and Senior Managers;
- Commenced with a district fraud and corruption event library for use during fraud and corruption risk assessments;
- Continuous emphasis on fraud and corruption risks and the related risk action plans;
- Compilation and monitoring of a district risk management implementation plan;
- Compilation of a District Cross-Cutting Report containing the transversal risks of the municipalities in the Overberg district;
- Finalised the development of a Fraud Prevention and Anti-Corruption Strategy, Policy and Plan, which was workshopped with labour and management representatives and adopted by Council. These documents replaced the outdated Anti-Corruption and Fraud Prevention Plan;
- Policy workshop for Councillors on the contents of the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan;
- Engagements with labour unions on the Code of Ethics for Municipal Staff, which was later adopted by Council;
- Introduced several Standard Operating Procedures to formalise and explain the risk management processes;
- Engaging and involving all levels of management with the risk management activities;
- Monthly updates on risk action plans by managers and monitoring by the Risk Management Unit.
- Quarterly compilation of the Combined Assurance Model based on the Combined Assurance Policy Framework adopted by Council;

- Comprehensive review of the Risk Management Strategy and Risk Management Policy to incorporate the new COSO framework *Enterprise Risk Management Integrating with Strategy and Performance* and document the established risk management processes of Cape Agulhas Municipality.
- Annual review of the Combined Assurance Policy Framework;
- The Business Continuity Committee Terms of Reference was approved to form a specialist oversight structure to oversee the development, implementation and continuous updating of Cape Agulhas Municipality’s Business Continuity Plan. The first meeting has been held, where the business impact analysis (BIA) was reviewed;
- Participation in the Overberg District Internal Audit and Risk Management Forum;
- Performed a Risk Management Maturity Assessment to determine the Municipality’s maturity level;
- Skills development of the Risk Officer in the area of enterprise risk management and combined assurance through attendance and successful completion of a short course.
- Improved co-operation between the RMU and Internal Audit, reducing duplication, increasing the sharing of risk information and improving assurance coverage, while respecting Internal Auditor’s independence;
- Fraud and Risk Management Committee performance evaluation through individual assessments by the members in the form of a questionnaire;
- Adding value of “best practice” developments to the Fraud and Risk Management Committee. Review of the risk register, incident and emerging risks and corrupt, fraudulent and unethical incidents are now standard agenda items for Fraud and Risk Management Committee meetings.
- Regular communication and daily updates from the Institute of Risk Management South Africa;
- Provided recommendations for improvement of the software being utilised (Ignite Risk Assist Module);
- Risk management is a now a standing agenda item for Audit and Performance Audit Committee meetings, where the Chief Risk Officer provide feedback.
- Risk management training presentation provided to the Audit and Performance Audit Committee.

**2.4.1.1 FRAUD AND RISK MANAGEMENT COMMITTEE**

A Fraud and Risk Management Committee (FARMCO) was established by the Municipal Manager on 29 June 2015. The FARMCO is a high level advisory body that assists the Accounting Officer to fulfil his/her responsibilities for Risk Management as set out in the MFMA, the Public Sector Risk Management Framework and corporate governance principles. The FARMCO operates within the parameters of a FARMCO Charter.

The FARMCO also oversees the effective implementation of the risk management processes, effective management of identified risks and provides timely and useful enterprise risk management reports to the Municipal Manager and the Audit Committee of the Municipality.

The table below indicates the membership and meeting dates.

**TABLE 48 FRAUD AND RISK MANAGEMENT COMMITTEE (FARMCO)**

NAME	CAPACITY	MEETINGS
Mr A Kok	External Chairperson	29 September 2017
Mr A Jacobs	Director: Infrastructure services	22 November 2017
Mr H Van Biljon	Director: Financial Services and ITC	19 March 2018
Mr K Mrali	Director: Management Services	22 June 2018
Mrs T Stone	Division Head: Strategic Planning and Administration	
Mrs N Mhlathi-Musewe	Division Head: Human Resources and Organizational Development	
Mr W van Zyl	Manager: ICT	

Mr S Cooper	Manager: Electrical Services	
<b>STANDING INVITEES</b>		
Mr N Davids	Risk Management Officer of the Cape Agulhas Municipality (Secretariat).	
Mr A Riddles	The Chief Risk Officer of the Overberg District Municipality shared risk management service (Advisory)	
Mr B Swart	Chief Audit Executive of Cape Agulhas Municipality (Advisory and observation)	

**2.4.1.2 RISK ASSESSMENTS**

The risk assessment process for 2017/18 commenced in March 2017. The risks identified were classified into high, medium and low risks to determine the inherent risk (impact risk before taking controls into consideration) as well as residual risks (after taking existing control measures into consideration).

The risk assessment results were submitted to the FARMCO on 24 March 2017. The operational risks were recommended for approval by the Municipal Manager who subsequently signed them off and the strategic risks were recommended for approval by Council.

The following table contains the Municipalities top strategic risks:

**TABLE 49 STRATEGIC RISK REGISTER 2017/08**

RISK DESCRIPTION	CURRENT CONTROLS	RESIDUAL RISK	RISK ACTIONS
Illegal Erection of Informal Structures and Land invasions	<ul style="list-style-type: none"> <li>- Weekly surveys done by housing department to prevent land invasions.</li> <li>- Incidents of illegal occupation reported to law-enforcement</li> <li>- Land invasion and squatter control policy.</li> <li>- Ongoing training. Inter-departmental SOP (Housing and Law enforcement)</li> </ul>	High	<ul style="list-style-type: none"> <li>- Budget for Drone technology</li> <li>- Present a proposed action plan to Portfolio committee on dealing with possible future influxes of people 2. Present an proposed action plan to Portfolio committee on dealing with possible future influxes of people</li> <li>- Review Housing and Squatter control Policies</li> </ul>
Financial viability of the municipality	<ul style="list-style-type: none"> <li>- LTFP adopted - June 2015.</li> <li>- Strategies adopted - December 2015</li> <li>- Revenue Enhancement Strategy</li> </ul>	High	<ul style="list-style-type: none"> <li>- Execution of the revenue enhancement framework (execution of targets within planned periods)</li> <li>- Cleansing and updating of debtors/indigents/informal settlement</li> <li>- Explore the possible utilization of municipal assets (land and buildings)</li> <li>- Monthly report to finance portfolio committee of long term financial plan and revenue enhancement framework</li> <li>- Formulate KPI's for each manager involved with long term financial and revenue enhancement framework</li> </ul>

RISK DESCRIPTION	CURRENT CONTROLS	RESIDUAL RISK	RISK ACTIONS
MSCOA	<ul style="list-style-type: none"> <li>- MSCOA Committee established.</li> <li>- Outdated implementation plan approved</li> </ul>	High	<ul style="list-style-type: none"> <li>- Planned AG mid-year audit</li> <li>- Continuous monitoring of project implementation plan</li> </ul>
Non-Adherence to Permit Conditions (Landfill Sites)	<ul style="list-style-type: none"> <li>- Monitoring of the run-off water</li> <li>- Run-off Water Canal from adjacent land</li> </ul>	High	<ul style="list-style-type: none"> <li>- Awaiting final report on regional landfill investigation</li> </ul>
Eskom maximum demand capacity restraints in the Cape Agulhas Municipal area	<ul style="list-style-type: none"> <li>- Innovative tariff structures and embedded generation to assist with the reduction in Notified Maximum Demand</li> </ul>	Medium	<ul style="list-style-type: none"> <li>- Submission of Business plan to Department of Energy to secure funding for a new line and sub-station</li> <li>- EEDSM Initiatives and energy efficiency through embedded generation and smart installation. (Green energy initiative)</li> </ul>
Provision of long term bulk water supply - source	<ul style="list-style-type: none"> <li>- Water demand management.</li> <li>- Monitoring of ground water levels.</li> </ul>	Medium	<ul style="list-style-type: none"> <li>- Drafting of water services development plan. (Budgeting and Procurement)</li> <li>- Arrange and execute water workshop with Council and Management</li> </ul>

### 2.5.1.3 RISK POLICIES AND STRATEGIES

The Municipality has a Risk Management Policy and Risk Management Strategy and Implementation Plan in place that were reviewed by FARMCO on 24 March 2017. The charter, policy and strategy were later submitted to Council for approval on 31 March 2017 in line with the National Treasury Risk Management Framework.

TABLE 53 RISK POLICIES AND STRATEGIES

NAME OF DOCUMENT	DEVELOPED YES/NO	COUNCIL APPROVAL
FARMCO Charter	Yes	31 March 2017 (Council Resolution 36/2017)
Risk Management Policy	Yes	31 March 2017 (Council Resolution 36/2017)
Risk Management Strategy	Yes	31 March 2017 (Council Resolution 36/2017)

### 2.4.2 ANTI-CORRUPTION AND ANTI-FRAUD

Section 6(2)(c) of the Municipal Systems Act (MSA) states that the municipality must take measures to prevent corruption, section 83(1)(c) of the MSA 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) obligates the municipality to institute supply chain measures to combat fraud and corruption, favouritism and unfair and irregular practices. The Prevention and Combating of Corrupt Activities Act defines corruption and specific corrupt activities and imposes a reporting obligation on the Accounting Officer.

The Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings regulates the reporting, investigation and disciplinary proceedings regarding allegations of financial misconduct, including fraud and corruption.

TABLE 50 ANTI CORRUPTION AND FRAUD STRATEGIES

Name of strategy	Developed Yes/No	Date Adopted
Fraud Prevention and Anti-Corruption Strategy	Yes	26 September 2017
Fraud Prevention and Anti-Corruption Policy	Yes	26 September 2017
Fraud Prevention and Anti-Corruption Plan	Yes	26 September 2017

The following table provides an overview of the Municipality’s implementation strategies:

**TABLE 51 IMPLEMENTATION STRATEGIES**

KEY RISK AREAS	KEY MEASURES TO CURB CORRUPTION AND FRAUD
Policy	A Fraud Prevention and Anti-Corruption Policy is a key defence mechanism because it emphasises that the Municipality has a formal framework in place to deal with fraud and corruption. It answers key questions such as: <ul style="list-style-type: none"> <li>· What is fraud and corruption?</li> <li>· How do we deal with it when it arises?</li> <li>· What are the roles and responsibilities?</li> <li>· What are the sanctions?</li> </ul>
Institutional arrangements	The creation of specific structures (e.g. a fraud and risk committee) and the definition of roles and responsibilities facilitates coordination and management of programme implementation. At municipal level, these would include structures such as internal audit and the external audit committees.
Systems and control	With well-structured and documented systems and controls in place, gaps and loopholes are nullified that are often used to perpetrate fraud and corruption. These systems and controls also enable monitoring and management mechanisms 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. Training will make managers and staff aware of 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.

### 2.4.3 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.

Cape Agulhas Municipality split its combined Audit and Performance Audit Committee into separate Committees during the year due to the very different mandates of the Committees. The Audit Committee members also serve as members of the Performance Audit Committee. Although it is now two Committees, the meetings are held on the same day and there are no additional cost for the municipality due to the split into one committee in order to increase its knowledge base and to enhance efficiency.

**2.4.3.1 FUNCTIONS OF THE AUDIT COMMITTEE**

The main functions of the Audit Committee are prescribed in in Section 166(2) (a-e) of the MFMA and the Local Government Municipal and Performance Management Regulations and are as follows:

- To advise the Council on all matters related to compliance and effective governance.
- To review the annual financial statements, and to 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.
- To 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 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 in this regard 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.
- To review the plans of the Internal Audit function and in so doing; ensure that the plan addresses 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.

**2.4.3.2 MEMBERS OF THE AUDIT COMMITTEE**

The table below indicates the membership and meeting dates of the Audit Committee of the Cape Agulhas Municipality:

**TABLE 52 MEMBERS OF THE AUDIT COMMITTEE**

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. C Pieterse	Chairperson	1/7/2017 – 30/9/2017	28 August 2017
Mrs. M Weitz	Member	1/7/2017 – 31/8/2017	21 September 2017
Mr. E Lakay	Member	1/7/2017 – 31/8/2017	24 November 2017
Mr. P Strauss	Member	1/7/2017 – 30/9/2017	23 March 2018
	Chairperson	1/10/2017 – 30/6/2018	(The meeting on the 4 <sup>th</sup> quarter of 2017/18 was held on 2 July 2018)
Mrs. B Salo	Member	1/8/2017 - 30/6/2018	
Mr. R Mitchell	Member	1/8/2017 - 30/6/2018	

In terms of the Provincial Treasury guidelines, members may only serve on the Committee for two terms but not for a period exceeding six years. The committee member’s contracts all expired in October 2017 and the



Municipality embarked on a systematic process of replacement of members to ensure continuity and adherence to the guidelines. As at 30 June 2018 there was one vacancy on the Committee.

**2.4.3.3 MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS**

**TABLE 53 MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS**

<b>DATE OF COMMITTEE MEETING</b>	<b>COMMITTEE RECOMMENDATIONS DURING 2016/17</b>	<b>ACTIONS TAKEN ON RECOMMENDATIONS</b>
29 August 2016	1. That Council be approached to limit the number of members of the Committee to four. Internal Audit to take it up with the Speaker.	Taken up with Speaker and tabled in Council and the Committee will be kept at 4 members
	2. That the Committee review its current functioning at the next meeting in terms of the revised charter to ensure that the Committee is fulfilling its mandate	Review done at the meeting held on 21 September 2017
	3. That the audit plan be reviewed in conjunction with the Municipal Manager and re-submitted to the Committee for consideration	Done as part of recommendation 5 below
21 September 2017	4. That the table detailing the review of Internal Audit Reports be expanded with more detail on the significant findings to better inform the Council	Quarterly reports to Council now expanded with additional detail
	5. That if there remains a shortfall following finalisation of the RBAP, the audits be prioritised and that other possibilities be considered such having some audits done externally	Discussions held with the external auditors and the Municipal manager to possibly eliminate duplication as well as the roll-over of audits to 2018/19. The current vacant position will also be filled in 2018/19 which will address the current capacity constraints
	6. That the Supply Chain Management reports include detail on all deviations approved	Detail now included in reports submitted to the Committee
	7. That the Internal Audit Unit liaise with the AG when finalising the 2017/18 RBAP to ensure a more cost effective combined assurance process	Done as part of recommendation 5 above
24 November 2017	8. That the current top risks of the municipality be reviewed in terms of the high risks of the mSCOA compliance and concerns around the new financial system's functionality	Top risks reviewed and amended accordingly
	9. That, due to the timing of the Committee meeting, a full internal audit progress report be submitted to the Committee members in January 2018	Full report for quarter 3 was tabled in Council during the meeting of March 2018
	10. The matter of the municipality's evacuation plans that has not yet been approved must be included in the Committee's quarterly report for escalation to Council	The item was escalated to Council via the Committee's quarterly report and the matter is currently being dealt with
	11. That the Committee's concerns regarding the new financial system be elevated to Council and included in their report to Council for the quarter ended 31 December 2017	Item included in the Committee's report for the quarter ended 31 December 2017
	12. That Internal Audit look specifically at the findings related to the asset register due to the sharp increase in findings for 2016/17	Item was included in the 2017/18 audit plan
23 March 2018	13. In future the Municipal Manager and all Directors	The Municipal Manager and Chief



	<p>must attend the Audit Committee meeting due to the high level items on the agenda. Directors will only attend for the transversal items and other items that affect all Directors. The Municipal Manager should attend the whole meeting</p>	<p>Financial Officer attends all meetings (depending on possible prior commitments) and Directors are attending as and when required</p>
	<p>14. In view of the current capacity issues at the Internal Audit section, it was decided that the Internal Audit assessment and reporting to the Chief Risk Officer on the combined assurance module will be done bi-annually</p>	<p>Included in the internal audit plan for 2018/19</p>
	<p>15. That the % hours spend on each audit item in the report be replaced with the actual hours worked</p>	<p>Internal Audit quarterly progress report amended accordingly</p>
	<p>16. That higher level interaction be instituted to ensure that actions regarding compliance to Laws and Regulations are updated and approved before due date</p>	<p>Matter raised in the Directors meeting and item is also a standing item on the agenda</p>
	<p>17. It was requested that, for future meetings, only the risks associated with ICT be tabled in the meetings</p>	<p>Implemented</p>
	<p>18. Due to the current situation it is recommended that the risks associated with mSCOA and the new financial system be kept on the risk register until all issues has been resolved</p>	<p>Implemented</p>
	<p>19. That the concerns regarding the leasing of municipal land be included in the Committee's quarterly report to Council for the period ending 31 March 2018</p>	<p>Included in the Committee's quarterly report and tabled in Council</p>
	<p>20. That the vacant position on the Audit committee position be advertised</p>	<p>Position advertised and filled on 25 September 2018</p>
	<p>21. That the Committee support the following:</p> <ul style="list-style-type: none"> <li>• That the naming of the head of the internal audit position be changed to "Chief Audit Executive (Head of Internal Audit)" to be in line with all legislation as well as Circular 65. Only the name will change with no financial implication.</li> <li>• That the municipality's macro organogram be amended to indicate- <ul style="list-style-type: none"> <li>○ the Audit Committee as a separate Committee reporting directly to Council;</li> <li>○ the internal audit section reporting functionally to the audit Committee (solid line); and</li> <li>○ a dotted line from internal audit directly to the Municipal Manager to indicate internal audits administrative reporting line.</li> </ul> </li> </ul>	<p>Recommendation implemented and organogram amended accordingly and approved by Council</p>

#### 2.4.4 PERFORMANCE AUDIT COMMITTEE

The Local Government Municipal and Performance Management Regulations require that the Performance Audit Committee comprise a minimum of three members, the majority of whom are external (neither a councillor nor an employee) of the municipality. Section 14(2) (b) stipulates that the Performance Audit

Committee must include at least one person who has expertise in performance management. It is also a requirement of 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.

**2.4.4.1 FUNCTIONS OF THE PERFORMANCE AUDIT COMMITTEE**

In terms of Section 14(4) (a) of the Local Government Municipal and Performance Management Regulations the performance Audit Committee has the responsibility to –

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

**2.4.4.2 MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE**

The table below indicates the membership and meeting dates of the Performance Audit Committee of the Cape Agulhas Municipality:

**TABLE 54 MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE**

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. C Pieterse	Chairperson	1/7/2017 – 30/9/2017	28 August 2017
Mrs. M Weitz	Member	1/7/2017 – 31/8/2017	21 September 2017
Mr. E Lakay	Member	1/7/2017 – 31/8/2017	24 November 2017
Mr. P Strauss	Member	1/7/2017 – 30/9/2017	23 March 2018
	Chairperson	1/10/2017 – 30/6/2018	(The meeting on the 4 <sup>th</sup> quarter of 2017/18 was held on 2 July 2018)
Mrs. B Salo	Member	1/8/2017 - 30/6/2018	
Mr. R Mitchell	Member	1/8/2017 - 30/6/2018	

**2.4.4.3 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS**

**TABLE 55 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS**

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2016/17	ACTIONS TAKEN ON RECOMMENDATIONS
29 August 2016	1. That the Committee review its current functioning at the next meeting in terms of the revised charter to ensure that the Committee is fulfilling its mandate	Review done at the meeting held on 21 September 2017
21 September 2017	2. That the table detailing the review of Internal Audit Reports be expanded with more detail on the significant findings to better inform the Council	Quarterly reports to Council now expanded with additional detail
24 November 2017	None	
23 March 2018	None	

**2.4.5 INTERNAL AUDITING**

Section 165 of the MFMA requires that:

The internal audit unit of a municipality must –

- prepare a risk based audit plan and an internal audit program for each financial year; and
- advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
  - internal audit matters
  - internal controls
  - accounting procedures and practices
  - risk and risk management
  - performance management
  - loss control
  - compliance with laws and regulations

The role of internal audit is to assist the Municipality in achieving its objective by bringing a systematic and disciplined approach to the evaluation and improvement of effectiveness of risk management, internal control and governance processes. Its activities are, therefore, guided by a philosophy of adding value to improve the operations of the Municipality.

The Municipality has an in-house internal audit function that consists of the head of the internal audit unit and one auditor. The head of the internal audit function is currently also the Deputy Chairperson of the Western Cape Local Government Internal Audit Forum and is also the Chairperson of that forum’s Technical Committee.

The table below shows the functions that were performed during the financial year under review by the Internal Audit function:

**TABLE 56 INTERNAL AUDIT FUNCTIONS**

<b>FUNCTION</b>	<b>DATE/NUMBER</b>
▪ Execution of the Risk Based Audit Plan for 2016/17	▪ Ongoing during the financial year
▪ Attendance of management, Mayco, Council and Portfolio Committee meetings where required	▪ Ongoing during the financial year
▪ Driving the Municipal Governance Review and Oversight process as well as the gap analysis process and system	▪ Ongoing during the financial year
▪ Assisting the Manager: Strategic Services with the Service Delivery Budget Implementation Plan through the quarterly auditing of performance	▪ Ongoing during the financial year
▪ Attending the Chief Audit Executive and Chief Risk Officers forums	▪ Ongoing during the financial year
▪ Auditing of and issuing audit reports on: ▪ Compliance to laws and regulations ▪ Administration of grants received through the annual Division of revenue Act ▪ Administration of the housing waiting list (follow-up audit) ▪ Updated land use register (follow-up audit) ▪ Annual review of policies (follow-up audit) ▪ Staff appraisal process (follow-up audit) ▪ Reporting on performance measurements ▪ Process followed with motor vehicle accidents (follow-up audit) ▪ Controls around overtime worked (follow-up audit) ▪ Municipality’s readiness to implement the mSCOA accounts	▪ Ongoing during the financial year

**2.4.6 BY-LAWS AND POLICIES**

Section 11 of the Municipal Systems Act gives a Municipal Council the executive and legislative authority to pass and implement by-laws and policies. The tables below indicate the policies and by-laws developed and reviewed during the financial year:

**TABLE 57 POLICIES DEVELOPED AND REVIEWED**

<b>POLICY</b>	<b>STATUS</b>	<b>DATE APPROVED</b>	<b>RESOLUTION</b>
Mayors Bursary Policy / External Bursary Policy	Review	31 October 2017	221/2017
Anti-Corruption and Fraud Prevention Policy, Strategy and plan	New	26 September 2017	199/2017
Code of Ethics for Municipal Councillors and Staff	New	26 September 2017	198/2017
Remuneration Policy	New	7 December 2017	247/2017
Small Scale Embedded generation Policy	New	27 March 2018	24/2018
Uniform / Protective Clothing Policy	New	7 December 2017	247/2017
Property Rates Policy	Review	22 June 2017	82/2018
Subsistence and Travelling Policy	Review	22 June 2017	82/2018

**TABLE 58 BY-LAWS DEVELOPED AND REVIEWED**

<b>BY-LAWS</b>	<b>STATUS</b>	<b>DATE APPROVED</b>	<b>RESOLUTION</b>
None			

**2.4.7 COMMUNICATION**

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

**2.4.7.1 THE COMMUNICATION UNIT**

Communications falls within the office of the Municipal Manager and is done by the Senior Officer: External and Internal Communication who was appointed in September 2016. The communication officer participates actively in District and Provincial Public Participation Communication (PPCOMM) Information and Communication Technology Forum (ICTFORUM) and Communicators Technical (COMMTECH) Forums.

The following are some of the initiatives undertaken by the communication unit during the year:

- CAM Communication has focussed on assisting with public participation campaigns like the IDP and Budget Imbizo's.
- The Unit also focussed on internal communication and an induction booklet was developed for the Human Resources Department to use.
- Municipal Matters has grown in the in different type of media platforms used to communicate municipal matters; it started with a weekly radio-slot and has now extended to printed media in the form of a monthly insert in one of the local newspaper that is being distributed free of charge.
- In partnership with Open Up, a microsite was developed for residents and staff to have easy access to all the Cape Agulhas Municipal by-laws in an easy downloadable format, this microsite has a link on the municipal website to direct visitors to the microsite and back.
- Regular photographic coverage of different events ranging from ministerial visits, sport events, festivals, service delivery in actions to public meetings has been done. These events are also used to record sound bites for the weekly radio-slot called municipal matters.
- Content creation and management of web and social media posts in the form of various advertisement and notices etc. is being done on a regular basis.

**2.4.7.2 COMMUNICATION POLICIES AND STRATEGIES**

**TABLE 59 COMMUNICATED RELATED POLICIES AND STRATEGIES**

POLICY / STRATEGY	DATE APPROVED
Communication Strategy and Implementation Plan Review	28 June 2015

**2.4.7.3 COMMUNICATION PLATFORMS**

The Municipality has a number of communication platforms, which are detailed below. Additional measures such as flyers, loud hailing are used as and when required.

**a) Newsletters**

**TABLE 60 NEWSLETTER DISTRIBUTION**

TYPE OF NEWSLETTER	NUMBER DISTRIBUTED	CIRCULATION NUMBER	DISTRIBUTION
Internal	4	+/- 350	Quarterly
External	4	+/- 10 000 households	Quarterly

**b) Other communication channels**

**TABLE 61 ADDITIONAL COMMUNICATION CHANNELS**

CHANNEL	YES/NO	NUMBER OF PEOPLE REACHED 2016/17	NUMBER OF PEOPLE REACHED 2017/18
Facebook	Yes	232 017	517888
Twitter	Yes	102	197
SMS system	Yes	4353	5876
E-mail newflashes	Yes	2315	2305
Radio (weekly slot)	Yes	16 000 RAMS (6 months)	20 000 RAMS (6 months)

The following table provides a detailed breakdown of our Facebook statistics

**TABLE 62 DETAILED STATISTICS FOR FACEBOOK**

MONTH	YEAR	POSTS	REACHED	HIGHEST REACH PER POST	POST TITLE
July	2018	21	38639	7173	Reports of a fire near Andrews Field
June	2018	24	34307	8927	ESKOM's winter contingency plan
May	2018	32	40279	3847	SASSA meeting
April	2018	11	22231	4075	Auntie Miemie turns 100 years old
March	2018	44	42173	16459	ESKOM Planned Power Outage
February	2018	7	7306	2711	Waterbeperkings
January	2018	23	29167	6012	PAY Project Internship Programme
December	2017	29	46109	14503	Vuurwerk Struisbaai
November	2017	10	40376	14338	Blue Flag Beach Opening Ceremony
October	2017	28	128400	16757	Kennisgewing: Waterbeperkings
September	2017	45	41898	5175	Mayoral Imbizo's
August	2017	39	47003	7754	Random Breath Testing Operation
<b>TOTAL</b>		<b>313</b>	<b>517888</b>		

## 2.4.8 THE MUNICIPAL WEBSITE

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Section 21A and B of the MSA as amended.

The website serves as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. A communication tool should allow easy and convenient access to relevant information. The municipal website should serve as an integral part of the Municipality's Communication Strategy.

The table below provides information on documents that are published on our website:

**TABLE 63 WEBSITE CHECKLIST**

DESCRIPTION OF INFORMATION AND/OR DOCUMENT	PUBLISHED YES/NO
<b>Municipal contact details (Section 14 of the Promotion of Access to Information Act)</b>	
Full Council details	Yes
Contact details of the Municipal Manager	Yes

Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
<b>Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)</b>	
Budget 2016/17	Yes
Adjusted Budget 2016/17	Yes
Asset Management Policy	Yes
Masakhane - Debt Collection and Credit Control Policy (2017)	Yes
Funds and Reserves Policy	Yes
Investment Policy	Yes
Rates Policy	Yes
Supply Chain Management Policy (2017)	Yes
Budget & Virement Policy	Yes
Petty Cash Policy (2017)	Yes
Borrowing Policy	Yes
Top layer SDBIP 2016/17	Yes
<b>Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)</b>	
Reviewed IDP for 2016/17	Yes
IDP Process Plan for 2016/17 (Time schedule of key deadlines)	Yes
<b>Reports (Sections 52(d), 71, 72 &amp; 75(1)(c) and 129(3) of the MFMA)</b>	
Annual Report of 2015/16	Yes
Oversight reports 2015 /16	Yes
Mid-year budget and performance assessment (Approved 25 January 2017)	Yes
Quarterly reports	Yes
Monthly Budget Statements	Yes
<b>Local Economic Development (Section 26(c) of the MSA)</b>	
Local Economic Development Strategy (2017)	Yes
<b>Performance Management (Section 75(1)(d) of the MFMA)</b>	
Performance Agreements for employees appointed as per Section 57 of MSA	Yes
<b>Assurance Functions (Sections 62(1), 165 &amp; 166 of the MFMA)</b>	
Internal Audit Charter (2012)	Yes
Audit Committee Charter (2012)	Yes
Risk Management Strategy & Implementation Plan (2017)	Yes

## 2.4.9 CLIENT SERVICES

Provision was made on the revised organisational structure for a dedicated Client Services Unit. The aim of this Unit is to improve customer care, and to ensure the provision of quality services to the public.

**TABLE 64 CLIENT SERVICE ACTIVITIES**

CLIENT SERVICE ACTIVITIES	YES/NO	DATE /COMPLETED
Functional complaint management system	Yes	Continuous
Management of complaints and status reporting	Yes	continuously
Customer satisfaction survey	Yes	July 2016
Mini-Customer Care Surveys	Yes	monthly
Client Services Charter approval	Yes	September 2016
Complaints quality assurance	Yes	continuously
Client Services Charter review	Yes	June 2017
Functional after-hours emergency desk	Yes	continuously

We have extended the scope of Client Services to improve service delivery in the following ways:

- Drafting of news articles for publication purposes in reaction to issues raised by members of the public in the printed media.
- Daily scanning of social media to identify issues raised. These issues are being logged on our Ignite Complaints System in order for the relevant department to resolve. The log number of any possible issues are being communicated to complainants, together with the contact details of the relevant department responsible for attending to the specific issue raised.
- Monthly inspections are being conducted to identify issues such as possible potholes, shortage of road traffic signs, etc. Reports are then prepared and submitted to the relevant departments to follow-up. The aforementioned forms part of pro-active measures implemented by us to ensure good service delivery.

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## 2.4.10 SUPPLY CHAIN MANAGEMENT

Supply Chain Management Unit (SCM) falls within the Financial Services and IT Directorate and is continuously improving its processes and procedures in order to ensure that the Municipality receives value for money in terms of demand and acquisition management.

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### 2.4.10.1 SUPPLY CHAIN MANAGEMENT POLICY

The Supply Chain Management Policy was reviewed on 29 May 2018, as part of the annual budget policy review. The review addressed the latest legislative amendments; SCM Regulations, Treasury Circulars and recommendations made by the Auditor-General and Provincial Treasury to give enhance compliance. This will enable the Supply Chain Management Unit to streamline procedures and processes to promote more efficient and effective service delivery to all internal and external stakeholders.

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### 2.4.10.2 BID COMMITTEES

The bid committees are established and are fully functioning according to Council’s SCM Policy and the SCM Regulations. The committees are as follows:

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

The following table details the number of bid committee meetings held for the 2017/18 financial year:

**TABLE 65 BID COMMITTEE MEETINGS**

BID SPECIFICATION COMMITTEE	BID EVALUATION COMMITTEE	BID ADJUDICATION COMMITTEE
11	17	16

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

**TABLE 66 ATTENDANCE OF MEMBERS OF BID SPECIFICATION COMMITTEE**

MEMBERS	PERCENTAGE ATTENDANCE
There are no permanent members on the Bid Specification Committee. Members are allocated dependent on the type of bid	100%

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



**TABLE 67 ATTENDANCE OF MEMBERS OF BID EVALUATION COMMITTEE**

MEMBER	PERCENTAGE ATTENDANCE
There are no permanent members on the Bid Evaluation Committee. Members are allocated dependent on the type of bid	100%

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

**TABLE 68 ATTENDANCE OF MEMBERS OF BID ADJUDICATION COMMITTEE**

MEMBER	PERCENTAGE ATTENDANCE
H Van Biljon (Director: Finance & ITC Services)	93.75 %
S Stanley (Manager: Budget & Treasury Office)	75.00%
K Mrali (Director: Management Services)	93.75%
A Jacobs (Director: Infrastructure Services)	50.00%
N Mhlali-Musewe (Division Head: Human Resources and Organisational Development)	75.00%
T Stone (Division Head: Strategic, Planning & Administration Services)	62.50%

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

**a) Awards Made by the Bid Adjudication Committee**

The following awards were made by the BAC.

**TABLE 69 SUMMARY OF AWARDS MADE BY BAC**

AWARDS	1 <sup>ST</sup> QUARTER		2 <sup>ND</sup> QUARTER		3 <sup>RD</sup> QUARTER		4 <sup>TH</sup> QUARTER		YEAR TO DATE	
	1 JULY – 30 SEPTEMBER 2016		1 OCTOBER – 31 DECEMBER 2016		1 JANUARY – 31 MARCH 2017		1 APRIL 2017 – 30 JUNE 2017		1 JULY 2016 – 30 JUNE 2017	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Competitive Bids	4	R 1136 560,28	8	R 7018 012,87	5	R 3167 582,07	6	R 1660 559,76	23	R 12 982 714,98
Formal Written Quotations	8	R 765 036,94	4	R 237 617,42	5	R 288 668,28	4	R 314 427,00	21	R 1 605 749,64
Deviation In Terms Of Part 18.6.3 Of The SCMPOS	3	R 910 484,66	0	R 0,00	1	R 973 981,80	1	RATES	5	R 1 884 466,46
Sale Of Erven	2	R 35 000,00	0	R 0,00	0	R 0,00	2	R 330 162,00	5	R 365 162,00
Extentions / Amendment Of Contracts In Terms Of Part 20.14 Of The SCMPOS	0	R 0,00	4	R 570 340,60	2	R 9 724,50	3	R 182 092,20	9	R 762 157,30
Procurement In Terms Scm Regulation 32	0	R 0,00	0	R 0,00	1	R 6812 245,63	2	R 1697 000,00	3	R 8 509 245,63
Number of Disputes, Complaints, Enquiries and	3		0		0		0		3	

Objections Received										
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**b) Ten highest bids**

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

**TABLE 70 SUMMARY OF TEN HIGHEST BIDS**

BID NUMBER	DIRECTORATE AND SECTION	TITLE OF BID	SUCCESSFUL BIDDER	VALUE OF BID AWARDED
SCM25/2017/18	Finance & ICT Services - ICT Services	ICT Support Services For A Period Of 36 Months	DFA Solutions	R 3 846 686,75
SCM10/2017/18	Infrastructure Service - Roads & Stormwater	Upgrading Of Gravel Roads To Surfaced Standard In Bredasdorp & Napier	Cape Agulhas Civils CC	R 3 259 961,10
RT57-03-08-04	Infrastructure Service - Solid Waste	<b>Rt57/2016:</b> supply and delivery of motor vehicles, light and heavy commercial vehicles, busses and motor cycles to the state: period 1 July 2016 to 31 March 2018. - 10 ton payload refuse truck, with dual rear wheels on tandem axles (6x4). Fitted with diesel engine capacity of 11000cm <sup>3</sup> and Automatic transmission. 20,6m <sup>3</sup> - <b>HC250 refuse compactor with bin lifters - Tata Novus v3txf</b>	TATA Automobile Corporation PTY LTD	R 2 359 287,00
SCM7/2018/19	Infrastructure Service - Solid Waste	Transport service for containerised waste from public drop-off's and open spaces to Bredasdorp landfill for a period of 3 years	DP Truck Hire	R 2 096 651,25
SCM21/2017/18	Infrastructure Service - Roads & Stormwater	Paving of sidewalks in LÁgulhas	Cape Agulhas Civils CC	R 1 370 828,75
SCM20/2017/18	Management Services - Public Services	Upgrading of tidal pools in LÁgulhas	LUCOR CONSTRUCTION PTY LTD	R 1 041 584,76
<b>SCM6/2017/18</b>	INFRASTRUCTURE SERVICE - ROADS & STORMWATER	Upgrading of industrial road in Struisbaai	Cape Agulhas Civils CC	R 998 697,00
SCM1/2017/18	Management Services - Public Services	Building of bathrooms	Entas Construction And Projects CC	R 882 050,00
	Infrastructure Services - Water & Sanitation Services, Roads & Stormwater	Appointment of professional service providers - structural engineering services	WEC Consult PTY LTD	R 672 144,00
SCM7/2017/18	Infrastructure Services - Water & Sanitation Services	Replacement of water main in Viljoenstreet, Bredasdorp	AMS Civils PTY LTD	R 603 077,10

**c) Reported bids over R100 000**

In terms of MFMA Circular 34, all awards above R100 000 must be reported to Provincial and National Treasury within 15 days of the end of each month. The Municipality awarded a total of 53 bids over the value of R100 000 during the 2017/18 financial year.

**TABLE 71 REPORTED BIDS OVER R100 000**

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE (Bid value)	PREMIUM PAID (Value)	EXPANSION VALUE
<b>T66/2017</b>	APPOINTMENT OF A TRAVEL AGENCY FOR A PERIOD OF 3 YEARS. (SCM3-2017-18)	HARVEY WORLD TRAVEL BREDASDORP	Level 4	Competitive Bids	R 97 000,00	R 97 000,00	-	R 97 000,00
<b>T14/2018</b>	BUILDING OF BATHROOMS (SCM18/2017/18)	ENTAS CONSTRUCTION AND PROJECTS	Level 1	Competitive Bids	R 882 050,00	R 882 050,00	-	R 882 050,00
<b>T67/2017</b>	CONSTRUCTION OF A NEW DISABLED TOILET AT THE BREDASDORP SPORTS GROUND. (Q5-2017-18)	HUWILL CONSTRUCTION CC	Level 1	Price Quotations	R 88 806,00	R 88 806,00	-	R 88 806,00
<b>T18/2018</b>	CONSTRUCTION OF PLAYPARK IN BREDASDORP (Q21/2017/18)	ENTAS CONSTRUCTION AND PROJECTS	Level 1	Price Quotations	R 115 000,00	R 115 000,00	-	R 115 000,00
<b>T26/2018</b>	ESTABLISHMENT OF SERVER ROOM AT NAPIER OFFICES. (SCM23-2017-18)	TRACKOS PROJECTS PTY LTD	Level 4	Competitive Bids	R 472 894,95	R 472 894,95	-	R 472 894,95
<b>T55/2017</b>	EXTENSION/RENEWAL OF CONTRACT IN RELATION TO THE DOCUMENT MANAGEMENT SYSTEM AND RELATED SERVICES - COLLABORATOR FOUNDATION SYSTEM SUPPORT SERVICES.	BUSINESS ENGINEERING (PTY) LTD	Non-compliant contributor	Deviations	R 383 477,46	R 383 477,46	-	R 383 477,46
<b>T61/2017</b>	FIT SUSPENDED CEILING AT STRUISBAAI COMMUNITY HALL. Q3/2017/18	ACTEBIS 172CC T/A ELS BOUERS	Non-compliant contributor	Price Quotations	R 103 832,63	R 103 832,63	-	R 103 832,63
<b>T112/2018</b>	ICT SUPPORT SERVICES FOR A PERIOD OF 36 MONTHS. (SCM25/2017/18)	DFA SOLUTIONS	Level 1	Competitive Bids	R 3846 686,75	R 3846 686,75	-	R 3846 686,75
<b>T89/2017 (1)</b>	INTERMS OF REG. 32 OF MUNICIPALITY SCM REGARDING CONTRACT SECURED BY THE OUDTSHOORN MUNICIPALITY FOR DUTIES. APPOINTMENT OF PROF. SERVICES PROVIDERS CIVIL ENGINEERING SERVICES.	QUANTRA CONSULTING PTY LTD	Non-compliant contributor	Deviations	R 542 982,00	R 542 982,00	-	R 542 982,00
<b>T89/2017 (2)</b>	IN TERMS OF REG. 32 OF MUNICIPALITY SCM REGARDING CONTRACT SECURED BY THE OUDTSHOORN MUNICIPALITY DUTIES. APPOINTMENT OF PROF. SERVICES	WEC-CONSULT PTY LTD	Non-compliant contributor	Deviations	R 672 144,00	R 672 144,00	-	R 672 144,00

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE (Bid value)	PREMIUM PAID (Value)	EXPANSION VALUE
	PROVIDERS STRUCTURAL ENGINEERING SERVICES.							
T12/2018	LAUNDRAY & IRONING SERVICES FOR A PERIOD ENDING 28.02.2018 SCM11/2017/18	AE NEEDTHLING T/A SOAPY MOMENTS	Level 4	Competitive Bids	R 153 252,00	R 153 252,00	-	R 153 252,00
T110/2018	PAVING OF SIDEWALKS IN L'AGULHAS. (SCM21/2017/18)	CAPE AGULHAS CIVILS CC	Level 2	Competitive Bids	R 1370 828,75	R 1370 828,75	-	R 1370 828,75
T106/2018	PROCESSING OF RECYCLED MATERIALS IN CAPE AGULHAS AREA FOR A PERIOD OF 3 YEARS. (SCM6-2018-19)	R CUPIDO	Non-compliant contributor	Competitive Bids	R 216 000,00	R 216 000,00	-	R 216 000,00
T73/2017	PROVISION OF PROFESSIONAL SERVICES: SUPERVISION AND CONTRACT MANAGEMENT FOR ROADS IN BREDASDORP (Q7-2017-18)	ENGINEERING ADVICE & SERVICES	Non-compliant contributor	Price Quotations	R 93 000,00	R 93 000,00	-	R 93 000,00
T74/2017	PROVISION OF PROFESSIONAL SERVICES: SUPERVISION AND CONTRACT MANAGEMENT FOR ROADS IN NAPIER (Q8-2017-18)	ENGINEERING ADVICE & SERVICES	Non-compliant contributor	Price Quotations	R 93 000,00	R 93 000,00	-	R 93 000,00
T91/2017	REPAIRS & MAINTENANCE OF MOTOR VEHICLES & MACHINERY- ITEM2: SUPPLY OF 4 WHEEL RIMS WITH LOCK RINGS	SOETMUIS VIER BK T/A KWIK 'n GO	Level 4	Competitive Bids	R 34 120,00	R 32 923,20	R 1 196,80	R 34 120,00
T93/2017	REPAIRS & MAINTENANCE OF MOTOR VEHICLES & MACHINERY- ITEM6: LINEBORING & MACHINERY OF CRADLE AND BACKHOE SLIDING SUPPORT	ZCK TRADING	Non-compliant contributor	Competitive Bids	R 86 412,00	R 86 412,00	-	R 86 412,00
T92/2017	REPAIRS & MAINTENANCE OF MOTOR VEHICLES AND MACHINERY - ITEM 3: SUPPLY & FITMENT OF 4 MINNING TYPE TYRES 20PLY.	FANTASTIC INVESTMENTS 456 T/A HI-Q BREDASDORP	Non-compliant contributor	Competitive Bids	R 52 797,20	R 52 797,20	-	R 52 797,20
T90/2017	REPAIRS AND MAINTENANCE OF MOTOR VEHICLES & MACHINERY- ITEM1: REMANUFACTURE	TYGERBERG ENGINE REBUILDERS	Level 4	Competitive Bids	R 75 752,36	R 75 752,36	-	R 75 752,36

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE (Bid value)	PREMIUM PAID (Value)	EXPANSION VALUE
	OF A NISSAN FD46 C CYLINDER DIESEL ENGINE (SCM9-2017-18)							
<b>T17/2018</b>	REPLACE EXISTING FLOOR WITH MARLEY TILES AT STRUIBAAI COMMUNITY HALL. (Q20-2017-18)	ENTAS CONSTRUCTION AND PROJECTS	Level 1	Price Quotations	R 117 386,25	R 117 386,25	-	R 117 386,25
<b>T62/2017</b>	REPLACE WOODEN WINDOWS WITH ALUMINIUM WINDOWS AT STRUISBAAI ABLUTION FACILITIES. Q4/2017/18	DC ZEEMAN T/A ALUMINIUM DESIGNS	Level 1	Price Quotations	R 61 020,00	R 61 020,00	-	R 61 020,00
<b>T80/2017</b>	REPLACEMENT OF WATERMAIN IN VILJOEN STREET, BREDASDORP. (SCM7-2017-18)	AMS CIVILS (PTY) LTD	Level 1	Competitive Bids	R 603 077,10	R 602 478,60	R 598,50	R 603 077,10
<b>T63/2017</b>	REPOSITION OF EXISTING WOODEN BOARDWALK BETWEEN THE NOSTRA PARKING AND STRUISBAAI HARBOUR. (SCM1/2017/18)	CAPE AGULHAS CIVILS CC	Level 2	Competitive Bids	R 245 812,50	R 245 812,50	-	R 245 812,50
<b>T51/2017 (RT57-02-24-02)</b>	RT57/2016 SUPPLY&DELIVERY OF MOTOR VEHICLES,BUSSES AND MOTOR TO THE STATE:1 JULY 2016 TO31 MRT2018 -LCV 4X4, 2400CM3, PAYLOADNOT LESS THAN 750KG.	NISSAN (SOUTH AFRICA) PTY LTD	Non-compliant contributor	Competitive Bids	R 214 895,92	R 214 895,92	-	R 214 895,92
<b>T53/2017 (RT-03-08-04)</b>	RT57/2016:SUPPLY& DELIVERY OF MOTOR VEHICLE,LIGHT AND HEAVY COMMERCIAL VEHICLE,BUSSES AND MOTOT CYCLES TO THE STATE:PERIOD 1 JULY2016TO31 MRT 2018 - 10 TON PAYLOAD REFUSE TRUCK WITH DUAL REAR WHEELS ON TANDEM AOLES. FITTED WITH DIESEL ENGINE CAPACITY OF 11000CM3 AND DEVELOPING NOT LESS THAN 200KW.	TATA AUTOMOBILE CORPORATION (SA)	Non-compliant contributor	Competitive Bids	R 2359 287,00	R 2359 287,00	-	R 2359 287,00
<b>T51/2017 (RT57-01-14-01)</b>	RT57/2016:SUPPLY& DELIVERY OF MOTOR VEHICLES,LIGHT AND HEAVY COMMERCIAL	VOLKSWAGEN OF SOUTH AFRICA PTY LTD	Non-compliant contributor	Competitive Bids	R 189 114,60	R 189 114,60	-	R 189 114,60

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE (Bid value)	PREMIUM PAID (Value)	EXPANSION VALUE
	VEHICLES, BUSES AND MOTOR CYCLES TO THE STATE:PERIOD 1 JULY 2016 TO 31 MARCH 2018 - FOUR/FIVE SEATER SEDAN 4 DOORS 1400CM3- POLO VIVO SEDAN 1.4 T/LINE 63KW.							
<b>T51/2017 (RT57-02-16-01)</b>	RT57/2016:SUPPLY& DELIVERY OF MOTOR VEHICLES,LIGHT AND HEAVY COMMERCIAL VEHICLES,BUSES AND CYCLES TO THE STATE:PERIOD 1 JULY 2016 TO 31 MRT 2018-LCV 1600CM3,PAYLOAD APPROXIMATELY 500KG UB3 NP200 1,6 MID SPECS.	NISSAN (SOUTH AFRICA) PTY LTD	Non-compliant contributor	Competitive Bids	R 163 236,50	R 163 236,50	-	R 163 236,50
<b>T68/2017 (2)</b>	SAFEGUARDING OF ARNISTON RECEPTION AREA - WOODEN STRUCTURES. (Q6-2017-18)	TIP OF AFRICA CREATIONS	Level 4	Price Quotations	R 22 700,00	R 22 700,00	-	R 22 700,00
<b>T68/2017 (1)</b>	SAFEGUARDING OF ARNISTON RECEPTION AREA-SUPPLY & FITMENT OF GLASS PANELS. (Q6-2017-18)	DC ZEEMAN T/A ALUMINIUM DESIGNS	Level 1	Price Quotations	R 75 600,00	R 75 600,00	-	R 75 600,00
<b>T111/2018</b>	SUPPLY & DELIVERY OF 2000W METAL HALIDE FLOODLIGHTS. (SCM24/2017/18)	CARBON REDUCTION TECHNOLOGIES	Level 1	Competitive Bids	R 349 319,40	R 349 319,40	-	R 349 319,40
<b>T10/2018</b>	SUPPLY & DELIVERY OF AIR CONDITIONERS (Q19/2017/180)	GANSBAAI AIRCON & REFRIGERATION CC	Level 4	Price Quotations	R 40 264,10	R 40 264,10	-	R 40 264,10
<b>T3/2018</b>	SUPPLY & DELIVERY OF COMPUTER EQUIPMENT-GROUP 1 -DESKTOPS (Q14/2017/18)	CHM VUWANI COMPUTER SOLUTIONS	Level 2	Price Quotations	R 41 908,42	R 41 908,42	-	R 41 908,42
<b>T4/2018</b>	SUPPLY & DELIVERY OF COMPUTER EQUIPMENT - GROUP 2 NETWORK SWITCHES (Q14/2017/18)	CHM VUWANI COMPUTER SOLUTIONS	Level 2	Price Quotations	R 106 257,55	R 101 370,64	R 4 886,91	R 106 257,55
<b>T75/2017</b>	SUPPLY & DELIVERY OF COMPUTER EQUIPMENT: GROUP 1 - DESKTOPS, LED SCREEN & LAPTOPS. (SCM5-2017-18)	DLK GROUP (PTY) LTD	Level 1	Competitive Bids	R 215 541,24	R 202 075,00	R 13 466,24	R 215 541,24
<b>T76/2017</b>	SUPPLY & DELIVERY OF COMPUTER EQUIPMENT: GROUP	DLK GROUP (PTY) LTD	Level 1	Competitive Bids	R 311 295,24	R 311 295,24	-	R 311 295,24

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CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE (Bid value)	PREMIUM PAID (Value)	EXPANSION VALUE
	3 - SERVER (SCM5-2017-18)							
<b>T6/2018</b>	SUPPLY & DELIVERY OF ENGINE SCAG (Q15/2017/18)	TURF CUTTERS (PTY) LTD	Level 1	Price Quotations	R 42 750,00	R 42 750,00	-	R 42 750,00
<b>T8/2018</b>	SUPPLY & DELIVERY OF INSPECTION CAMERA AND METAL DETECTOR (Q17/2017/18) (Q17/2017/18)	ORSCO (PTY) LTD	Level 1	Price Quotations	R 125 300,00	R 125 300,00	-	R 125 300,00
<b>T11/2018</b>	SUPPLY & DELIVERY OF LAPTOPS (Q22/2017/18)	CHM VUWANI COMPUTER SOLUTIONS	Level 2	Price Quotations	R 83 519,06	R 83 519,06	-	R 83 519,06
<b>T2/2018</b>	SUPPLY & DELIVERY OF LIME DOSING PUMP (Q12/2017/18)	AGRICULTURAL RURAL DEVELOPMENT SERVICES	Level 1	Price Quotations	R 59 305,65	R 59 305,65	-	R 59 305,65
<b>T65/2017</b>	SUPPLY & DELIVERY OF OFFICE FURNITURE. (Q1-2017-18)	PARKERSON THOMAS TECHNOLOGIES CC	Non-compliant contributor	Price Quotations	R 65 890,86	R 65 890,86	-	R 65 890,86
<b>T9/2018</b>	SUPPLY & DELIVERY OF PLATE COMPACTORS (Q18/2017/18)	IAN DICKIE & CO (PTY) LTD	Level 8	Price Quotations	R 42 841,41	R 42 841,41	-	R 42 841,41
<b>T84/2017</b>	SUPPLY & ERECT FENCING AT ARNISTON LIBRARY. (Q9-2017-18)	DC ZEEMAN T/A ALUMINIUM DESIGNS	Level 1	Price Quotations	R 158 980,00	R 158 980,00	-	R 158 980,00
<b>T7/2018</b>	SUPPLY & ERECTION OF FENCING AT BREDASDORP CEMETERY. (Q15/2017/18)	PS CLEARING & CLEANING SERVICES	Level 1	Price Quotations	R 70 460,00	R 70 460,00	-	R 70 460,00
<b>T60/2017</b>	SUPPLY & INSTALL ALUMINIUM WINDOWS FRAMES/TINTING AT THE COMMUNITY HALL, SPORT COMPLEX. Q2/2017/18	DC ZEEMAN T/A ALUMINIUM DESIGNS	Level 1	Price Quotations	R 53 705,00	R 53 705,00	-	R 53 705,00
<b>T15/2018</b>	SUPPLY & INSTALL OF LIQUID ALUMINIUM DOSING SYSTEM AT BREDASDORP WTW (SCM8/2017/18)	MAXAL PROJECTS SA (PTY) LTD	Level 8	Competitive Bids	R 328 186,62	R 328 186,62	-	R 328 186,62
<b>T71/2017</b>	SUPPLY & INSTALLATION OF AIR CONDITIONERS (SCM2-2017-18)	JC REFRIGERATION CAPE	Level 4	Competitive Bids	R 127 949,00	R 127 949,00	-	R 127 949,00
<b>T23/2018</b>	SUPPLY & INSTALLATION OF CHLORINE DOSING SYSTEM (Q23-2017-18)	IKUSASA CHEMICALS (PTY) LTD	Level 2	Price Quotations	R 93 738,80	R 93 738,80	-	R 93 738,80
<b>T82/2018</b>	TRANSFER AND REGISTRATION OF STATE SUBSIDISED HOUSES & RESTORATION OF TITLE DEEDS. (SCM22/2017/18)	KRUGER & BLIGNAUT	Non-compliant contributor	Competitive Bids	R 540 000,00	R 540 000,00	-	R 540 000,00
<b>T107/2018</b>	TRANSPORT SERVICE	DP TRUCK HIRE	Level 1	Competitive Bids	R 2 096	R 2 096	-	R 2 096

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CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE (Bid value)	PREMIUM PAID (Value)	EXPANSION VALUE
	FOR CONTAINERISED WASTE PUBLIC DROP-OFF'S AND OPEN SPACES TO BREDASDORP LANDFILL SITE FOR A PERIOD OF 3 YEARS. (SCM7-2018-19)			ve Bids	651,25	651,25		651,25
<b>T94/2017</b>	UPGRADING OF GRAVEL ROADS TO SURFACED STANDARD IN BREDASDORP & NAPIER. (SCM10/2017/18)	CAPE AGULHAS CIVILS CC	Level 2	Competitive Bids	R 3259 961,10	R 3259 961,10	-	R 3649 908,60
<b>T82/2017</b>	UPGRADING OF INDUSTRIAL ROADS IN STRUISBAAI. (SCM6-2017-18)	CAPE AGULHAS CIVILS CC	Level 2	Competitive Bids	R 998 697,00	R 998 697,00	-	R 998 697,00
<b>T25/2018</b>	UPGRADING OF TIDAL POOLS IN L'AGULHAS. (SCM20-2017-18)	LUCOR CONSTRUCTION PTY LTD	Level 4	Competitive Bids	R 1041 581,76	R 1041 584,76	-	R 1041 581,76
<b>T19/2018</b>	UPGRADING OF VALVES AND PIPES AT L'AGULHAS RESERVOIRS (SCM13/2017/18)	CAPE AGULHAS CIVILS CC	Level 2	Competitive Bids	R 309 292,50	R 309 292,50	-	R 340 204,50
<b>TOTAL</b>					<b>R 23 995 561,93</b>	<b>R 23 975 416,48</b>	<b>R 20 148,45</b>	<b>R 24 416 421,43</b>

**d) Spending in term of BBBEE**

The following table indicates the Municipality is spending in terms of BBBEE for the financial year.

**TABLE 72 SUMMARY OF BBBEE SPENDING FOR THE FINANCIAL YEAR**

BEE LEVEL	TOTAL CONTRACTS	TOTAL CURRENT CONTRACT VALUE	TOTAL LOWEST ACCEPTABLE BID VALUE	TOTAL PREMIUM PAID VALUE
Level 1	18	R 9 272 933,88	R 9 258 869,14	R 14 064,74
Level 2	9	R 6 930 875,18	R 6 505 128,77	R 4 886,91
Level 4	9	R 2 065 514,17	R 2 064 320,37	R 1 196,80
Level 8	2	R 371 028,03	R 371 028,03	-
Non-compliant contributor	15	R 5 776 070,17	R 5 776 070,17	-
<b>Total</b>	<b>53</b>	<b>R 24 416 421,43</b>	<b>R 23 975 416,48</b>	<b>R 20 148,45</b>

**c) Awards Made by the Accounting Officer**

No bids were awarded by the Accounting Officer in terms of Section 144 MFMA 56 of 2003 during the 2015/16 financial year.

**24.10.3 DEVIATIONS FROM NORMAL PROCUREMENT PROCESSES**



The following table provides a summary of deviations approved for the 2016/17 financial year:

**TABLE 73 SUMMARY OF DEVIATIONS FOR 2017/18**

NUMBER OF DEVIATIONS	VALUE OF DEVIATIONS
<b>Deviations for amounts below R30 000:</b>	
63	R765 178.22
<b>Deviations for amounts above R30 000:</b>	
19	R1 545 355.81
<b>Deviations for amounts above R200 000:</b>	
1	R548 433.12

**TABLE 74 BREAKDOWN OF DEVIATIONS 2017/18**

<b>DEVIATIONS FROM MINOR BREACHES OF THE SUPPLY CHAIN MANAGEMENT POLICY (SCM REGULATIONS 36 (1) (A), (I) (II), (III), (IV) &amp; (V))</b>	
<b>Deviations below R30 000 1 July 2017 - 30 June 2018</b>	
36 (1) (a) (i): Emergency	R36 856,34
36 (1) (a) (ii): Sole Provider	R375 396,78
36 (1) (a) (iii): Special Works of art	-
36 (1) (a) (iv): Animals for zoos	-
36 (1) (a) (v): Impractical or Impossible	R352 925,10
<b>BELOW R30 000</b>	<b>R765 178,22</b>
<b>Deviations above R30 000 1 July 2017 - 30 June 2018</b>	
36 (1) (a) (i): Emergency	R331 129,30
36 (1) (a) (ii): Sole Provider	R513 151,51
36 (1) (a) (iii): Special Works of art	-
36 (1) (a) (iv): Animals for zoos	-
36 (1) (a) (v): Impractical or Impossible	R701 075,00
<b>ABOVE R30 000</b>	<b>R1 545 355,81</b>
<b>Deviations above R200 000 1 July 2017 - 30 June 2018</b>	
36 (1) (a) (i): Emergency	-
36 (1) (a) (ii): Sole Provider	R548 433,12
36 (1) (a) (iii): Special Works of art	-
36 (1) (a) (iv): Animals for zoos	-
36 (1) (a) (v): Impractical or Impossible	-
<b>ABOVE R200 000</b>	<b>R548 433,12</b>
<b>TOTAL AMOUNT OF DEVIATIONS APPROVED</b>	<b>R2 858 967,15</b>
<b>TOTAL SUMMARISED DEVIATIONS: 1 July 2017 - 30 June 2018</b>	
36 (1) (a) (i): Emergency	R367 985,64
36 (1) (a) (ii): Sole Provider	R1 436 981,41
36 (1) (a) (iii): Special Works of art	R0,00

36 (1) (a) (iv): Animals for zoos	R0,00
36 (1) (a) (v): Impractical or Impossible	R1 054 000,10
<b>TOTAL AMOUNT OF DEVIATIONS APPROVED</b>	<b>R2 858 967,15</b>

**24.10.4 LOGISTICS MANAGEMENT**

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 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.

The following item was identified as redundant and were written off.

**TABLE 75 REDUNDANT AND WRITTEN OFF STOCK**

STOCK ITEM NUMBER	STOCK ITEM DESCRIPTION	BALANCE - VALUE	BALANCE - QUANTITY	BALANCE - UNIT PRICE
14439	Cashier Receipts (4000 Per Box)	R21 000,00	30	R700,00

The annual stock count took place on Wednesday 27 June 2018. No surpluses or deficits was found during the stock count.

**TABLE 76 STOCK VALUE AT MUNICIPAL STORES**

STORE	OPENING VALUE	PURCHASES VALUE	ISSUES VALUE	BALANCE VALUE
Store A – Bredasdorp Stores	R 1 249 629,31	R 76 888,03	-R 257 222,89	R 1 069 294,45
Store B – Electrical Stores	R 102 375,00	R 4 095,00	R 0,00	R 106 470,00
Store C – Struisbaai Stores	R 115 188,68	R 18 233,31	-R 21 365,26	R 112 056,73
<b>Total value of stock</b>	<b>R 1 467 192,99</b>	<b>R 99 216,34</b>	<b>-R 278 588,15</b>	<b>R 1 287 821,18</b>

**24.10.5 PROCUREMENT PLAN**

One of the functions of SCM is to ensure that goods, works or services are delivered to the right place, in the right quantity, with the right quality, at the right cost and the right time in a normal procurement environment.

In order to fulfil the above function the SCM unit, together with the end-user, must apply strategic sourcing principles to determine the optimum manner in which to acquire goods, works or services. A procurement plan is compiled at the beginning of each financial year to guide the procurement of all capital expenditure. This ensures that user departments spend their budgets effectively, efficiently and economically. The procurement plan is updated following the approval of the adjustment budget.

The following is a summary of the procurement statistics for the 2017/18 financial year.

**TABLE 77 PROCUREMENT STATISTICS**

ALL REQUESTS DESCRIPTION	JULY - SEPTEMBER 2017 1ST QUARTER		OCTOBER - DECEMBER 2017 2ND QUARTER		JANUARY – MARCH 2018 3RD QUARTER		APRIL – JUNE 2018 4TH QUARTER		YEAR TO DATE SUMMARY: JUL - JUN 2018	
	TOTAL NO	VALUE	TOTAL NO	VALUE	TOTAL NO	VALUE	TOTAL NO	VALUE	TOTAL NO	VALUE
Requests processed	801	R7 768 441,08	1069	R19 008 533,32	1 014	R 11 810 226,26	783	R 11 593 535,96	3 667	R 50 180 736,62
Orders processed	816	R 7 773 550,41	1115	R 18 987 801,17	1 042	R 11 763 080,69	1 416	R 16 374 364,54	4 227	R 53 790 616,93
Request/ orders cancelled	15	R555 958,31	46	R559 373,77	28	R 567 969,87	633	R4780 828,58	715	R 6 188 706,04
Outstanding orders	409	R 4 774 924,94	552	R 10 153 914,00	692	R 9 429 714,13	1 038	R 13 358 459,43	-	R 0,00
Paid orders	407	R2998 625,47	911	R 13 712 976,46	874	R 12 445 864,60	653	R 9 577 912,59	3 197	R 59 937 949,65

**2.4.10.6 AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE**

In terms of Supply Chain Management Regulation 45, awards to close family members of persons in the service of the state must disclose particulars of awards of more than R2000 in the Annual Financial Statements. The following bids were awarded to a persons who have family members in services of the state:

**TABLE 78 DIRECT AWARDS TO CLOSE FAMILY MEMBERS IN SERVICE OF THE STATE (CAPE AGULHAS MUNICIPALITY)**

SCM PROCESS FOLLOWED	DESCRIPTION	AWARDED TO	RELATIONSHIP	AMOUNT PAID AS AT 30 JUNE 2018
DIRECT TRANSACTION	ARMLASTIGE BEGRAFNISSE	ADONAI FUNERAL HOME	BROTHER OF CAM OFFICIAL MR. D FREDERICKS	R 25 025,00
QUOTATIONS	CATERING & REFRESHMENTS	EE SPANDIEL	PARENT OF CAM OFFICIAL MR. H SPANDIEL	R 15 983,00
QUOTATIONS	VARIOUS TRANSPORT	M WAXA T/A TAMTURA WAXA TAXI SERVICES	BROTHER OF CAM OFFICIALS MR. X WAXA AND MR. T WAXA	R 3 200,00
<b>TOTAL</b>				<b>R 44 208,00</b>

**TABLE 79 INDIRECT AWARDS TO CLOSE FAMILY MEMBERS IN SERVICE OF THE STATE**

SCM PROCESS FOLLOWED	BESKRYWING/ DESCRIPTION	AWARDED TO	RELATIONSHIP	AMOUNT PAID AS AT 30 JUNE 2018
TENDERS	PLANT HIRE FOR CONSTRUCTION	CAPE AGULHAS CIVILS	MS. TL DU TOIT SPOUSE OF DH DU	R 5 089 407.04

	PURPOSES, CONSTRUCTION OF OU MEULE PUMPSTATION, UPGRADING OF GRAVEL ROADS TO SURFACED STANDARD IN BREDASDORP & WAENHUISKRANS,		TOIT, DIRECTOR IN CAPE AGULHAS CIVILS IS IN SERVICE OF THE DEPARTMENT OF HEALTH	
<b>TENDERS &amp; QUOTATIONS</b>	COMPUTER ACCESSORIES & STATIONERY	CANFRED COMPUTERS T/A PREMIUM COMPUTERS & STATIONERS SWELLENDAM	MR. N EKSTEEN, PARENT OF BOTH SHAREHOLDERS/DIRE CTORS OF PREMIUM COMPUTERS & STATIONERS SWELLENDAM IS IN SERVICE OF DENEL OTR	R 55 012,00
<b>TENDERS</b>	ANNUAL STORES STOCK & SERVICES: ITEM 10 -14 PLUMBING WARE	IKAPA RETICULATION & FLOW	SPOUSE OF DIRECTOR IS EMPLOYED BY WESTERN CAPE EDUCATION DEPARTMENT (ATHLONE SCHOOL FOR THE BLIND)	R 228 901.28
<b>TENDERS</b>	PROFESSIONAL SERVICES: EXTERNAL AUDIT OF LANDFILLS AND ANNUAL REPORT	NCC ENVIRONMENTAL SERVICES	CHADRE RHODE (SPOUSE) OF DIRECTOR IS IN SERVICE OF THE STATE	R 0,00
<b>TENDERS</b>	SUPPLY & INSTALLATION OF ALUMINIUM WINDOWS, TINTING AT THE COMMUNITY HALL (SPORT COMPLEX)	DC ZEEMAN T/A ALUMINIUM DESIGNS	V ZEEMAN (SPOUSE) OF OWNER IS IN SERVICE OF THE STATE ( OVERBERG DISTRICT MUNICIPALITY	R 350 615.00
<b>QUOTATIONS</b>	BEDDING FOR RESORTS	BREN JAC-LIN CC T/A UNDERCOVER	AJ VAN DER WALT (SPOUSE) OF OWNER IS IN SERVICE OF DENEL OTR	R320.00
<b>TOTAL</b>				R 5 724 255.32

#### 2.4.10.7 MONITORING OF CONTRACTS & PERFORMANCE

The monitoring and performance of contracts was identified as an area requiring attention, and a Performance Management system for Contracts was implemented in June 2018. The performance of all vendors is now reviewed on the collaborator system.

#### 2.4.10.8 HUMAN RESOURCES

The staff component of the Supply Chain Management unit is as follows:

- Manager Supply Chain Management
- Accountant Supply Chain Management
- Supply Chain Management Practitioner
- SCM Administrator
- SCM Buyer
- Storekeeper
- Stores Clerk

SCM staff undertook the following training in 2017/18

**TABLE 80 SCM TRAINING 2017/18**

<b>TRAINING</b>	<b>DATE</b>
SCM Infrastructure Procurement Delivery Management training	4 - 8 June 2018
Mscoa training	12 June 2018
SCM Training	4 - 5 April 2018
Municipal Minimum Competency Level Training	June 2018– June 2019
SCM Standard for Infrastructure Procurement Delivery Management	31 Oct – 1 Nov 2017
SCM Contract Management	19-21 Feb 2018

2.4.10.9 **SYSTEMS**

**a) Supplier Database**

The total number of registered suppliers until 30 June 2018 was 1096. A total of 94 new suppliers registered during 2017/18

**b) Web Based Central Supplier Database (CSD)**

With effect from 1 July 2016, Municipalities and Municipal Entities must use the CSD supplier number starting with (MAAA) which is auto generated by the Central Database System after successful registration and validation of the prospective provider as mandatory requirement as part of listing criteria for accrediting prospective provider in line with Section 14(1)(b) of the Municipal Supply Chain Management Regulations.

**c) E Tender Publication**

With effect from 1 July 2016, municipalities and municipal entities must advertise and publish all awards above R200 000, deviations and limited bids on the E-portal publication. The Cape Agulhas Municipality advertised all formal written quotations above R30 000 as well.

**d) Financial System**

All orders and store requisitions are captured on the Phoenix (Vesta) financial system. From 2 May 2018 the electronic requisitioning system was implemented on Collaborator, which integrates with the Phoenix financial system.

2.4.10.10 **PARTICIPATION IN INTERGOVERNMENTAL FORUMS**

The Manager SCM's participation in Provincial and District SCM Forums ensures valuable inputs which enable Cape Agulhas Municipality to implement equitable, transparent, competitive and cost effective supply chain management procedures. The following meetings took place during the 2017/18 financial year:

- 13 September 2018                      SCM Forum
- 6 October 2018                         SCM Forum
- 20–21 November 2017                SCM Indaba
- 2 March 2018                            SCM Forum



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.1 INTRODUCTION

This chapter constitutes the Annual Performance Report of the Cape Agulhas Municipality for 2017/18, which has been compiled in accordance with Section 46 of the Local Government Municipal Systems Act, Act 32 of 2000.

This report provides an overview of the actual performance of the Cape Agulhas Municipality for the period 1 July 2017 to 30 June 2018 as measured against the strategic objectives that are set out in the Integrated Development Plan (IDP) and the Key Performance Indicators (KPI's) contained in the approved Service Delivery Budget Implementation Plan (SDBIP). It also includes a comparison of the Municipality's actual 2017/18 performance as measured against the actual 2016/17 performance.

This Chapter aligns to the National Key Performance Areas (KPA's) of **basic service delivery** and **local economic development** as contained in the Local Government: Municipal Planning and Performance Management Regulations of 2001 read together with Section 43 of the MSA.

### 3.2 LEGISLATIVE FRAMEWORK

Performance management is regulated by Chapter 6 of the Municipal Systems Act (MSA), Act 32 of 2000 read together with the Municipal Planning and Performance Management Regulations, 796 of August 2001 as well as the Municipal Finance Management Act (MFMA), Act 56 of 2003.

Section 46 of the Municipal Systems Act, Act 32 of 2000, provides that:

*"46. (1) A Municipality must prepare for each financial year; a performance report reflecting:*

- a) the performance of the municipality and of each external service provider during that financial year;*
- b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and*
- c) measures taken to improve performance.*

*(2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act."*

Section 38 of the Municipal Systems Act requires municipalities to establish a performance management system. Section 7(1) of the Municipal Planning and Performance Management Regulations 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.

Performance Management uses the approved Service Delivery Budget Implementation Plan (SDBIP) as its basis. Section 1 of the MFMA defines the service delivery and budget implementation plan as:

*"a detailed plan approved by the mayor of a municipality in terms of Section 53(1)(c)(ii) for implementing the municipality's delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:*

- Projections for each month of revenue to be collected by source and operational and capital expenditure by vote*

- *Service delivery targets and performance indicators for each quarter”.*
- *Budget processes and related matters”*

### 3.3 OVERVIEW OF PERFORMANCE MANAGEMENT WITHIN THE MUNICIPALITY

Performance is measured on an organisational (strategic) level as well as an individual level in accordance with a framework that was approved by Council on 29 May 2007 (Council Resolution 101/2007). The IDP, budget and performance management processes are integrated, and the 2017/18-2021/22 Integrated Development Plan was approved by Council on 30 May 2017 (Council Resolution 99/2017).

#### 3.3.1 ORGANISATIONAL PERFORMANCE MANAGEMENT

##### a) Top Layer SDBIP (The municipal scorecard)

The SDBIP is a layered plan comprising a Top Layer SDBIP and Departmental SDBIPs. The Top Layer SDBIP comprises quarterly, high-level service delivery targets. It is a public document, which was approved by the Executive Mayor on 26 June 2018. Reporting on the Top Layer SDBIP is done to the Mayoral Committee and Council on a quarterly, half yearly (Mid-year Budget and Performance Assessment Report) and annual basis (Annual Report). Any amendments to the Top Layer SDBIP must be approved by Council following the submission of the Mid-year Budget and Performance Assessment Report and the approval of the adjustment budget. The Municipal Council approved amendments to the Top Layer SDBIP on 30 January 2017 and these changes have been incorporated into the Top Layer SDBIP.

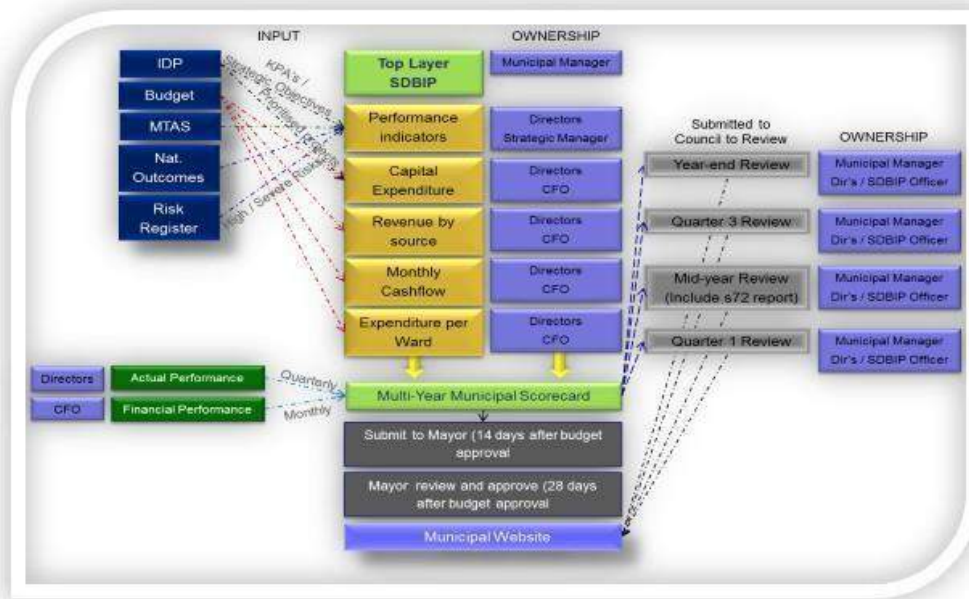
The 5 components of the SDBIP are:

- Monthly projections of revenue to be collected for each source
- Monthly projections of expenditure (operating and capital) and revenue for each vote
- Quarterly projections of service delivery targets and performance indicators for each vote
- 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 4 COMPONENTS OF THE MUNICIPAL SCORECARD



### 3.3.2 THE PERFORMANCE MANAGEMENT SYSTEM

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 calculation of the actual performance reported (If %).
- A performance comment on actual achievement with full explanations if targets were not achieved.
- 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 a portfolio of evidence to support actual performance results updated.

### 3.3.3 3 INDIVIDUAL PERFORMANCE MANAGEMENT

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

The Municipal Systems Act requires the Municipality to conclude performance based agreements with all Section 57-employees. It also requires that their performance be reviewed annually. This process and the format thereof is regulated by Regulation 805 (August 2006) as amended by Regulation 21 (January 2014).

All performance agreements for the 2017/18 financial year were signed by 30 July 2017. The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The mid-year performance evaluations (1 July 2017 to 31 December 2017) took place on 26 February 2018 and the final evaluation of the 2017/18 financial year (1 January 2017 to 30 June 2018) is scheduled for completion during November 2018.

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

- Executive Mayor;
- Portfolio Chairperson;

- Municipal Manager (in case of the performance reviews of a Director);
- Chairperson of the Audit Committee;
- Member of the Community.

**b) Other municipal personnel**

The Municipality has implemented individual performance management to lower level staff in annual phases. All staff on post level 0 - 17 have performance agreements or performance development plans for the 2016/17 financial year. The mid-year performance of 2016/17 (1 July 2017 to 31 December 2017) took place in March 2017 and the final evaluation of the financial year (1 January 2018 to 30 June 2018) is still in process. 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.

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**3.3.4 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 a municipal service”
- An external service provider means “*an external mechanism referred to in Section 76(b) which provides a municipal service for a municipality*”
- A 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*”

The Cape Agulhas Municipality did not utilise the services of any such service provider during the financial year.

**3.4 STRATEGIC PERFORMANCE 2017/18**

**3.4.1 OVERVIEW**

The Cape Agulhas Municipality has six key performance areas, which derive from the national key performance areas of local government. The 6 strategic goals and 12 strategic objectives of the Municipality align to these key performance areas.

**TABLE 81 ALIGNMENT OF KEY PERFORMANCE AREAS TO STRATEGIC GOALS AND OBJECTIVES**

NATIONAL KPA	MUNICIPAL KPA	STRATEGIC GOAL	STRATEGIC OBJECTIVE
KPA1: Good Governance and Public Participation	MKPA1: Good Governance and Public Participation	SG1: To ensure good governance	SO1: To create a culture of good governance
			SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality
KPA2: Municipal Institutional Development and Transformation	MKPA2: Municipal Institutional Development and Transformation	SG2: To ensure institutional sustainability	SO3: To create an administration capable of delivering on service excellence.
KPA3: Local Economic Development	MKPA3: Local Economic Development and Tourism	SG3: To promote local economic development in the Cape Agulhas Municipal Area	SO4: To create an enabling environment for economic growth and development
			SO5: To promote tourism in the Municipal Area
KPA4: Municipal Financial Viability and Management	MKPA4: Municipal Financial Viability and Management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	SO6: To provide effective financial, asset and procurement management
KPA5: Basic Service Delivery	MKPA5: Basic Service Delivery	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	SO7: Provision of equitable quality basic services to all households
			SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.
			SO9: To provide community facilities and services
			SO10: Development of sustainable vibrant human settlements
KPA5: Basic Service Delivery	MKPA6: Social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	SO11: To promote social and youth development
			SO12: To create and maintain a safe and healthy environment

The following graph provides an overview of the Municipality's overall performance for the 2017/18 financial year. The Municipality set 50 Key Performance Indicators (KPI's) for the financial year when the SDBIP was approved on 26 June 2017. One KPI was deleted with the SDBIP amendments that were approved on 30 January 2018. The Municipality met 33 (67%) of its targets, almost met another 7 (14%) and failed to meet 9 by the due date (18%).

FIGURE 5 PERFORMANCE PER STRATEGIC OBJECTIVE

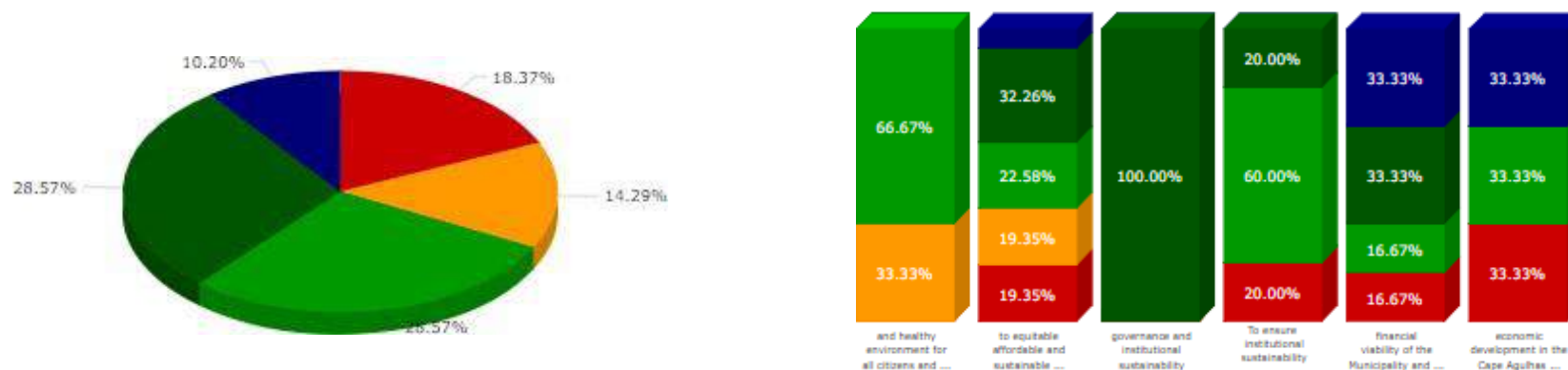


TABLE 82 PERFORMANCE PER STRATEGIC OBJECTIVE

	PRE-DETERMINED OBJECTIVES					
	<i>To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality</i>	<i>To ensure access to equitable affordable and sustainable municipal services for all citizens</i>	<i>To ensure good governance and institutional sustainability</i>	<i>To ensure institutional sustainability</i>	<i>To improve the financial viability of the Municipality and ensure its long term financial sustainability</i>	<i>To promote local economic development in the Cape Agulhas Municipal Area</i>
<b>Not Met</b>	-	6 (19.35%)	-	1 (20.00%)	1 (16.67%)	1 (33.33%)
<b>Almost Met</b>	1 (33.33%)	6 (19.35%)	-	-	-	-
<b>Met</b>	2 (66.67%)	7 (22.58%)	-	3 (60.00%)	1 (16.67%)	1 (33.33%)
<b>Well Met</b>	-	10 (32.26%)	1 (100.00%)	1 (20.00%)	2 (33.33%)	-
<b>Extremely Well Met</b>	-	2 (6.45%)	-	-	2 (33.33%)	1 (33.33%)
<b>Total:</b>	<b>3 (6.12%)</b>	<b>31 (63.27%)</b>	<b>1 (2.04%)</b>	<b>5 (10.20%)</b>	<b>6 (12.24%)</b>	<b>3 (6.12%)</b>

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3.4.2 DETAILED PERFORMANCE FOR 2017/18 PER STRA TEGIC OBJECTIVE

The following table explains the method by which the overall assessment of actual performance against target set for each KPI's of the SDBIP is measured.







**TABLE 83 SDBIP MEASUREMENT CATEGORIES**

<b>RATING</b>	<b>CATEGORY</b>	<b>EXPLANATION</b>
	KPI Not Met	0% ≥ Actual / Target ≤ 75
	KPI Almost Met	75% ≥ Actual / Target ≤ 100
	KPI Met	Actual target =100%
	KPI Well Met	100% ≥ Actual / Target ≤ 150
	KPI Extremely Well Met	Actual / Target ≤ 150

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3.4.2.1 STRATEGIC GOAL 1: TO ENSURE GOOD GOVERNANCE

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL49	Good Governance and Public Participation	To create a culture of good governance	Implement the RBAP for 2017/18 by 30 June 2018 {(Number of audits and tasks completed for the period/ Number of audits and tasks identified in the RBAP )x100}	% of audits and tasks completed in terms of the RBAP	All	81.80%	85%	10%	30%	50%	85%	88.80%	G2	RBAP 88.1% completed	None required

Summary of Results: To ensure good governance		
	KPI Not Yet Measured	0
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	0
	KPI Extremely Well Met	0
<b>Total KPIs</b>		<b>1</b>

3.4.2.2 STRATEGIC GOAL 2: TO ENSURE INSTITUTIONAL SUSTAINABILITY

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL41	Municipal Institutional Development and Transformation	To create an administration capable of delivering on service excellence.	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	Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management	All	0	1	0	0	0	1	0	R	The Director Infrastructure Services was appointed on 20 June 2018. Appointment is from the previous designated groups according to Employment Equity Act No 55, of 1998, but not an employment equity target.	A concerted effort was made to recruit a candidate from the designated group.
TL42	Municipal Institutional Development and Transformation	To create an administration capable of delivering on service excellence.	The percentage of the municipality's personnel budget actually spent on implementing its Workplace Skills Plan by 30 June 2018 in terms of the WSDL Act. $\{(Actual\ amount\ spent\ on\ training/total\ personnel\ budget) \times 100\}$	% of the personnel budget spent on training	All	0.43%	1%	0%	0%	0%	1%	1.37%	G2	1.37% of the salary budget was spent on training. (Total salary budget R115,542,164. Total spent on training R1,587,051)	None required
TL43	Municipal Institutional	To create an administration	Compile a new Five Year	Employment Equity Plan	All	New KPI	1	1	0	0	0	1	G	The new Employment	None required

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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18						
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures			
	Development and Transformation	capable of delivering on service excellence.	Employment Equity Plan and submit to Council for approval by 30 September 2017	compiled and submitted to Council for approval														
TL45	Municipal Institutional Development and Transformation	To create an administration capable of delivering on service excellence.	Compile a Process Plan for the completion of the land audit of the municipality and submit to Council for approval by 30 September 2017	Process plan compiled and submitted to Council for approval	All	New KPI	1	1	0	0	0	1	G	The Process Plan for the Land Audit was approved by the Mayoral Committee on 19 September 2017. (Resolution BK157/2017)	None required			
TL48	Municipal Institutional Development and Transformation	To create an administration capable of delivering on service excellence.	Review the micro structure in line with the revised socio economic macro structure by 30 December 2017	Number of approved micro structures	All	New KPI	1	0	1	0	0	1	G	The micro structure was reviewed and approved by Council on 7 December 2017. (Resolution 241/2017)	None required			
<b>Summary of Results: To ensure institutional sustainability</b>																		
KPI Not Yet Measured															0			
KPI Not Met															1			
KPI Almost Met															0			
KPI Met															3			
KPI Well Met															1			
KPI Extremely Well Met															0			
<b>Total KPIs</b>															<b>5</b>			



3.4.2.3 STRATEGIC GOAL 3: TO PROMOTE LOCAL ECONOMIC DEVELOPMENT IN THE CAPE AGULHAS MUNICIPAL AREA

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL40	Local Economic Development	To create an enabling environment for economic growth and development	Create FTE's through government expenditure with the EPWP by 30 June 2018	Number of FTE's created	All	52	30	0	0	0	30	118	B	118 FTE's were achieved.	None required
TL44	Municipal Institutional development and transformation	To create an enabling environment for economic growth and development	Appoint a service provider to conduct a basic assessment for the New Bredasdorp Industrial Development by 30 March 2018	Service provider appointed	All	New KPI	1	0	0	1	0	0	R	Specifications finalised and tender advertised. Tender closed in early April 2018. Tenders evaluated and submitted to BAC, who referred it back.	Service provider will be appointed early in July 2018
TL50	Local Economic Development	To promote tourism in the Municipal Area	Revise the LED Strategy and submit to Council for consideration by 30 June 2018	Number of LED Strategy's revised	All	1	1	0	0	0	1	1	G	LED Strategy Submitted to Council on 22 June 2018 (Resolution 80/2018)	None required

**Summary of Results: To promote local economic development in the Cape Agulhas Municipal Area**

KPI Not Yet Measured

0

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	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	0
	KPI Extremely Well Met	1
<b>Total KPIs</b>		<b>3</b>

3.4.2.4 STRATEGIC GOAL 4: TO IMPROVE THE FINANCIAL VIABILITY OF THE MUNICIPALITY AND ENSURE ITS LONG TERM FINANCIAL SUSTAINABILITY

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL8	Municipal Financial Viability and Management	To provide effective financial, asset and procurement management	Develop an implementation plan for the Revenue Enhancement Strategy and submit to Council for approval by 30 December 2017	Revenue Enhancement Strategy implementation plan developed and submitted to Council for approval	All	New KPI	1	0	1	0	0	1	G	The Revenue Enhancement Action Plan was approved by the Municipal Council on 7 December 2017 (Resolution 254/2017)	None required
TL9	Municipal Financial Viability and Management	To provide effective financial, asset and procurement management	The percentage of the municipality's capital budget actually spent on capital projects by 30 June 2018 {(Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% of the municipal capital budget spent	All	85.98%	95%	7%	65%	80%	95%	95.48%	G2	95.48% of the total capital budget spent. (R32006 030 of R 33 519 443 spent)	None required
TL10	Municipal Financial Viability and Management	To provide effective financial, asset and procurement	Financial viability measured in terms of the municipality's	% Debt to Revenue	All	1.14%	25%	0%	0%	0%	25%	7.32%	B	Debt to revenue 7.32%	None required

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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		management	ability to meet it's service debt obligations as at 30 June 2018 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)													
TL11	Municipal Financial Viability and Management	To provide effective financial, asset and procurement management	Financial viability measured in terms of the outstanding service debtors as at 30 June 2018 (Total outstanding service debtors/ revenue received for services)	% Service debtors to revenue	All	8.18%	10%	0%	0%	0%	10%	10.47%	R	Service debtors to revenue 10.47%	Ongoing improvement of credit control measures	
TL12	Municipal Financial	To provide effective	Financial viability	Cost coverage	All	1.18%	1	0	0	0	1	2.26	B	Costcoverage2.26	None required	

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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
	Viability and Management	financial, asset and procurement management	measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2018 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))													
TL13	Municipal Financial Viability and Management	To provide effective financial, asset and procurement management	Achieve a debtors payment percentage of at least 96% by 30 June 2018((Gross	% debtors payment ratio achieved	All	99.07%	96%	96%	96%	96%	96%	96.50%	G2	Debt collection rate is 96.50%	None required	

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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
			Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue) x 100}													

<b>Summary of Results: To improve the financial viability of the Municipality and ensure its long term financial sustainability</b>		
	KPI Not Yet Measured	0
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	2
	KPI Extremely Well Met	2
<b>Total KPIs</b>		<b>6</b>

3.4.2.5 STRATEGIC GOAL 5: TO ENSURE ACCESS TO EQUITABLE AFFORDABLE AND SUSTAINABLE MUNICIPAL SERVICES FOR ALL CITIZENS

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL1	Basic Service Delivery	Provision of equitable quality basic services to all households	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2018	Number of residential properties which are billed for water or have pre-paid meters	All	8677	8,677	8,601	8,601	8,677	8,677	8772	G 2	8772 Formal residential properties received piped water that is connected to the municipal water infrastructure network and were billed accordingly.	None required
TL2	Basic Service Delivery	Provision of equitable quality basic services to all households	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2018	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	All	9033	9,033	8,536	8,536	9,033	9,033	8,991	O	8991 Formal residential properties are connected to the electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and were billed accordingly.	None required. All properties have access to the electrical network
TL3	Basic Service Delivery	Provision of equitable quality basic services to all households	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service	Number of residential properties which are billed for sewerage	All	5991	8,995	8,800	8,800	8,995	8,995	8,929	O	8929 Formal residential properties are connected to the municipal waste water sanitation/sewerage network (inclusive of septic tanks) and	None required. All properties have access to sanitation services

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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18					
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
			(inclusive of septic tanks), irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2018														
TL4	Basic Service Delivery	Provision of equitable quality basic services to all households	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2018	Number of residential properties which are billed for refuse removal	All	9614	9,614	9,551	9,551	9,614	9,614	8,914	O	Refuse was removed from 8914 formal residential properties once a week and was billed accordingly.	None required. All households were serviced.		
TL5	Basic Service Delivery	Provision of equitable quality basic services to all households	Provide 6kl free basic water per month to all households during the 2017/18 financial year	Number of HH receiving free basic water	All	8677	8,677	8,601	8,601	8,677	8,677	8,772	G2	8772 Households received 6kl free basic water.	None required		
TL6	Basic Service Delivery	Provision of equitable quality basic services to all households	Provide 50 kwh free basic electricity per month to poor households in terms of the equitable share requirements during the 2017/18 financial year	Number of poor households receiving free basic electricity	All	2588	3,080	3,419	3,419	3,080	3,080	3,145	G2	Free basic electricity provided to 3145 poor households.	None required		
TL7	Basic Service Delivery	Provision of equitable quality basic services to all households	Provide free basic sanitation and refuse to poor households in terms of the equitable share requirements during the 2017/18 financial year	Number of poor households receiving free basic sanitation and refuse in terms of Councils indigent policy	All	2588	3,080	3,419	3,419	3,080	3,080	3,145	G2	Free basic sanitation and refuse provided to 3145 poor households.	None required		
TL14	Basic	To maintain	Provide electricity	Number of	2	New KPI	138	0	0	0	138	0	R	Electricity was	None		



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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18					
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
	Service Delivery	infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	to 138 RDP houses by 30 June 2018	houses electrified												provided to 140 sites in phase 1. The houses have not yet been constructed yet.	required, electricity is available and houses will be connected as soon as they are built.
TL15	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	95% of the roads and storm water capital budget spent by 30 June 2018 {(Actual expenditure divided by the total approved roads and stormwater capital budget) x 100}	% of roads and storm water capital budget spent	All	82.90%	95%	0%	59%	67%	95%	97.75%	G2	97.75% of the Roads and Stormwater capital budgets spent (R15590013.68 of R15948860 spent)	None required		
TL16	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Upgrade 3.5 kilometres of road in Bredasdorp (RDP) by 30 June 2018	Kilometres of road upgraded	3	New KPI	3.5	0	0	0	3.5	4.45	G2	4.45 Km Roads upgraded in Area F	None required		
TL17	Basic Service Delivery	To maintain infrastructure and undertake development of bulk	Upgrade 800 square meter paving in Bredasdorp by 31 December 2017	Square meter paving upgraded	3	New KPI	800	0	320	480	800	0	R	802.8 Square metres of paving was completed in Bredasdorp. Project could not be completed by the	None required. Project was completed		

## CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18							
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures				
		infrastructure to ensure sustainable service delivery.																	
TL18	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Upgrade 800 M of gravel road (Industrial Road) to tar Struisbaai by 30 December 2017	Metres of road upgraded	3	New KPI	800	0	800	0	0	800	G	Struisbaai industrial road completed	None required				
TL19	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	95% of the approved refuse removal capital budget spent by 30 June 2018 {(Actual expenditure divided by the total approved refuse removal capital budget) x 100}	% of refuse removal capital budget spent	All	100%	95%	0%	95%	95%	95%	100%	G2	100% of the approved refuse removal capital budget spent. (R 2 251 664.65 of R 2 251 710.00 spent)	None required				
TL20	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Compile an implementation plan for the roll-out of the Wheelie Bin System and submit to Council for approval by 30 March 2018	Implementation plan compiled and submitted to Council for approval	All	New KPI	1	0	0	1	0	0	R	A study was done by JPCE PTY LTD on various aspects of waste management including future planning for shared landfill sites and implementation of the wheelie bin project. Report submitted to	None required. Report was considered by Mayoral Committee instead of Council				

## CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18							
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures				
TL21	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	95% of the approved water capital budget spent by 30 June 2018 {(Actual expenditure divided by the total approved water capital budget) x 100}	% of water capital budget spent	All	65.60%	95%	6%	67%	90%	95%	77.28%	O	77.28% of the water and sanitation capital budget spent. (R2 728 673.33 of R3 530 752.00 spent).	None required. R600 000 was received from Province for Boreholes, hence the project did not have to be funded from our budget.				
TL22	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Limit unaccounted for water to less than 18% by 30 June 2018 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl. free basic water) / Number of Kilolitres Water Purchased or Purified} x 100}	% unaccounted water	All	17.48%	18%	18%	18%	18%	18%	13.80%	B	Unaccounted water is 13.8% for the financial year. This reduction is due to concerted measures implemented to reduce water losses during the year.	None required				
TL23	Basic Service Delivery	To maintain infrastructure and undertake development	95% average water quality level obtained as per SANS 241 on micro parameters for all	% water quality level obtained	All	96.21%	95%	95%	95%	95%	95%	95.40%	G2	Average water quality (SANS 241) for the year is 95.40%	None required				

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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		t of bulk infrastructure to ensure sustainable service delivery.	water supply areas during the 2017/18 financial year													
TL24	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Appoint a consulting Engineer to update the Water Services Development Plan by 30 June 2018	Number of appointment letters	All	New KPI	1	0	0	0	1	1	G	Consulting engineers appointed for 3-year period for all the Municipalities civil works including the Water Services Development Plan.	None required	
TL25	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	60% waste water discharge quality obtained for Bredasdorp WWTW	% quality of waste water discharge obtained	All	62.02%	60%	60%	60%	60%	60%	55.55%	O	Average waste water quality for the year is 55.55%	A consulting Engineer has been appointed to do the designs for the upgrading of the waste water treatment works.	
TL26	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure	Appoint a consulting engineer to complete the design and contract documentation for the rehabilitation of the Waste Water	Number of appointment letters	2; 3; 4; 6	New KPI	1	0	0	0	1	1	G	Consulting engineers appointed for 3-year period for all the Municipalities civil works including the rehabilitation of	None required	

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Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18						
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures			
		to ensure sustainable service delivery.	Treatment Works in Bredasdorp by 30 June 2018														the waste water treatment works	
TL27	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Limit unaccounted for electricity to less than 8% by 30 June 2018 $\{(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold (incl Free basic electricity)}) / \text{Number of Electricity Units Purchased and/or Generated}\} \times 100\}$	% unaccounted electricity	All	6.50%	8%	8%	8%	8%	8%	6.93%	B	Unaccounted electricity is 6.93% for the financial year. These losses are well within accepted norms.	None required			
TL28	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	95% of the electricity capital budget spent by 30 June 2018 $\{(\text{Actual expenditure divided by the total approved capital budget}) \times 100\}$ as per individual project plans	% of electricity capital budget spent	All	99.03%	95%	28%	66%	87%	95%	92.56%	O	92.56% of the electricity capital budget spent.	All projects completed. Savings			
TL29	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure	95% of the INEP funds received spent by 30 June 2017 for the electrification of 69 IRDP houses $\{(\text{Actual expenditure divided by the total}$	% of the INEP funds received spent	2	100.03%	95%	0%	30%	60%	95%	98.96%	G2	98.96% of INEP funds spent. ((R989 633.30 of R 1 000 000.00 spent)	None required			

## CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		sustainable service delivery.	received INEP allocation) x 100}													
TL30	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Investigate the feasibility of alternative energy sources to manage the demand for electricity and submit a report to Council for consideration by 30 June 2018	Feasibility investigated and report submitted to Council for consideration	All	New KPI	1	0	0	0	1	1	G	SSEG Policy and contract forms approved by Council on 27 March 2018 Resolution 24/2018. Policy promotes use of alternate energy	None required	
TL31	Basic Service Delivery	Development of sustainable vibrant human settlements	Develop a Human Settlement Plan and submit to Council by 31 March 2018	Human Settlement Plan developed and submitted to Council for approval	All	1	1	0	0	1	0	0	R	The Human Settlement Plan was not approved by the due date but was submitted to Council on 24 April 2018.	None required	
TL32	Basic Service Delivery	Development of sustainable vibrant human settlements	Provide 537 serviced sites in Area F, Bredasdorp by 30 June 2018	Number of serviced sites provided	2	New KPI	537	0	0	0	537	683	G2	683 stands were serviced in Area F	None required	
TL33	Basic Service Delivery	Development of sustainable vibrant human settlements	Finalise the appeal process for the housing development in Struisbaai by 30 June 2018	Number of ROD's	5	New KPI	1	0	0	0	1	1	G	ROD received	None required	
TL34	Basic Service Delivery	Development of sustainable vibrant	Provide 200 top structures in Area F, Bredasdorp by 30 June 2018	Number of top structures provided	2	New KPI	138	0	0	0	138	0	R	No top structures could be constructed in the financial year.	Awaiting funding for top structures.	

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

Ref	KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Overall performance 2017/18				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		human settlements														All requirements have been complied with
TL35	Basic Service Delivery	To provide community facilities and services	Obtain full Blue Flag status for Duiker Street Beach Struisbaai by 30 November 2017	Full Blue flag status received for Duiker Street Beach Struisbaai	5	1	1	0	1	0	0	1	G	Full Blue Flag Status was awarded on 4 October 2017.	None required	
TL46	Basic Service Delivery	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Investigate the feasibility of establishing a Regional Landfill Site and submit a report to Council for consideration by 30 June 2018	Report submitted to Council for consideration	All	New KPI	1	0	0	0	1	0	R	A study was done by JPCE PTY LTD on various aspects of waste management including future planning for shared landfill sites and implementation of the wheelie bin project. Report submitted to the Mayoral Committee on 17 April 2018 (Resolution BK55/2018)	None required. Report considered by Mayoral Committee instead of Council	

Summary of Results: To ensure access to equitable affordable and sustainable municipal services for all citizens		
	KPI Not Yet Measured	0
	KPI Not Met	6
	KPI Almost Met	6
	KPI Met	7
	KPI Well Met	10

KPI Extremely Well Met	2
<b>Total KPIs</b>	<b>31</b>









3.4.2.6 STRATEGIC GOAL 6: TO CREATE A SAFE AND HEALTHY ENVIRONMENT FOR ALL CITIZENS AND VISITORS TO THE CAPE AGULHAS MUNICIPALITY

Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Actual	R	Performance Comment	Corrective Measures
								Target	Target	Target	Target				
TL36	Basic Service Delivery	To create and maintain a safe and healthy environment	Spend 95% of the approved capital budget for the Management Services Directorate by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spent	All	New KPI	95%	13%	76%	95%	95%	86.45%	O	86.45% of the Management Services capital budget spent. (R2530 154.56 of R2 926 850.00 spent)	Tidal pools are a roll over project, which started in 2017/18 and will be continued in 2018/19
TL37	Basic Service Delivery	To create and maintain a safe and healthy environment	Conduct a feasibility study to improve the safety and security (CCTV and other measures) within Cape Agulhas Municipality and submit to Council for	Feasibility study conducted and submitted to Council for consideration	All	New KPI	1	0	0	0	1	1	G	Feasibility study undertaken. The Council adopted a Smart City Strategy on 22 June 2018. One of the initiatives included in this strategy is the installation of CCTV cameras. (Resolution 81/2018)	None required

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2017/18

Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Wards	Previous Year Performance	Annual Target	Q1	Q2	Q3	Q4	Actual	R	Performance Comment	Corrective Measures	
								Target	Target	Target	Target					
			consideration by 30 June 2018													
TL51	Good Governance and Public Participation	To promote social and youth development	Review the Youth Development Strategy and submit to Council for approval by 30 June 2018	Youth Development Strategy reviewed and submitted to Council for approval	All	New KPI	1	0	0	0	1	1	G	Youth development strategy approved on 22 June 2018 (Resolution 77/2018)	None required	

<b>Summary of Results: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality</b>		
	KPI Not Yet Measured	0
	KPI Not Met	0
	KPI Almost Met	1
	KPI Met	2
	KPI Well Met	0
	KPI Extremely Well Met	0
<b>Total KPIs</b>		<b>3</b>

### 3.5 MUNICIPAL FUNCTIONS

The functions of municipalities are set out in Schedules 4B and 5B of the Constitution, and municipalities must perform these functions in a manner that enables them to achieve their Constitutional objectives. Section 84 of the Municipal Structures Act regulates the division of functions between district and local municipalities and the following table indicates the functions that Cape Agulhas Municipality is authorised to perform.

**TABLE 84 MUNICIPAL FUNCTIONS**

MUNICIPAL FUNCTION	MUNICIPAL FUNCTION (YES / NO)
<b>Constitution Schedule 4, Part B functions</b>	
Air pollution	Yes (currently run in conjunction with the Overberg District Municipality (ODM) due to capacity constraints. The ODM is also responsible for the licensing function)
Building regulations	Yes
Child care facilities	No
Electricity and reticulation	Yes
Firefighting services	No (run by 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 harbours, 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

MUNICIPAL FUNCTION	MUNICIPAL FUNCTION (YES / NO)
<b>Constitution Schedule 5, Part B functions:</b>	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours 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 (burials done by the veterinarian)
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	No (managed by the District Municipality)
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

### 3.6 OVERVIEW OF PERFORMANCE PER WARD / TOWN

The Municipal Area was delimited into six wards for purposes of the 2016 municipal elections. The following sections provide a summary of basic service delivery per town, the most significant capital projects per ward as well as community needs identified per ward during the IDP process.

#### 3.6.1 BASIC SERVICE DELIVERY PER TOWN

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:

TABLE 85 BASIC SERVICE PROVISION PER TOWN

SERVICE LEVEL	TOWN	WATER	SANITATION	ELECTRICITY	REFUSE
<b>Formal Households with minimum service delivery</b>	Bredasdorp	3710	3694	4573	4012
	Napier	1116	1128	1393	1086
	Struisbaai	2490	2689	1937	2407
	L'Agulhas	663	643	690	650
	Waenhuiskrans	608	607	261	588
	Protem	21	21	0	23
	Klipdale	20	20	0	21
	Suiderstrand	144	127	137	127
<b>All informal areas in CAM</b>	Total Households	698	698	698	698
<b>Households without minimum service delivery</b>		0	0	0	0
<b>TOTAL HOUSEHOLDS</b>		<b>9470</b>	<b>9627</b>	<b>9689</b>	<b>9612</b>

#### 3.6.2 BASIC SERVICE PRIORITIES AND DELIVERY PER WARD

##### 3.6.2.1 WARD 1

Ward 1 comprises Napier, Elim, Spanjaardskloof, Houtkloof and surrounding farms

TABLE 86 CAPITAL PROJECTS OF WARD 1

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Re-gravel of Tamatiekraal roads	Feb 2018	June 2018	R207 683.84
Soccer field (Assessment)	October 2017	April 2018	R118 067.04
Electrification of informal dwellings	July 2017	June 2018	R40 000.00

**TABLE 87 TOP FOUR SERVICE DELIVERY PRIORITIES FOR WARD 1**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2017/18
1	Safety and security – CCTV cameras	Investigation and feasibility study was done. Incorporated as part of SMART City Strategy. In process with investigation (Proof of concept) to determine if it is financial viable or not.
2	Road in informal settlement to give SAPS complete access to the area - Napier	Department of Roads/Storm water investigated and there is a shack blocking the road.
3	Upgrading of sewer system	No progress to date, this project is not a priority at this stage
4	Job creation	Ongoing

**3.6.2.2 WARD 2**

Ward 2 comprises part of Bredasdorp and Klipdale.

**TABLE 88 CAPITAL PROJECTS OF WARD 2**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Upgrading of sidewalks – Lang street	Feb 2018	June 2018	R191 889.00
AREA F Electrification (142 plots)	June 2018	June 2018	R2 000 000.00

**TABLE 89 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 2**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2017/18
1	Housing – Bredasdorp	Area F in Bredasdorp is being serviced with bulk infrastructure in order to construct 490 housing units
2	Housing – Klipdale	Province will not fund housing in Klipdale but 10% of Klipdale' s waiting will be allocated houses in Napier or Bredasdorp.
3	Upgrading of all sidewalks, specifically Lang street and upgrading of Brand street	Sidewalks in Lang street completed
4	Speedbumps (Skool, Rivier, Ou Meule, Golf, Brand, Park and Lang streets)	Three speed bumps constructed per ward annually.

**3.6.2.3 WARD 3**

Ward3 comprises part of Bredasdorp, which include the low cost housing scheme (Kleinbegin), Zwelitsha and Simunye.

**TABLE 90 CAPITAL PROJECTS OF WARD 3**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Electrification of informal dwellings	July 2017	June 2018	R60 000.00
Kerbs and Sidewalks Ou Meule	February 2018	June 2018	R200 000.00

**TABLE 91 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 3**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2017/18
----	--------------------------	-------------------------

1	More municipal pre-paid electricity selling points	Syntell operates the payment points on behalf of Council. Persons, who are interested in running a payment point, can contact Syntell and they will determine whether payment points are necessary/required in that specific area.
2	Fire hydrants	Engineering norm – within every 50-minute radius – will investigated and phased in where necessary and discussed with fire service.
3	Solar geysers	2000 Solar Water geysers obtained from DOE for implementation during 2018/19 financial year.
4	Home for people with disabilities	Land can be made available. Social Development provides subsidies to organisations who wish to start such a facility.

**3.6.2.4 WARD 4**

Ward 4 comprises part of Bredasdorp including the Central Business District, Protem and surrounding farms.

**TABLE 92 CAPITAL PROJECTS OF WARD 4**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Sub 11 to Sub 10 upgrade including Sub 11 feeder and borehole lines	July 2017	June 2018	R795 000.00
Upgrading of Sport Academy facilities – Glaskasteel	July 2017	June 2018	R344 799.79
Replacement of pipeline in Viljoen street	July 2017	June 2018	R528 800.00

**TABLE 93 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 4**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2017/18
1	Upgrading of old water and sewer systems (Viljoen, Du Toit, Kloof and Dorpsig streets)	The water main in Viljoen street has been replaced.
2	Upgrading of sidewalks at Suideroord	CAM will upgrade the sidewalks in conjunction with Suideroord.
3	Tarring of roads – Protem	Budgeted for 2018/19
4	Replace the fence at Ons Huis for safety	No provision on budget.

**3.6.2.5 WARD 5**

Ward 5 comprises Suiderstrand, L'Agulhas, Struisbaai and Haasvlakte

**TABLE 94 CAPITAL PROJECTS OF WARD 5**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Street lights new	July 2017	June 2018	40 000.00
Upgrading of tide pool	April 2018	June 2018	450 005.10
Upgrading of Industrial street, Struisbaai	July 2017	June 2018	893 313.06

**TABLE 95 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 5**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2017/18
1	Upgrade water network (improve quality and increase capacity)	Constructed pipeline Agulhas to Struisbaai and another one from Struisbaai reservoir to Struisbaai North and Langezandt – pipelines have been completed.
2	Additional public toilets (Suiderstrand, CBD, Struisbaai North)	No provision in budget
3	Storm water drainage – Struisbaai north	No provision in budget
4	Street lighting – Struisbaai North	Street lighting fitted in First Avenue to the Caravan Park. 50 additional HPS 70W fittings have also been fitted during the last financial year. This is an Eskom supply area and CAM only have permission for streetlight maintenance but additional lights will be fitted when the LED roll out commences, so freeing up additional HPS lights.

3.6.2.6 WARD 6

Ward 6 comprises Arniston and surrounding farms, Overberg test range, and part of Bredasdorp (Selfbou and Bergsig)

TABLE 96 CAPITAL PROJECTS OF WARD 6

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Safeguarding of Reception area – Arniston	Nov 2017	Nov 2017	R95 512.28
Kerbs and Sidewalks Ou Meule	February 2018	June 2018	R200 000.00

TABLE 97 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 6

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2017/18
1	Solar geysers	2000 Solar Water geysers obtained from DOE for implementation during 2018/19 financial year.
2	Upgrading of Sport field – Arniston	12 LED floodlights will be fitted as part of the upgrading.
3	Development of fishing trade (Abalone and Fish Farms) – Arniston	Ongoing
4	New primary school for Xhosa and Afrikaans languages (Bell street)	Area in Bell street was identified to build a school. Liaison with Department of Education in process.

### 3.7 COMPONENT A: BASIC SERVICES

Basic services are a package of services necessary for human well-being and typically include water, sanitation, electricity and refuse removal. An overview will also be provided of human settlement (housing) which differs from the aforementioned services in that it is a concurrent National and Provincial competence. It is included as there is a direct correlation between the provision of basic services and housing.

#### 3.7.1 WATER

##### a) Introduction to water

The Municipality's primary water sources are ground water from various boreholes in the area, as well as the Uitvlucht Spring, Sanddrift Dam and Vleikloof Dam, which supply Bredasdorp. Additional water sources need to be investigated in the near future, especially if the Municipality wants to encourage development. The Western Cape was severely affected by drought during the 2017/18 financial year. Although Cape Agulhas was less affected by the drought than some neighbouring Municipalities, low rainfall and declining dam levels had an impact. The table below provides a comparison between dam levels as at 30 June 2018 compared to 30 June 2017.

TABLE 98 DAM LEVELS AS AT 30 JUNE

2017		2018	
SANDDRIF	VLEIKLOOF	SANDDRIF	VLEIKLOOF
29%	76%	18%	58%

It became necessary to impose water restrictions during the 2017/18 financial year. Households were restricted to a consumption volume of 20 kl per month and businesses 50 kl.

- **Service delivery highlights for 2017/18**
  - Two boreholes in Bredasdorp were rehabilitated to mitigate the impact of the drought.
- **Service delivery challenges for 2017/18**
  - The peak water demand during the summer holiday season in coastal town's remains a challenge, but a pipeline between L'Agulhas and Struisbaai has been constructed to supply additional water to Struisbaai in peak demand periods.
  - The Water Services Development Plan of the Municipality is outdated, but a consultant was appointed during June 2018 to review it during 2019.

##### b) Service statistics

###### ▪ Unaccounted for water(Losses)

Non-revenue or unaccounted for water is declining steadily and reduced from 19.02% in 2015/16 to 17.48% in 2016/17 to 13.8% in 2017/18. The Municipality's multi- year water meter replacement programme, which entails the replacement of 1000 water meters, has contributed significantly to this decline.

TABLE 99 UNACCOUNTED FOR WATER



YEAR	PURIFIED (KL)	LOSSES (KL)	%	RAND VALUE
2016/17	2 586 927	452 288	17.48	922 668.00
2017/18	2 741 319	379 571	13.8%	766 733

▪ **Household access to water**

All households in the Municipal Area have access to minimum water standards. Access to minimum water standards is defined as access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute. Access to piped water is defined as 6,000 litres of potable water supplied per formal connection per month. National policy also requires that poor households should receive 6 kl of free basic water per month.

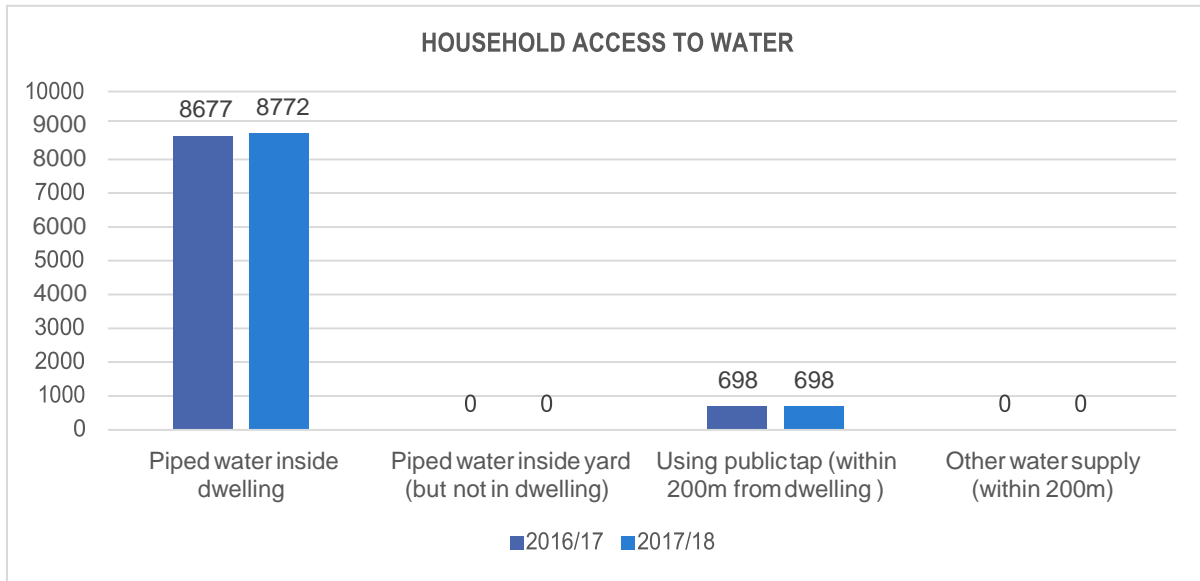
TABLE 100 ACCESS TO WATER

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
2016/17	8%	92%	100%
2017/18	7%	93%	100%

TABLE 8 WATER SERVICE DELIVERY LEVELS: HOUSEHOLDS

DESCRIPTION	HOUSEHOLDS	
	2016/17	2017/18
	ACTUAL NO	ACTUAL NO
<b>Water: (above min level)</b>		
Piped water inside dwelling	8677	8772
Piped water inside yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling )	698	698
Other water supply (within 200m)	0	0
Minimum Service Level and Above sub-total	9375	9470
Minimum Service Level and Above Percentage	100%	100%
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
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
<b>Total number of households*</b>	<b>9375</b>	<b>9470</b>
*Includes informal settlements		

**FIGURE 6 WATER SERVICE DELIVERY LEVELS**



**c) Human resources**

**TABLE 101 EMPLOYEES WATER SERVICES**

JOB LEVEL	POSTS 2016/17	POSTS 2017/18	EMPLOYEES	VACANCIES	VACANCIES (%)
01 - 03	22	20	16	4	20.00%
04 - 08	14	15	15	0	0.00%
09 - 13	7	8	7	1	12.50%
14 - 18	1	1	1	0	0.00%
18 - 20	0	0	0	0	0.00%
<b>TOTAL</b>	<b>44</b>	<b>44</b>	<b>39</b>	<b>5</b>	<b>11.36%</b>

**d) Financial performance: Capital expenditure**

**TABLE 102 CAPITAL EXPENDITURE: WATER SERVICES**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL SPENT	VARIANCE TO ORIGINAL BUDGET	VARIANCE TO ADJUSTMENT BUDGET
Secure boreholes (CAM area)	200 000	110 110	110 110.00	-45%	0%
Lime Dosing pump	50 000	60 000	59 605.65	19%	-1%
Chlorine Scale	50 000	29 870	26 197.00	-48%	-12%
Struisbaai Chlorine Dos. System	100 000	100 000	81 512.00	-18%	-18%
Liquid Aluminium Dos. System Bredasdorp WTW	200 000	300 000	287 883.00	44%	-4%
Office and Toilets @ Napier Treatment Plant	95 000	95 000	64 125.91	-32%	-32%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL SPENT	VARIANCE TO ORIGINAL BUDGET	VARIANCE TO ADJUSTMENT BUDGET
Instruments: PH meters, conductivity meter	50 000	29 540	25 910.00	-48%	-12%
2x Pipe cutters	60 000	20 570	20 570.00	-66%	0%
3x Generators	30 000	19 810	17 370.00	-42%	-12%
3x Water pumps	30 000	30 000	22 812.75	-24%	-24%
Pipe Inspection Camera	100 000	100 000	93 100.00	-7%	-7%
Metal Detectors	50 000	50 000	32 200.00	-36%	-36%
3x Plate compactors	30 000	30 000	23 985.00	-20%	-20%
Replacement of Viljoen Street Water Main Bredasdorp	800 000	800 000	528 800.00	-34%	-34%
Replacement LDV CS15643	250 000	190 240	186 652.84	-25%	-2%
Upgrade Boreholes - Bredasdorp	600 000	200 000	127 939.00	-79%	-36%
Water mains - GAP Housing		473 692	711 954.14	-	50%
Boreholes - Bredasdorp (DWA Funded)		582 410		-	-100%
Water Treatment Tools	10 000	9 510	7 946.04	-21%	-16%
Upgrading of Fence	100 000	-	-	-100%	-
Replace pipework and valves L'Agulhas Reservoirs	300 000	300 000	300 000.00	0%	0%
<b>TOTAL</b>	<b>3 105 000.00</b>	<b>3 530 752.00</b>	<b>2 728 673.33</b>	<b>-12%</b>	<b>-23%</b>

The positive variances on the water and sanitation projects are all savings. We received funding from the Province for the rehabilitation of the boreholes in Bredasdorp and did not have to use own funds.

### 3.7.2 SANITATION (WASTE WATER)

#### a) Introduction to sanitation

Bredasdorp has a full waterborne sewerage system in place. The lower income areas in Napier, Arniston and Struisbaai also have a full waterborne sewerage system, but the higher income areas are serviced with septic tanks. A sewer tanker is available for the rural areas. Various Waste Water Treatment Works (WWTW) are operational throughout the Municipal Area.

#### ▪ Service delivery highlights for 2017/18

- The design for the upgrading of the Bredasdorp WWTW has commenced.

▪ **Service delivery challenges for 2017/18**

- The quality of the effluent from the Bredasdorp WWTW is below standard, but will improve with the envisaged upgrading.

**b) Service statistics**

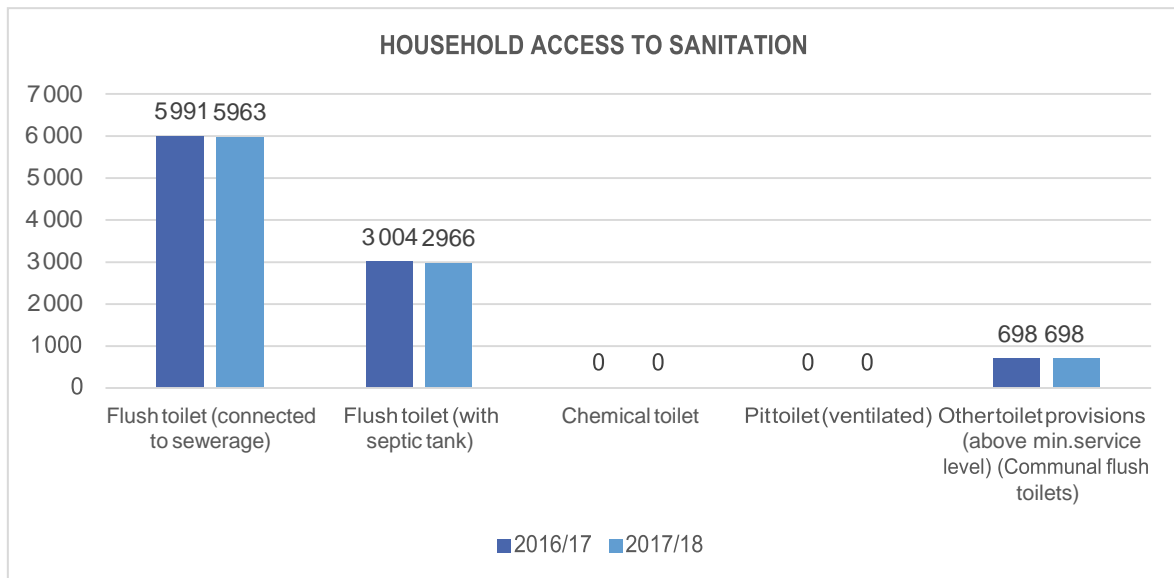
▪ **Household access to sanitation**

Access to minimum sanitation services is defined as a ventilated pit latrine (VIP). All urban households within the Municipality’s area of jurisdiction have access to minimum sanitation levels.

**TABLE 103 SANITATION SERVICE DELIVERY LEVELS**

DESCRIPTION	HOUSEHOLDS	
	2016/17	2017/18
	ACTUAL NO	ACTUAL NO
<b>Sanitation/sewerage: (above minimum level)</b>		
Flush toilet (connected to sewerage)	5 991	5963
Flush toilet (with septic tank)	3 004	2966
Chemical toilet	0	0
Pit toilet (ventilated)	0	0
Other toilet provisions (above min. service level) (Communal flush toilets)	698	698
Minimum Service Level and Above sub-total	9693	9627
Minimum Service Level and Above Percentage	100%	100%
Bucket toilet	0	0
Other toilet provisions (below min. service level)	0	0
No toilet provisions	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
<b>Total number of households*</b>	<b>9693</b>	<b>9627</b>
*Includes informal settlements		

**FIGURE 7 SANITATION SERVICE DELIVERY LEVELS**



c) **Human resources**

TABLE 104 EMPLOYEES SANITATION SERVICES

JOB LEVEL	POSTS 2016/17	POSTS 2017/18	EMPLOYEES	VACANCIES	VACANCIES (%)
01 - 03	13	13	13	0	0.00%
04 - 08	6	6	6	0	0.00%
09 - 13	2	1	1	0	0.00%
14 - 18	0	0	0	0	0.00%
18 - 20	0	0	0	0	0.00%
<b>TOTAL</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>0.00%</b>

d) **Financial performance: Capital expenditure**

TABLE 105 CAPITAL EXPENDITURE: SANITATION SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL SPENT	VARIANCE TO ORIGINAL BUDGET	VARIANCE TO ADJUSTMENT BUDGET
Sewer Reticulation - GAP Housing	0	1 300 937	1 639 732.41	-	26%
Rehabilitate WWTW	877 193	877 193	877 192.68	0%	0%
<b>TOTAL</b>	<b>877 193.00</b>	<b>2 178 130.00</b>	<b>2 516 925.09</b>	<b>187%</b>	<b>16%</b>

3.7.3 **ELECTRICITY**

a) **Introduction to electricity**

▪ **Distribution areas**

There are two distributors of electricity within the Municipal Area, namely the Cape Agulhas Municipality and Eskom. The following table shows the distribution areas of each.

TABLE 106 ELECTRICITY DISTRIBUTION AREAS

CAPE AGULHAS	ESKOM
<ul style="list-style-type: none"> <li>o Bredasdorp</li> <li>o Napier</li> <li>o Struisbaai</li> <li>o L'Agulhas</li> <li>o Waenhuiskrans</li> <li>o Suiderstrand</li> </ul>	<ul style="list-style-type: none"> <li>o Klipdale</li> <li>o Protem</li> <li>o Struisbaai North</li> <li>o Kassiesbaai</li> <li>o Elim</li> <li>o Agricultural areas</li> </ul>

▪ **Small Scale Embedded Generation (SSEG)**

Currently, the installation of SSEG projects is minimal within the Cape Agulhas Municipal supply area and has a negligible effect on electrical sales, but this trend will increase with the ever-increasing tariff increases granted to Eskom and will inevitably erode the Municipality’s income from electrical sales. The cost of solar panels, inverters and batteries is restrictive to average households, but the costs are decreasing rapidly as the demand rises and will reach a level where the SSEG will be more cost effective than purchasing electricity from the Municipality. What must be borne in mind is that the Municipality must still maintain infrastructure to cater for the maximum demand possible if all SSEG fails.

▪ **Service delivery highlights for 2017/18**

- The electrification of 140 plots as identified in phase one of Area “F”, ASLA must still complete the top structures
- Installation of numerous streetlights and floodlights in all wards.
- Maintenance of street lights in the Eskom supply areas in accordance with an agreement concluded with ESKOM
- Successful application for a grant to the value of R5 000 000 from Department of energy for LED street light retrofit project to be rolled out in 2018/19.
- Successful application for 2000 Solar Water Heaters for installation in various areas within the Municipal boundaries to be rolled out in 2018/19
- Council approved the Small Scale Embedded Generation Policy and contract
- Upgrade of infrastructure in the area surrounding the Vleikloof dam.

▪ **Service delivery challenges for 2017/18**

- Severe demand capacity restraints due to Eskom infrastructure
- The lack of statistics from the new financial system
- The new standard of Eskom performing shutdown maintenance on weekdays and the associated difficulties of getting all communities re connected to electricity after sustained outages, due to the massive demand on capacity during a cold start. Rotational demand shedding is unfortunately unavoidable when resuming service after long outages.
- Increasing incidents of copper theft

**b) Service statistics**

▪ **Unaccounted for electricity (Losses)**

The Municipality’s electricity losses decreased from 7.20% in 2015/16 to 6.50% in 2016/17 and are 6.93% for 2017/18. Our unaccounted electricity remains well below the norm.

TABLE 107 ELECTRICITY LOSSES

YEAR	UNITS PURCHASED (kwh)	LOSSES (kwh)	%	RAND VALUE (APPROXIMATE)
2016/17	74 511 070	4 840 087	6.50%	3 339 660.00
2017/18	77 015 632	5 336 516	6.93%	3 682 196.00

▪ **Household access to electricity**

Access to minimum electricity standards is defined as an electricity connection at the dwelling. National policy also requires that poor households should receive 50kWh of free basic electricity per month. All

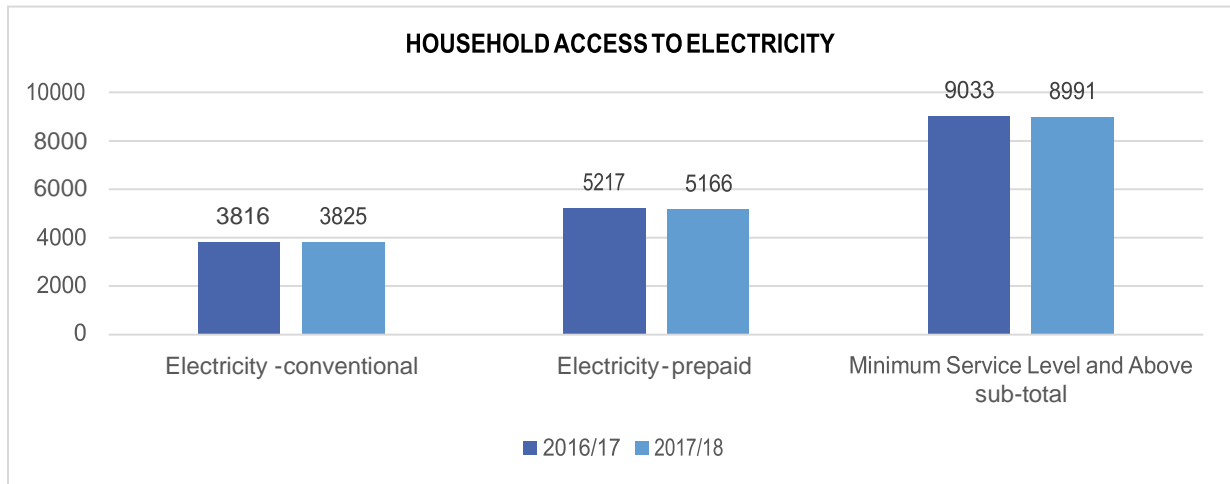
formal households as well as households in informal settlements have access to electricity in the Cape Agulhas area of supply.

TABLE 108 ELECTRICITY SERVICE DELIVERY LEVELS

DESCRIPTION	HOUSEHOLDS	
	2016/17	2017/18
	ACTUAL NO	ACTUAL NO
<b>Energy: (above minimum level)</b>		
Electricity - conventional	3816	3825
Electricity - prepaid	5217	5166
Minimum Service Level and Above sub-total	9033	8991
Minimum Service Level and Above Percentage	100%	100%
Electricity (< min. service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
<b>Total number of households</b>	<b>9033</b>	<b>8991</b>

The table above indicates the level and tariff spread for domestic electricity supply and excludes the commercial and industrial tariff classes.

FIGURE 8 ELECTRICITY SERVICE DELIVERY LEVELS



c) **Human resources**

TABLE 109 EMPLOYEES: ELECTRICITY SERVICES

JOB LEVEL	POSTS 2016/17	POSTS 2017/18	EMPLOYEES	VACANCIES	VACANCIES (%)
01 - 03	6	5	4	1	20.00%
04 - 08	5	5	5	0	0.00%
09 - 13	9	10	10	0	0.00%
14 - 18	1	1	1	0	0.00%
18 - 20	0	0	0	0	0.00%

<b>TOTAL</b>	21	21	20	1	4.76%
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**d) Financial performance: Capital expenditure**

**TABLE 110 CAPITAL EXPENDITURE: ELECTRICITY SERVICES**

<b>PROJECT</b>	<b>ORIGINAL BUDGET</b>	<b>ADJUSTMENT BUDGET</b>	<b>ACTUAL SPENT</b>	<b>VARIANCE TO ORIGINAL</b>	<b>VARIANCE TO ADJUSTMENT</b>
Mini-Subs / Network	0	1000000	993939.32	0%	-1%
Electrification - Informal Settlements	100000	100000	97902.44	-2%	-2%
Tools	50000	50000	48423.14	-3%	-3%
Cable locator	32000	28330	24850	-22%	-12%
Office Furniture	23000	22320	22312.33	-3%	0%
Air conditioners X2	32000	13920	13915	-57%	0%
Dora Project	1000000	1000000	983969.02	-2%	-2%
Change Transformers Mini subs	365000	364420	364411.22	0%	0%
Replace Med/Low Volt Overhead lines	795750	795750	718529.23	-10%	-10%
Street Lights - New	150000	150000	110540.03	-26%	-26%
<b>TOTAL</b>	<b>2547750</b>	<b>3524740</b>	<b>3378791.73</b>	<b>33%</b>	<b>-4%</b>

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

**a) Introduction to wastemanagement**

**▪ Landfill sites and drop offs**

The Municipality has a licensed landfill site in Bredasdorp and three Drop-Off areas (Napier, Waenhuiskrans and Struisbaai). There is also a licensed landfill site in Elim, which is operated by the Elim “Opsieners Raad”. The waste from the Drop-Off’s is collected and transported to the Bredasdorp landfill site. Garden waste from Waenhuiskrans is transported to the Bredasdorp landfill.

The Bredasdorp Landfill is nearing its capacity and an investigation was commissioned on the possibility of a shared regional landfill site. The investigation suggested three options, namely:

- Regional Landfill between Bredasdorp and Swellendam
- Karwyderskraal regional landfill
- Either the Bredasdorp or Swellendam landfills to be shared

The data from the landfill and Drop-Off’s is reported on the IPWIS system of the Department of Environmental Affairs. Internal and External audits were completed as stated in the permit conditions.

**▪ Refuse collection**

All households in the Municipal Area have access to a weekly refuse collection service. In the low-income areas, the bags are carried out to the nearest collection point. Each household receives 60 black bags per annum free of charge.



Street cleaning takes place on a continuous basis throughout the year and done as part of the Municipalities EPWP programme which creates jobs. EPWP projects include the cleaning up of illegal dumping

▪ **Recycling**

The Municipality has a recycling programme in place and the separation of waste takes place at source. A two bag system has been implemented for collecting of waste. Material that can be recycled is placed in clear bags and other waste in black bags. Businesses also take part in the recycling project and separate the waste for collection. This programme also creates jobs and extensive use is made of the Expanded Public Works Programme (EPWP). Awareness campaigns on recycling were held at business, shopping malls, schools and door to door campaigns. Coastal Clean-up operations were done with the Overberg District Municipality and recycling bins were distributed to various schools to promote the project.

▪ **Awareness**

EPWP projects aim to create awareness on recycling and illegal dumping. Illegal dumping is a major challenge for the municipality and door to door awareness by EPWP projects were part of an education programme.

▪ **Service delivery highlights for 2017/18**

- Illegal dumping sites within Bredasdorp have been converted into community gardens.
- The community identified a need for wheelie bins, and this was investigated as part of the regional landfill site investigation. As a result, the Council budgeted for the implementation of wheelie bins throughout the Municipal Area over the course of two financial years.

▪ **Service delivery challenges for 2017/18**

- Illegal dumping is an ongoing challenge
- Costs related to the establishment of a regional landfill site

**b) Service statistics**

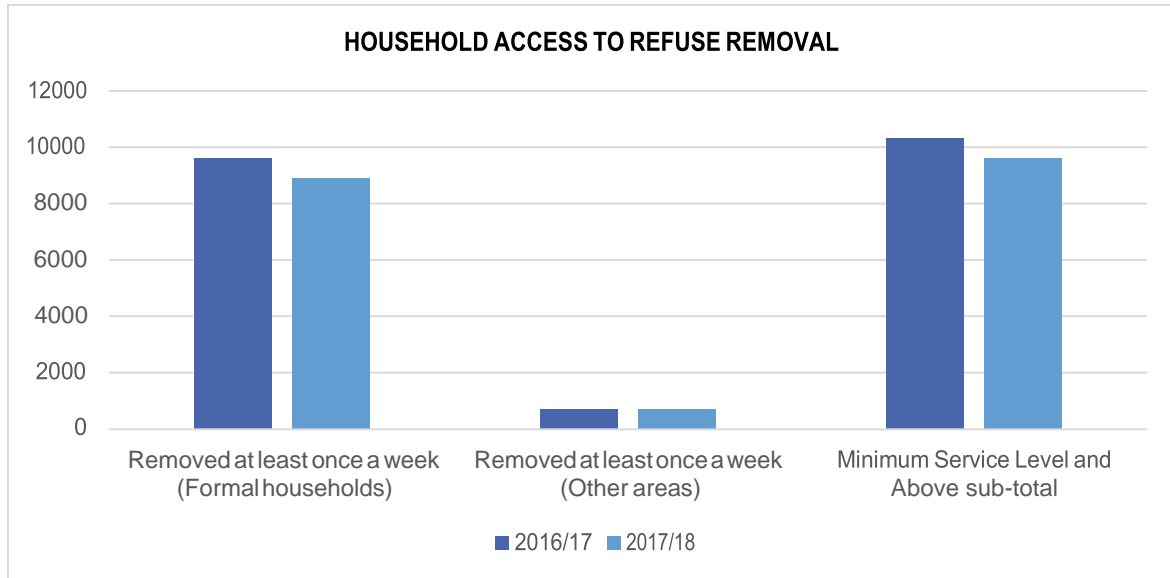
Basic level services for refuse removal are defined as free weekly refuse removal. All households in urban areas have access to a weekly refuse removal service.

**TABLE 111 WASTE MANAGEMENT SERVICE DELIVERY LEVELS**

DESCRIPTION	HOUSEHOLDS	
	2016/17	2017/18
	ACTUAL NO	ACTUAL NO
<b>Solid waste removal (Minimum level)</b>		
Removed at least once a week (Formal households)	9614	8914
Removed at least once a week (Other areas)	698	698
Minimum Service Level and Above sub-total	10312	9612
Minimum Service Level and Above percentage	100	100
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
<b>Total number of households</b>	<b>10312</b>	<b>9612</b>

**FIGURE 9 WASTE MANAGEMENT SERVICE DELIVERY LEVELS**



**c) Human resources**

**TABLE 112 EMPLOYEES: WASTE MANAGEMENT**

JOB LEVEL	POSTS 2016/17	POSTS 2017/18	EMPLOYEES	VACANCIES	VACANCIES (%)
01 - 03	23	23	17	6	26.09%
04 - 08	7	6	6	0	0.00%
09 - 13	5	1	1	0	0.00%
14 - 18	1	1	1	0	0.00%
18 - 20	0	0	0	0	0.00%
<b>TOTAL</b>	<b>36</b>	<b>31</b>	<b>25</b>	<b>6</b>	<b>19.35%</b>

**d) Financial performance: Capital expenditure**

**TABLE 113 CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL SPENT	ORIGINAL BUDGET VARIANCE (%)	ADJUSTMENT BUDGET VARIANCE (%)
Rehabilitation Provision; Landfill Site		330 000	329 955.00	-	0%
Compactor Landfill Site	1 650 000	1 921 710	1 921 709.65	16%	0%
Upgrading of Drop-off loading areas - Landfill site	350 000	-	-	-100%	-
<b>TOTAL</b>	<b>2 000 000.00</b>	<b>2 251 710.00</b>	<b>2 251 664.65</b>	<b>13%</b>	<b>0%</b>

**3.7.5 HOUSING**

**a) Introduction to housing**

Housing is a concurrent National and Provincial competency in terms of Part A of Schedule 4, of the Constitution. Section 10 of the Housing Act, Act 107 of 1997, sets out the responsibilities of municipalities in relation to the provision of housing. There is a direct correlation between the provision of basic services and housing, which makes it a complex function that relies on high levels of cooperation between the Municipality and the Provincial and National Departments responsible for Housing.

Shelter is a basic need and housing will provide shelter, but this alone is not enough. Settlements are a key element of the urban environment and they should function as a singular workable system of integrated networks and interconnecting nodes. The Municipality supports this sentiment, and strives to ensure that liveable habitats are created to contribute to the improvement of the living conditions of the poor.

The Municipality is on track with its housing roll out programme. In line with the Strategic Objective of the Western Cape Department of Human Settlements to eradicate informal settlements, all our housing projects are also planned to decrease the number of informal settlements as well as improve the living conditions and level of basic services in informal settlements while also addressing the housing backlog in general.

The Government's primary objective is to undertake housing development, which Section 1 of the Housing Act, No. 107 defines as being: *"the establishment and maintenance of habitable, stable and sustainable public and private residential environments. This is to ensure viable households and communities in areas allowing convenient access to economic opportunities, and to health, educational and social amenities in which all citizens and permanent residents of the Republic will, on a progressive basis, have access to housing. This includes permanent residential structures with secure tenure, ensuring internal and external privacy, and providing adequate protection against the elements, potable water, adequate sanitary facilities and domestic energy supply."*

The existing National Human Settlements Programme is based on this objective and the principles embodied therein. Municipalities are required to take a leading role in identifying land for the location of housing supply, to facilitate spatial planning and transportation systems and the integration of housing into municipal IDP's.

The housing development process entails the following:

- Initiating, planning, facilitating and co-ordinating appropriate housing development.
- Promoting private sector development and playing the role of developer.
- Preparing a housing delivery strategy and setting up housing development goals.
- Identifying and allocating land for housing development.
- Creating a financially and socially viable environment for housing delivery.
- Facilitating the resolution of conflicts arising from housing delivery initiatives.
- Facilitating the provision of bulk services.
- Administering national housing programmes.

#### **b) Cape Agulhas Municipality Human Settlement Plan**

The Municipality has adopted a Human Settlement Plan, which focuses on the implementation of the housing programme in accordance with the IDP of Council. This plan is used to facilitate and assist the Municipality to fulfil the role assigned to it in terms of the National Housing Code. The Housing Plan addresses the following:

- Inclusion of housing planning as part of the integrated development planning process.

- Sustainable settlement development and asset creation. This will need a shift in policy from providing shelter to developing sustainable human settlements for our communities.
- A shift towards development that is demand-defined (by households according to their needs, and through local government processes such as the IDP). This will then ensure that people living in situations of poverty are better able to build social and physical assets, thus enhancing housing as an economic instrument once transferred.
- The institutional architecture of housing will have to be restructured through coordinated and integrated planning, funding and capacity building efforts at different spheres and sectors of government.
- Lastly the housing policy instruments and their implementation agencies need to be aligned to ensure better flow of funds and more effective achievement of desired outcomes. Housing planning as part of the IDP will form the basis for multi-year provincial housing plans, thereby improving planning.
- This strategic plan focuses on the implementation of the housing programme in accordance with the IDP and to adjust the housing strategy and targets in line with new policy directives.

When developing the Human Settlement Plan the extensive migration of people into the Cape Agulhas Municipal Area was taken into account. South Africa as a country has long been affected by patterns of migration, which has now developed into an established pattern. In the recent years there has been a progressive intensification of mobility in the Western Cape Province. The underlying determinants of this trend include increased and new economic opportunities, quality of education and better health care service in the province. The implications of migration into our Municipality for housing are as follows:

- There is a substantial increase in population in the informal areas.
- A considerable number of people in the informal settlements are not South African citizens which is one of the qualifying criteria for a housing subsidy.
- The majority of people travel by foot to school and work. This has an implication for delivery of future housing, which should be located in close proximity to existing work opportunities and education facilities.

The following progress was made in the 2017/18 financial year:

- Planning is underway for a new mixed housing project in Bredasdorp and Struisbaai for possible implementation in 2018. These projects will also address the issue of informal settlements like the relocation of Oukamp in Struisbaai. The Municipality is also targeting the affordable market beneficiaries. The planning processes are very lengthy due to public participation processes and outcomes such as objections from adjacent communities where projects are planned for implementation.

Projects in Implementation stages:

- Commencement of the installation of services for 683 sites in Site F Bredasdorp which will be a fully-fledged mixed development with affordable houses, low costs houses, serviced plots for informal settlements relocation and institutional sites. Completion date for the installation of services is February 2018
- Installation of Bulk Services, Area H, total yield 158 and 29 GAP Ervin, completed September 2017. Top Structures will be constructed during the 2018/19 financial year.
- IRDP in Struisbaai of 441 houses (Final Basic Assessment Report has been submitted to Department of Environmental Affairs and Planning)

- Finance Linked Individual Subsidy Programme Projects (GAP) for 365 units in Bredasdorp, 16 units in Arniston and 33 units in Struisbaai for Middle Income earners, currently busy with consumer education as the project is ready for implementation
- Completed installation of services in the IRDP in Bredasdorp which will comprise affordable housing and Low cost houses, the total number of houses is 158
- Building of 109 top structures in Bredasdorp with an estimated commencement date in October 2017
- Completed the Rapid Appraisal of all informal settlements and prioritisation of the informal settlements
- Transferred 26 title deeds on the Title Deeds Restoration Programme for old housing stock
- Commenced with planning for Napier 150 houses IRDP

Funding has been approved for all of the above projects.

The biggest priority for Cape Agulhas Municipality is to reduce the number of households in the various informal settlements, and create better living conditions for back yard dwellers. Council also has a plan to start addressing the housing needs for the affordable market and to make available serviced plots for beneficiaries earning R3501-R7000.

The Human Settlement Plan of Cape Agulhas Municipality illustrates this intention quite clearly. A major focus is now being placed on those who do not qualify for houses and are in the “GAP” market.

**c) Title deed restoration programme**

The Municipality is participating in the Title Deed Restoration Programme. 55 Title Deeds were restored from old Housing Schemes and 151 Title Deeds was received from the Transferring Attorneys for the Struisbaai Housing Project in the financial year under review.

**b) Service statistics**

The following table indicates the number of households with access to basic housing:

**TABLE 114 PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING**

TOTAL HOUSEHOLDS (INCLUDING INFORMAL AND INFORMAL SETTLEMENTS)	HOUSEHOLDS IN FORMAL SETTLEMENTS	PERCENTAGE OF HHS IN FORMAL SETTLEMENTS	HOUSEHOLDS IN INFORMAL SETTLEMENTS
10 161	9 862	7.07%	698

Source: Statistics SA – Census 2011 / Informal settlement register

There are currently 3685 applicants or potential beneficiaries on the waiting list for Cape Agulhas Municipality. This is an increase from the previous year when the number of people on the waiting list was 3505.

**TABLE 115 HOUSING WAITING LIST**

FINANCIAL YEAR	HOUSING APPLICANTS	% HOUSING WAITING LIST (INCREASE/DECREASE)
2015/16	3 505	2.76
2016/17	3 594	2.53

2017/18	3685	2.57
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**TABLE 116 HOUSES BUILT / STANDS SERVICED IN 2017/18**

FINANCIAL YEAR	ALLOCATION R'000	AMOUNT SPENT R'000	% SPENT	NUMBER OF HOUSES BUILT	NUMBER OF SITES SERVICED
2015/16	6 668	6 668	100	0	0
2016/17	119 53	11 953	100	0	158
2017/18	29 764	29764	100	0	683

**c) Human resources**

**TABLE 117 EMPLOYEES: HOUSING SERVICES**

JOB LEVEL	POSTS 2016/17	POSTS 2017/18	EMPLOYEES	VACANCIES	VACANCIES (%)
01 - 03	0	0	0	0	0.00%
04 - 08	2	2	2	0	0.00%
09 - 13	1	2	2	0	0.00%
14 - 18	1	1	1	0	0.00%
18 - 20	0	0	0	0	0.00%
<b>TOTAL</b>	4	5	5	0	0.00%

**d) Financial performance**

A grant to the amount of R 29 764 335 was allocated by the Western Cape Provincial Government for the planning and services during the financial year under review. The amount of R29 764 355 was spent No houses were built, but the following was completed:

- Planning for Site G 351 houses in Bredasdorp
- Planning for site F 683 houses in Bredasdorp
- Additional funding Arniston top structures
- Planning for Site A 443 houses Struisbaai
- Installation of 158 services in Site H Bredasdorp

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**3.7.6 FREE BASIC SERVICES AND INDIGENT SUPPORT**

**a) Introduction to free basic service delivery**

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 is 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.

Cape Agulhas Municipality supports the indigents with the following services:

- 6kl free water;
- 50kWh free electricity;
- Rebate 40% or 80% for water depending on household income;
- Rebate 40% or 80% for refuse removal depending on household income;
- Rebate 40% or 80% for sanitation depending on household income;

In accordance with the approved Indigent Policy of the Municipality, all households earning less than R4 750.00 per month will receive the free basic services as prescribed by National Policy.

**b) Service statistics**

The table below indicates the total number of indigent households and other households that received free basic services in the past two financial years:

**TABLE 118 FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS**

YEAR	TOTAL HH'S	HOUSEHOLDS EARNING LESS THAN R2 860 PER MONTH							
		FREE BASIC WATER		FREE BASIC SANITATION		FREE BASIC ELECTRICITY		FREE BASIC REFUSE	
		ACCESS	%	ACCESS	%	ACCESS	%	ACCESS	%
2016/17	8 995	2558*	28.43	2558*	28.43	2558*	28.43	2558*	28.43
2017/18	9 515	3 021	31.74	3 021	31.74	3 021	31.74	3 021	31.74

(\* Figure excludes and Elim)

The table above excludes 124 indigents from Elim who were subsidised to the amount of R300 000 for the financial year. Elim provides their own services but since they reside in the Cape Agulhas Municipal Area, the Council decided that all the residents must be treated equitably.

**TABLE 119 COST TO THE MUNICIPALITY OF FREE BASIC SERVICES DELIVERED**

SERVICES DELIVERED	2016/17	2017/18			
	ACTUAL	BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO BUDGET
Water	2 755000	2332000	0	3001041	(669041)
Waste Water (Sanitation)	2 449000	3074000	0	2403106	670894
Electricity	479000	381200	47765	513597	(84632)
Waste Management (Solid Waste)	3 607000	3712000	0	3979206	(267206)
<b>TOTAL</b>	<b>9 290 000</b>	<b>9 499 200</b>	<b>47 765</b>	<b>9 896 950</b>	<b>(349985)</b>