

2019 / 20

ANNUAL REPORT



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

RESOLUTION 103/2021

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FOREWORDS

MAYORS FOREWORD



As the Executive Mayor of the southernmost municipality in Africa, it is my pleasure and privilege to present our Annual Report for the 2019/20 financial year.

The year was my Council's fourth year of office and as we are near the end of our term, we are justly proud of our success as well as our contribution to Provincial and National Outcomes. Our Integrated Development Plan (IDP) links to the Vision Inspired Priorities (VIP's) of the Western Cape Provincial Strategic Plan as well as the National Development Plan 2030.

The Covid-19 pandemic and associated declaration of a State of National Disaster by the President on 15 March 2020 made the year under review a truly memorable one with challenges arising that we never imagined. The impact of the pandemic on our economy and our communities was significant, with many people facing unemployment and being unable to support their families. We had to build our resilience, rethink our priorities and in many respects change our way of working to ensure that we were still able to render basic services and take hands with our partners in government and private sector to support those detrimentally affected by the pandemic.

Our Integrated Development Plan is reviewed annually to ensure that the needs of the community are continuously assessed in terms of relevance and changing circumstances. Our community play a key role by in this process through participation in our public participation structures and platforms, such as ward committees, IDP meetings quarterly feedback meetings and budget imbizo's. Lockdown regulations posed a significant challenge to these processes but through our Smart City Strategy, we were able to use technology innovatively to reach our community and still obtain their input into our processes.

The Municipality did well in the achievement of its objectives for the year, despite the circumstances and although we were not able to achieve all our objectives, we continuously monitor our performance and where necessary, implement corrective measures to ensure a high standard of basic service delivery, good governance and stringent fiscal control.

Some of our flagship projects include:

- The development of two informal trading areas with refurbished shipping containers, namely Lesedi Square and Ou Meule Square, where emerging entrepreneurs can rent a secure business premises at a reasonable rental.
- The construction of a pedestrian bridge on the corner of Long and Ou Meule Street which doubled as a youth empowerment project. Mosaic murals with gender-based violence themes were created on the bridge by youth who were trained in the art of mosaic.
- Phase 2 of the Smart City Project was completed which included the installation of public Wi-fi and CCTV Cameras in each ward.
- Additional boreholes were commissioned in Struisbaai, which together with improvements to the water main between L'Agulhas and Struisbaai led to the successful resolution of the water crisis that was experienced in Struisbaai during December 2019.
- The Municipality received a conditional grant from DOE for the retrofit of streetlights under their EEDSM project, and 2106 LED Streetlights were installed in Bredasdorp.
- Job creation is always high on our agenda and 156 Full Time Equivalents (FTE's) were created through the Municipality's EPWP Programme.

- Two very successful conferences were held which were well attended. A local economic development conference took place on 5 September 2019, and a tourism and film conference took place on 14 November 2019.
- Full Blue Flag Status was achieved for Duiker Street Beach in Struisbaai for 2019
- A total of 119 houses were completed in Parkview and 283 houses were completed in Mill Park.

In conclusion, I would like to express a special word of thanks to each and every essential worker in our community that was on the forefront of the pandemic. I would also like to thank every community member, Ward Committee Member and Councillor for their contribution. Lastly, I would also like to thank the management team of the Cape Agulhas Municipality and 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



This Annual Report reflects on the performance of the Cape Agulhas Municipality for the period 1 July 2019 to 30 June 2020.

Cape Agulhas, the southernmost municipality in Africa, is committed to fulfilling its constitutional powers and functions, albeit with limited financial and human resources in a severely constrained macro-economic environment. I am however pleased to report that despite this we have performed well in relation to creating a sustainable municipal institution that renders good quality services, promotes economic development and maintains stringent governance and financial management controls.

The Municipality received an unqualified audit, with no matters, for 2019/20, our seventh consecutive clean audit. Following the 2018/19 audit, an audit action plan was developed to implement recommendations on the audit by the Auditor General. These recommendations assisted the Municipality to strengthen controls and enhance future audit processes.

The Municipality is the sphere of government closest to the people, and as such, the community look to us for all their needs, irrespective of whether such needs fall within our mandate or that of Provincial or National Government. This necessitates the fostering of good relations and co-operative governance to ensure that all our community's needs are addressed. We would like to thank all Provincial and National Departments for their ongoing support.

The Cape Agulhas municipality's financial position for the 2019/20 financial year remained relatively sound despite the Covid-19 pandemic and associated lockdown regulations that placed tremendous hardship on our communities particularly in the last quarter of the financial year.

Our financial profile still reflects an adequate level of sustainability which is underpinned by its strong liquidity position and relatively low debt burden. Operating performance displayed a decline mainly because of pressure on the revenue base as a result of the COVID 19 lockdown regulations and country wide economic outlook. We remain committed to aligning our activities to our long- term financial plan to ensure our financial sustainability and ability to render quality value for money services and maintain our assets.

To ensure that we achieve our strategic objectives we implement an effective, efficient and transparent systems of enterprise-wide risk management, and for the year under review we had 6 strategic risks which were monitored in a comprehensive and integrated manner.

During the year under review the top management team remained unchanged and all Section 56 positions (Directors) were filled.

In conclusion, I would like to thank the former Municipal Manager Mr D'ONeill under whose tenure we achieved this clean audit. I would also like to extend our warmest appreciation to our Community, Councillors, Ward Committee members as well as the management team and their respective staff for their contribution to deliver on our vision of Together for excellence.

EO PHILLIPS
Municipal Manager

CHAPTER 1: EXECUTIVE SUMMARY

1.1 MUNICIPAL OVERVIEW

The 2019/20 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 2019 to 30 June 2020, 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), the first review thereof was approved by Council on 28 May 2018 (Council Resolution 59/2018) and the 2nd review was approved by Council on 28 May 2019 (Council Resolution 88/2019) as per section 34 of the Municipal Systems Act, 2000 (Act 32 of 2000). This annual report reflects on the performance of the Municipality in implementing the second review of the 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

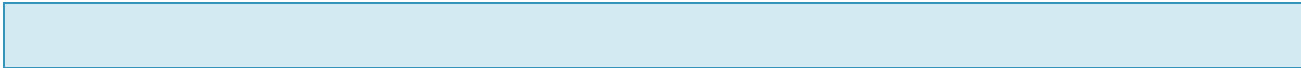
“Together for excellence

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 km². 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. This demarcation became applicable from 3 August 2016, and the ward composition is as follows:

TABLE1 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, Proteem 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)

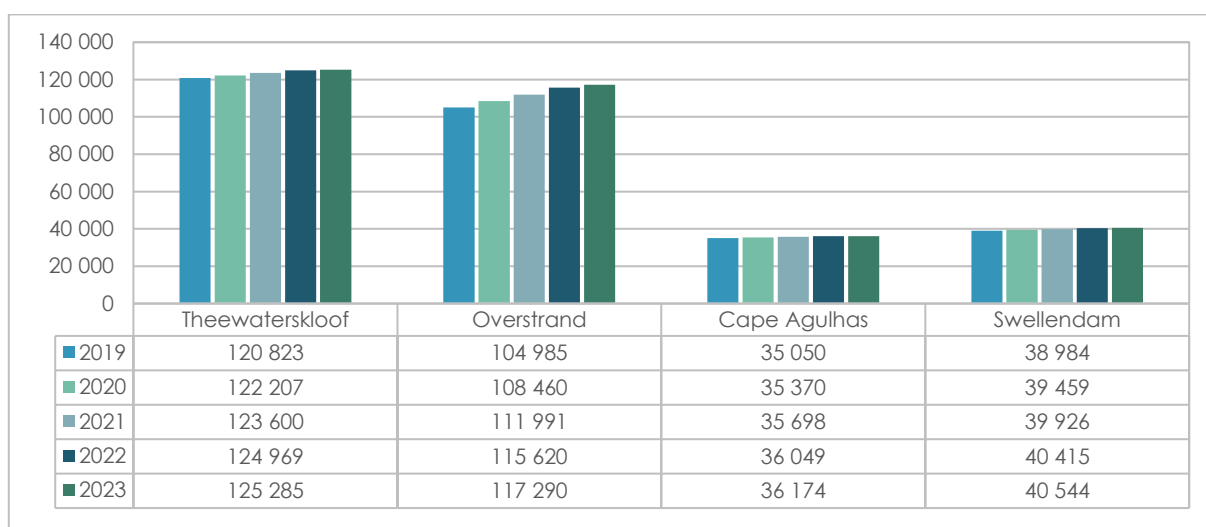
1.2 DEMOGRAPHIC, SOCIO ECONOMIC AND ENVIRONMENTAL OVERVIEW

1.2.1 DEMOGRAPHIC OVERVIEW

a) Population

According to the Department of Social Development’s projections, Cape Agulhas currently has a population of 35 050, rendering it the smallest municipal area within the Overberg District (OD). This total is estimated to increase to 36 174 by 2023, equating to an average annual growth rate of 0.8 %.

FIGURE 2 POPULATION



Source: Socio-Economic Profile 2019

TABLE2 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 table below depicts Cape Agulhas’s population composition per age cohorts. These groupings are also expressed as a dependency ratio which in turn indicates who are part of the workforce (Age 15 - 64) and those, who are depending on them (children and seniors). A higher dependency ratio means a higher pressure on social systems and the delivery of basic services.

Although growth in the aged cohort exceeds that of the working aged category, the population is heavily concentrated in the working aged cohort. The net change in population numbers in the working aged cohort is therefore notably higher which in time decrease the dependency ratio in Cape Agulhas from 46.3 in 2019 to 44.5 in 2025.

TABLE3 AGE COHORTS 2019/2025

YEAR	CHILDREN 0 – 14 YEARS	WORKING AGE 16 – 65 YEARS	AGED 65+	DEPENDENCY RATIO
2019	8 518	23 960	2 572	46.3
2022	8 529	24 804	2 716	45.3
2025	8 485	25 508	2 874	44.5
Growth	-0.1%	1.0%	1.9%	-

Source: Socio-Economic Profile 2019

b) Population by gender and race

The overall gender ratio depicts the number of males per 100 females in the population (Moultrie et al., 2013: 9). As per the above table, there are in general more males than females in the Cape Agulhas municipal area. The gender Ratio for Cape Agulhas is projected to increase towards 2023 which can be attributed to a wide range of factors such as a decrease in male mortality rates and the potential inflow of working males. The variance in life expectancy between males and females can in turn also be attributed to a variety of social and behavioural dynamics (Stats SA, 2018: 23).

TABLE 4 OVERBERG DISTRICT: GENDER RATIO (SR), 2019 – 2023

MUNICIPALITY	2019	2020	2021	2022	2023
Theewaterskloof	103.5	103.1	102.7	102.3	102.7
Overstrand	100.1	100.0	100.0	100.3	100.8
Cape Agulhas	101.6	102.0	102.3	102.8	103.6
Swellendam	100.4	100.3	100.1	100.1	100.7
Overberg District	101.7	101.5	101.4	101.3	101.8
Western Cape	97.3	97.4	97.4	97.5	97.5

Source: Socio-Economic Profile 2019

TABLE5 POPULATION BY GENDER AND RACE

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

Source: StatsSA census 2011 (2016 Boundaries)

c) Population by 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 gender composition per ward.

TABLE6 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
Total	6555	6529	5272	5613	5368	3701	33038

Source: StatsSA census 2011 (2016 Boundaries)

d) Population by race

TABLE7 POPULATION BY RACE

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

Source: Statistics SA 2011

1.2.2 HOUSEHOLDS

Household size refers to the number of people per household. It is worth noting that although the number of households in the Cape Agulhas municipal area are increasing, the actual size of households is trending downwards from 2022 onwards. This potentially implies an inflow of young professionals (either single, as couples or with small family groupings) into the area as a result of enhanced urbanisation. Other contributing factors include, but are not limited to, lower fertility rates, occurrences of divorce, ageing population, etc.

TABLE8 HOUSEHOLD SIZES 2019-2023

2019	2020	2021	2022	2023
3.3	3.3	3.3	3.2	3.2

Source: Socio-Economic Profile 2019

Household size refers to the number of people per household. It is worth noting that although the number of households in the Cape Agulhas municipal area are increasing, the actual size of households is trending downwards from 2022 onwards. This potentially implies an inflow of young professionals (either single, as couples or with small family groupings)

into the area as a result of enhanced urbanisation. Other contributing factors include, but are not limited to, lower fertility rates, occurrences of divorce, ageing population, etc.

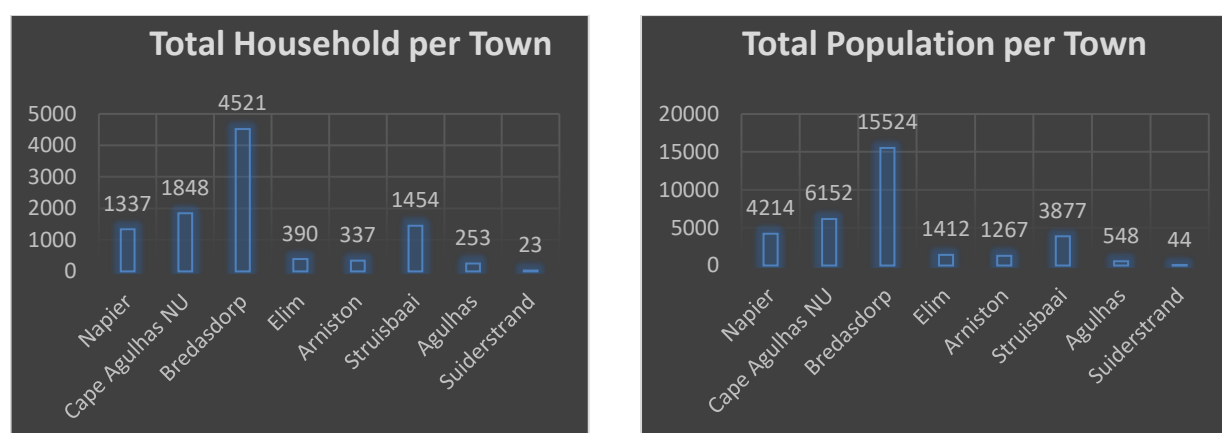
TABLE9 INDIGENT HOUSEHOLDS

HOUSEHOLDS	2016/17	2017/18	2018/19	2019/20
Number of indigent and poor households in municipal area	3559	3145	3001	3380

Source: CAM Indigent Register

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

FIGURE 3 TOTAL HOUSEHOLDS PER TOWN



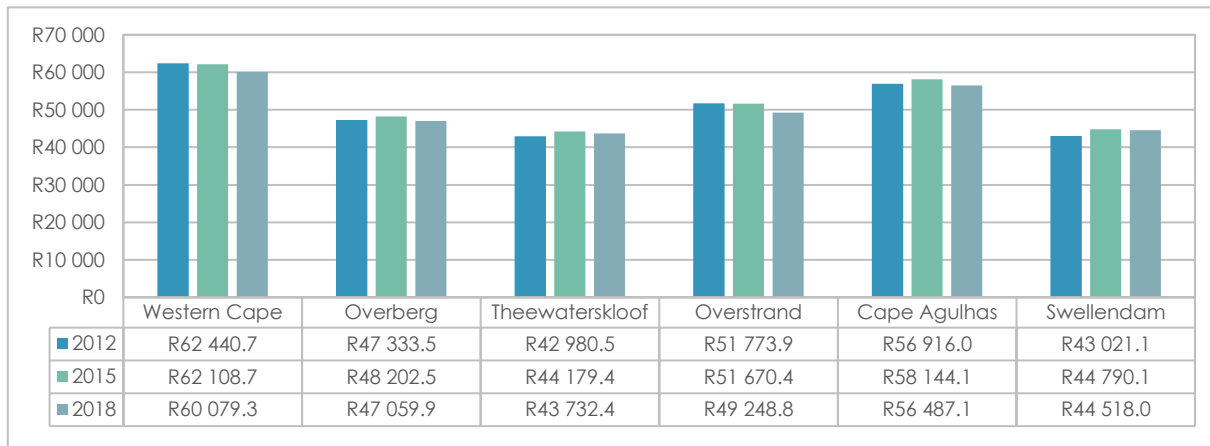
Source: StatsSA census 2011

1.2.3 SOCIO ECONOMIC OVERVIEW

a) Poverty and Income

An increase in real GDP per capita, i.e. GDP per person, is experienced only if the real economic growth rate exceeds the population growth rate. Even though real GDP per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the real GDP per capita indicator.

FIGURE 4 CAPE AGULHAS GDPR PER CAPITA



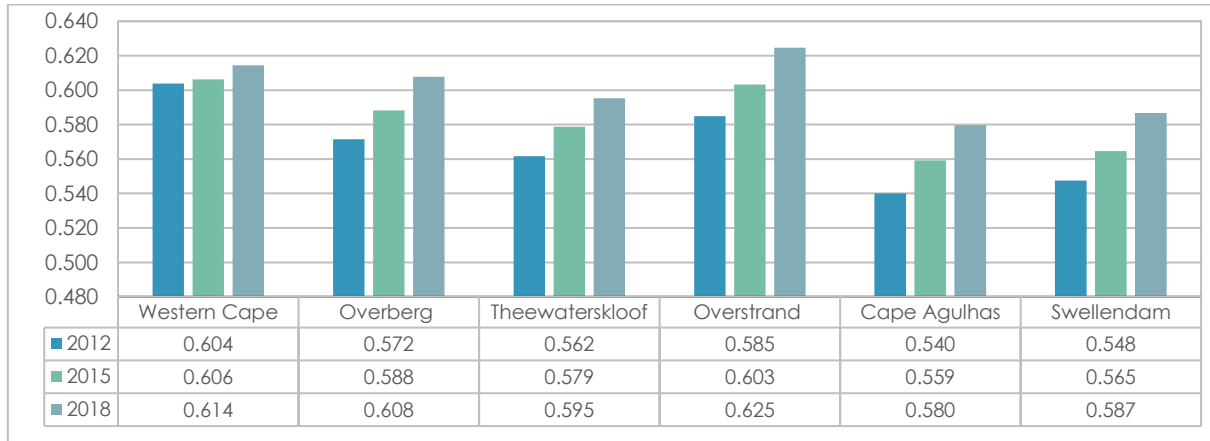
Source: Socio-Economic Profile 2019

At R56 487 in 2018, Cape Agulhas’s real GDPR per capita stands above that of the OD (R47 060), but below that of the Western Cape as a whole (R60 079).

b) Income Inequality

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality has increased in Cape Agulhas between 2012 and 2018.

FIGURE 5 LEVELS OF INCOME INEQUALITY



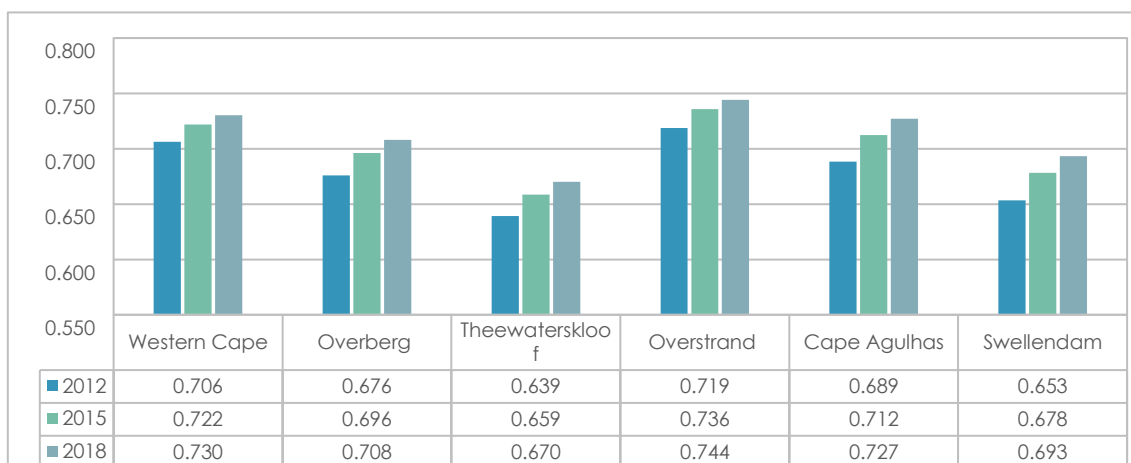
Source: Socio-Economic profile 2019

The Cape Agulhas municipal area has the lowest income inequality levels in the OD, albeit that the area’s Gini coefficient has been increasing steadily since 2012. The municipal area’s Gini-coefficient is however still notably below that of the OD (0.608) and the Western Cape as a whole. Furthermore, income inequality levels were edging up in Cape Agulhas from 2012 to 2018. With a Gini coefficient of 0.58, income inequality in Cape Agulhas was the lowest in the OD.

c) Human Development

The United Nations uses the Human Development Index (HDI)¹ to assess the relative level of socio-economic development in countries. Indicators that measure human development are education, housing, access to basic services and health. Per capita income is the average income. It is income per head of the population per year. Per Capita Income might not be the income of every individual in the State. Life expectancy and Infant Mortality Rate are other important criteria for measuring development.

FIGURE 6 HUMAN DEVELOPMENT INDEX (HDI)



Source: Socio-Economic profile 2019

There has been a general increase in the HDI in Cape Agulhas from 0.689 in 2012 to 0.73 in 2018. The level of human development in Cape Agulhas as measured through the HDI is on par with the Western Cape and the second highest in the district.

1.2.4 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.

Nine priority areas were identified with respective overarching goals, namely:

- Facilitation of Coastal Access – to provide reasonable and equitable access to the coast for all;
- Compliance & Enforcement – to promote compliance and enforcement of legislation to facilitate protection of coastal resources within the municipal mandate;
- Estuaries – to ensure appropriate management and conservation of estuaries;
- Land and Marine-based Sources of Pollution & Waste – to minimise the impacts of pollution on the coastal environment;
- Cooperative Governance & Local Government Support – to promote integrated and cooperative governance of the coastal zone and coastal planning/governance;
- Climate Change, Dynamic Coastal Processes & Building Resilient Communities – to promote resilience to the effects of dynamic coastal process and environmental hazards and natural disasters;
- Natural Capital & Resource Management – to promote conservation of biodiversity, ecosystem function and the sustainable use of natural resources;
- Social, Economic & Development Planning – to promote sustainable local economic development; and
- Education & Capacity Building – to promote coastal awareness, education and training.

Blue flag beaches

Blue Flag Beaches are currently spread all along the South African coastline in 3 of the 4 coastal provinces. Blue Flag Beach certification ensures that the highest international standards are maintained on swimming beaches each season. Cape Agulhas municipality received blue flag status for Duiker Street Beach in Struisbaai for 2019/20. Blue Flag status can play a big role in tourists' holiday destination choices and encourages more tourists to visit Cape Agulhas municipality; whilst ensuring their safety.

b) Climate change

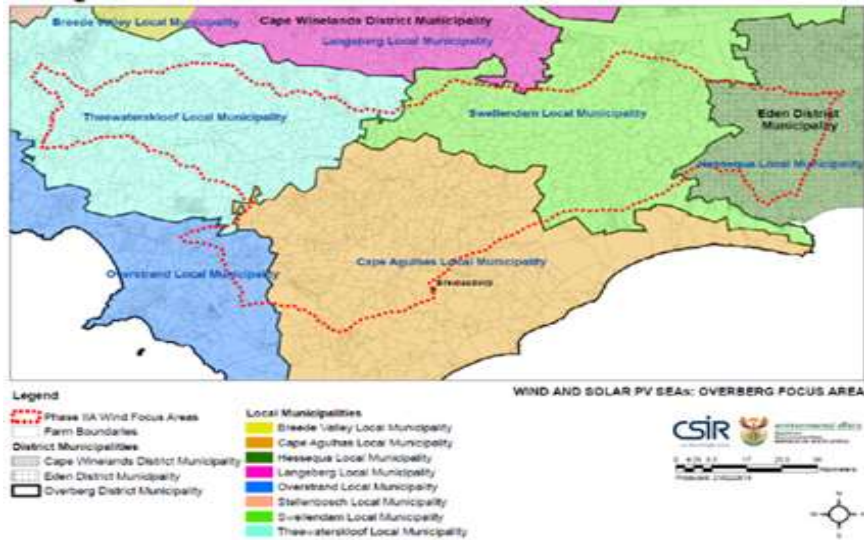
The impact of climate change on world economies is fast taking centre stage in global and political debates and policies. The severity and frequency of associated natural disasters have made climatic change one of the major threats to global economies in the 21st century. The hazards of climate change have manifested themselves in, inter alia, wide temperature variations, changes in rainfall patterns, rises in sea levels, unprecedented levels of air pollution, frequent floods and droughts, and increased water- and vector-borne diseases.

The impacts of climate change will all have serious implications for local communities and local municipalities. Increased rainfall variability (a proxy for climate change) is significantly associated with increases in municipality's water and electricity expenditures, which can be interpreted as rainfall variability increases municipal water and energy demand. This result suggests that climate change leads to greater spending on water and electricity-related infrastructure.

Climate change cannot only be limited to natural disasters but it also has economic and social impacts that will need to be accounted for.

Municipalities need to become champions of energy-efficient initiatives and to promote the development of energy-efficient sectors, such as renewable (wind, geothermal, and solar) energy and biofuels. They should encourage energy efficiency in building and construction, agriculture and forestry, as well as alternative energy-efficient transportation, recycling and proper waste management.

FIGURE 7 OVERBERG FOCUS AREA



At this stage, the Exact Magnitude of Climate Change is largely unknown, but it is reasonably foreseeable that the following changes already occurred in Cape Agulhas:

- Longer dry periods between rainfall events
- Shifts in seasonality
- Change of weather patterns
- Rise in sea levels can be seen in Struisbaai.

The Agulhas coast has several large bays of which 43% are sandy beaches, 39% rocky and 18% wave cut rocky platform. A few of these beaches have been identified as susceptible to sea level rise due to climate change.

Being a largely agricultural economy, it stands to reason that climatic changes can also affect food security.

The Overberg District Municipality and the Department of Environmental Affairs and Development Planning, together with various stakeholders, developed an Overberg Climate Change Response Framework to guide climate change mitigation and adaptation actions by both public and private sector.,

TABLE10 PROJECTED CLIMATE CHANGE IMPACTS ON SERVICE DELIVERY

ASSETS/SERVICE DELIVERY	POTENTIAL CLIMATE CHANGE IMPACTS
- Infrastructure	
Roads	- Changes in rates of deterioration due to changes in precipitation and temperature; - Inundation of roads in coastal areas, resulting in deterioration or destruction;

	<ul style="list-style-type: none"> - Interruption of road traffic and disruption of emergency transport routes due to extreme climatic events; and - Disruption of emergency routes
Storm water systems	<ul style="list-style-type: none"> - Increased intensity of precipitation may cause intrusion into waste water networks; - Capacity of existing flood defences and drainage systems may be exceeded; - Reduction of drainage capacity due to sea level rise or storm surges; - Changes in mean and peak flow rates or rivers; and reduced precipitation may impact on functioning of storm water systems
Buildings	<ul style="list-style-type: none"> - Altered heating and cooling cost; - Increased risk of damage from fires or extreme hydro-meteorological events; and - Higher rates of deterioration and increased maintenance costs.
Coastal infrastructure	<ul style="list-style-type: none"> - Increased coastal erosion and inundation; - Increased or permanent inundation of infrastructure and utilities; - Impacts on private and public harbours and boat ramps; and - Increased erosion or deterioration of coastal defences.
Recreational facilities / Community Assets	<ul style="list-style-type: none"> - Impacts in coastal recreational facilities; - Loss of public property due to inundation; - Impacts on tourism along the coast due to changes in biodiversity, water availability; - Increased operating cost and maintenance of public property due to extreme weather events; - Reduced water quality and quantity for irrigation; and - Potential for beach closures due to extreme weather and/ or pollution levels.
- Disaster risk management	
Public safety	<ul style="list-style-type: none"> - Changes in geographical range and seasonality of vector-borne diseases; - Increased incidence of food and water-borne diseases due to increased temperatures; - Health impacts related to extreme events; - Intrusion of contaminants and pollutants into water sources due to excessive rainfall; - Increased demands on emergency response and recovery operations; - Public dissatisfaction with the government's response could lead to conflict; and - Adverse impacts on public safety and tourism, could impact regional economic performance
- Planning and development	
Development planning	<ul style="list-style-type: none"> - Uncertainty over long-term land-use planning and infrastructure design; - Need and costs for retrofitting; - Loss/destruction of private property and community assets; - Increased insurance costs; - Increased pressure on disaster risk management and response resources; - Untimely decommissioning of infrastructure; - Adverse impacts on public safety and tourism, could impact regional economic performance; - Impacts on existing community structures and livelihoods - Required alteration to development plans, risk assessment procedures and zoning; and - Increased pressure on educational resources to facilitate adaptation
Economic development	<ul style="list-style-type: none"> - Impacts on local economy and food security due to impacts on agriculture; - Increased insurance costs; - Increase in food prices; - Loss to industries directly dependent on agricultural production (e.g. fertiliser manufacturers); - Reduced tax revenues because of reduced expenditures; - Increased maintenance cost for community and private assets; - Economic consequences of impacts on the Tourism Sector; - Business closure and potential for job losses due to interruptions resulting from inundation, flooding, blackouts, etc.; - Altered agricultural regimes and practices, such as crop diversification due to reduced water availability of heat stress; and - Climate change impacts may cause may alter traditional sources of rural revenue.
- Natural resource management	

Coastal management	<ul style="list-style-type: none"> - Increased erosion and inundation; - Loss of private property and community assets; - Loss of beach width; and - Changes to wetland and estuary ecosystems due to sea level rise, erosion and saline intrusion
Agriculture	<ul style="list-style-type: none"> - Increased desertification leads to inferior crop and poor veld conditions; - Reduction and degradation of animals habitats; - Lack of feed and drinking water; - Increase in disease outbreak and increased vulnerability to predation; - Increased risk to soil erosion; - Annual and perennial crop losses; - Damage to crop quality; - Disruption of breeding cycles; and - Loss from fishery production.
Biodiversity	<ul style="list-style-type: none"> - Changes in the distribution of invasive species and associated loss of biodiversity and altered veldfire intensity; - Changes in the geographical distribution of indigenous fauna and flora; - Increased risk of species extinction; - Reduced ecosystem resilience; - Increased stress on ecosystems and ecosystem services; and - Changes in coastal and estuary habitats due to saline intrusion
- Water and sewerage services	
Storm water and sewage	<ul style="list-style-type: none"> - Inundation of storm water and sewage systems; - Increased peak flow rates; - Changes in groundwater levels; - Shifting flood plains; and - Reduced dry weather flow rates.
Wastewater	<ul style="list-style-type: none"> - Increased intensity of precipitation may cause intrusion into waste water networks; and - Potential for blockages and overflows.
Water supply	<ul style="list-style-type: none"> - Changes in the mean and peak flow rates of rivers and streams; - Increased treatment due to poorer water quality (potential taste/odour/ dissolved iron and manganese problems); - Unreliable/insufficient water supply; - Increased risk of contamination; - Salination of water sources; and - Changes/shifting of groundwater used for irrigation.

c) Biodiversity management

Cape Agulhas is a member of ICLEI and a signatory to the internationally recognised Durban Commitment, which is a long term political commitment to the protection of biodiversity.

The Cape Agulhas Municipality’s Spatial Development Framework gives clear guidelines as to how the municipality aims to conserve threatened and endangered ecosystems.

TABLE11 ENDANGERED ECOSYSTEMS

CRITICALLY ENDANGERED	ENDANGERED	VULNERABLE
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		

Alien and invasive species is seen as one of the biggest threats to our rich fynbos heritage and other natural resources. The Alien and Invasive Species Regulations of 2014 as promulgated under the National Environmental Management: Biodiversity Act (NEM:BA) of 2004 (Act 10 of 2004) mandated all property owners to manage listed invasive species on their properties. Ten hectares of alien invasive plants are cleared per annum.

FIGURE 8 CRITICAL BIODIVERSITY AREAS IN CAPE AGULHAS



d) Air quality

Air Quality Control is a function of Cape Agulhas Municipality and responsibility for the function resorts in the Building Control section. This imposes a high level of responsibilities on the Municipality in terms of capacity to ensure monitoring and enforcement of air pollution regulation. Cape Agulhas Municipality works in collaboration with ODM and Province to deal with Air Quality Management, to ensure monitoring and enforcement of air pollution regulation.

This Constitutional obligation entails that municipalities ensure that air quality issues must be incorporated in the IDP process.

Among the activities that municipalities are responsible for in terms of air quality legislation are:

- Development and implementation of AQMP for particular areas.
- The setting up of source emission inventories.
- Setting up of ambient air monitoring networks.
- Setting up of community monitoring forums.
- Development of standards in line with national baseline standards.
- By-Laws.

There are few sources of air pollutants in Cape Agulhas and the ambient air quality is generally good. However, emissions from industrial boilers are likely to result in local areas of elevated concentrations of air pollutants. Ambient particulate concentrations are likely to be high in low income residential areas where wood is used as primary fuel source and activities such as refuse burning occur and Pesticide spraying of crops. Motor vehicle congestion in holiday towns and results in elevated ambient concentrations of particulates and NO_x (Nitrogen Oxides) at times. Seasonable agricultural and Biomass burning also occur and have a low impact on air quality.

The Municipality also has an approved Air Quality Management Plan (AQMP) in place, which guides its activities as well as a Cape Agulhas Air Quality By-Law (2014) and a designated Air Quality Officer, do Air Quality awareness in CAM. Inputs and information are provided to the Western Cape State of Air Quality report yearly.

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 2019/20 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.

TABLE12 BASIC SERVICE DELIVERY HIGHLIGHTS

SERVICE	DESCRIPTION
Water	<ul style="list-style-type: none"> ▪ Three new boreholes were developed in Napier and Suiderstrand. ▪ Updating of the Cape Agulhas Municipality water master plan. ▪ Drilling two new boreholes in Struisbaai over December 2019 to address water shortages caused by extended load shedding schedules that resulted in reduced time that boreholes are functional and subsequent low reservoir levels. ▪ Installed new bulk water meters ▪ Installed new bulk monitoring equipment ▪ Installed new bulk water pipes
Wastewater (Sanitation)	<ul style="list-style-type: none"> ▪ The commencement of Upgrading of Bredasdorp WWTW to 3.6Ml/day. ▪ Procurement of an additional sewer truck to assist with high number of septic tanks to be emptied of holiday periods.
Electricity	<ul style="list-style-type: none"> ▪ Installation of 2106 LED Streetlights in Bredasdorp to the value of R6 000 000. The Municipality received a conditional grant from DOE for the retrofit of streetlights under their EEDSM project. ▪ Maintenance of streetlights in the Eskom supply areas in accordance with an agreement concluded with ESKOM ▪ Successful application for assistance with an energy demand management system from GIZ. One of only five Municipalities in the country to be accepted, two of which are in the Western Cape. This project is progressing well, with internal base load figures now far more accurate which will help with obtaining funding for own renewable energy. ▪ Electrification of the second phase of Area "F" in Bredasdorp utilising our own staff. ▪ Electrification of Area "H" in Bredasdorp utilising our own staff. ▪ Commencement of converting High Street in Napier from an ageing overhead reticulation system to underground cables. ▪ Distribution losses are limited to 5.22%, which when compared with the industry standard of 10% is an achievement. ▪ The successful application to Eskom for an upgrade of Notified Maximum Demand for Bredasdorp for an additional 2 MVA and Napier for an additional 700KVA which will enable development in the area. Eskom capacity restraints has been an issue for the past few years but will be adequate for the current five-year development plan.
Waste management	<ul style="list-style-type: none"> ▪ Illegal dumping sites within Bredasdorp have been converted into community gardens and are being maintained. ▪ The wheelie bin project has been implemented in all towns within Cape Agulhas. R 700 000 was available for the project in this financial year.

Roads and storm water	<ul style="list-style-type: none"> ▪ Existing gravel roads in the Zwelitsha RDP area in Bredasdorp have been upgraded to paved roads to the value of R 2.3 m and has been funded from the Municipal Infrastructure Grant (MIG). ▪ A portion of Ou Meule Road in Bredasdorp has been re-sealed and two of the intersections have been raised and paved for speed calming purposes. ▪ New industrial erven in Struisbaai have been serviced. ▪ The Suiderstrand Road has been re-gravelled. ▪ Numerous sidewalks were paved in Bredasdorp and Struisbaai.
Human settlement	<ul style="list-style-type: none"> ▪ In process of restoring title deeds for Parkview - Bredasdorp ▪ 119 Low cost houses were built in Parkview, Bredasdorp ▪ 283 Low cost houses were built in Mill Park, Bredasdorp ▪ 60 serviced sites are available for Deferred ownership project at Park View - Bredasdorp

1.3.2 BASIC SERVICE DELIVERY CHALLENGES

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

TABLE13 BASIC SERVICE DELIVERY CHALLENGES

SERVICE	DESCRIPTION	ACTIONS
General infrastructure	<ul style="list-style-type: none"> ▪ Ageing infrastructure. 	<ul style="list-style-type: none"> ▪ A master plan for water, sewer and roads was completed in May 2020 and implementation has already commenced.
Water	<ul style="list-style-type: none"> ▪ Peak water demand during the summer holiday season in coastal towns 	<ul style="list-style-type: none"> ▪ CAM has re-drilled two existing boreholes in Struisbaai and will be constructing a larger bulk water pipe in L'Agulhas to feed more water from L'Agulhas to Struisbaai. Larger reverse osmosis plants will also be installed in Arniston and Suiderstrand by a private operator to accommodate peak demands.
Wastewater (Sanitation)	<ul style="list-style-type: none"> ▪ The quality of the effluent from the Bredasdorp WWTW is below standard 	<ul style="list-style-type: none"> ▪ The Upgrade of Bredasdorp WWTW commenced in 2019/20 and completion is scheduled for 30 June 2021. A business plan for funding for the Napier WWTW was submitted to Department of Water and Sanitation to also upgrade this plant in order to achieve compliance to SANS 241.
Electricity	<ul style="list-style-type: none"> ▪ 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. ▪ The differing service levels between the Eskom areas of supply and Municipal areas of supply ▪ Increasing incidents of copper theft. ▪ Increasing incidents of vandalism. 	<ul style="list-style-type: none"> ▪ The successful application to Eskom for an upgrade of Notified Maximum Demand for Bredasdorp for an additional 2 MVA and Napier for an additional 700KVA which will enable development in the area.

SERVICE	DESCRIPTION	ACTIONS
Waste management	<ul style="list-style-type: none"> Costs related to the establishment of a regional landfill site 	<ul style="list-style-type: none"> CAM is looking at various options including Karwyderskraal Landfill, a Regional landfill site between Swellendam and CAM and also a new cell at the Bredasdorp landfill.
	<ul style="list-style-type: none"> Illegal dumping 	<ul style="list-style-type: none"> Recycling is encouraged to lengthen the lifespan of the landfill sites. Law enforcement and awareness campaigns are ongoing to address illegal dumping.
Roads and storm water	<ul style="list-style-type: none"> Funding to address the backlog in road maintenance and rehabilitation is limited. 	<ul style="list-style-type: none"> An application for MIG funding will be submitted during 2020/21.
Human settlement	<ul style="list-style-type: none"> Living conditions of backyard dwellers and people living in informal settlements 	<ul style="list-style-type: none"> Council has a strategy to start addressing the housing needs for the affordable market and to make available serviced plots for beneficiaries earning R3501-R22000. R10m was secured to initiate the deferred ownership housing project which will be a pilot for the Western Cape and Nationally.

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.

TABLE14 PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICES

DESCRIPTION	2016/17	2017/18	2018/19	2019/20
Electricity - service connections	100%	100%	100%	100%
Water - available within 200m from dwelling	100%	100%	100%	100%
Sanitation - Households with at least VIP service	100%	100%	100%	100%
Waste collection - kerbside collection once a week	100%	100%	100%	100%

1.4 FINANCIAL HEALTH OVERVIEW

The following paragraphs provide an overview of the financial performance highlights and challenges and key trends. Full detail on financial performance for 2019/20 is contained in Chapter 5.

1.4.1 FINANCIAL VIABILITY HIGHLIGHTS

TABLE15 FINANCIAL VIABILITY HIGHLIGHTS

HIGHLIGHT	DESCRIPTION

Clean audit	The Municipality received its seventh consecutive clean audit for the 2019/20 financial year
Liquidity ratio	The liquidity ratio is showing steady improvement over the last two financial years. This is due to more prudent application of cash resources by administration. The impact of other factors on the liquidity ratio also needs to be evaluated and discussed to ensure improvement can be maintained. The spending on EPWP / Temporary as well as spending on contracted services / consultants also impact on the liquidity ratios.
Creditor payments	Creditors are generally being paid within the 30-day limit
Long term financial viability	Council approved a revised and updated Long Term Financial Plan Strategy (LTFP) during the financial under review based on the 2019/20 financial year outcome figures together with any amended recommendation targets for implementation as well as a Revenue Enhancement Strategy implementation plan for roll-out per set target date.
Implementation of mSCOA regulations	The Municipality is mSCOA compliant aligned with National Treasury's set targets. Ongoing challenges relating to implementation of annual mSCOA updates / releases which place huge pressure on financial system development to keep up with new requirements.

1.4.2 FINANCIAL VIABILITY CHALLENGES

TABLE16 FINANCIAL VIABILITY CHALLENGES

CHALLENGE	ACTION TO ADDRESS
Employee related costs	Employee related costs of 41.79% are outside the National Treasury good practice norm of 35-40%. This remains one of the biggest challenges for the Municipality and the principle is to only consider the filling of legislatively required and / or service delivery orientated vacant positions. The ratio has been deteriorating over the last 2 financial years. The municipality is busy implementing reforms to address this challenge. The impact of EPWP / Temporary employment is also having a significant impact on the municipal employee related cost and needs to be more closely monitored.
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 order to be more transparent, fair and equitable.
Long term financial sustainability of the Municipality	The Municipality reviews its Long-Term Financial Plan Strategy on an annual basis to stay abreast with any new developments to ensure financial sustainability as one of its most critical performance indicators.
Increasing of reserves	By applying a mix of other sources for capital funding aligned with the Municipality's LTFP 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. This is one of the key targeted areas where improved efforts need to be allocated.

Debt collection	The Municipality debt collection rate dropped to 94.85% due to the impact of Covid-19
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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.

TABLE17 NATIONAL KPI'S FOR FINANCIAL VIABILITY AND MANAGEMENT

KPA & INDICATOR	2017/18	2018/19	2019/20
Debt coverage (Total operating revenue-operating grants received): debt service payments due within the year) (Higher is better)	72,93	49.68	50.62
Service debtors to revenue – (Total outstanding service debtors: revenue received for services) (Lower is better)	10.47%	10.27%	11.7
Cost coverage (Available cash+ investments): Monthly fixed operating expenditure (Higher is better)	2,26	3.66	2.89

1.4.4 FINANCIAL OVERVIEW

TABLE18 FINANCIAL OVERVIEW 2019/20

DETAILS	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL
Income			
Grants - Operational	98 669 913	101 477 757	44 938 863
Grants - Capital	12 941 087	19 767 087	19 120 254
Taxes, Levies and tariffs	247 291 200	253 267 400	253 694 514
Other	22 612 513	16 892 413	32 464 407
Sub Total	381 514 713	391 404 657	350 218 038
<u>Less:</u> Expenditure	394 334 518	393 755 509	343 022 367

Net Total*	121 282	17 416 235	28 363 059
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1.4.5 OPERATING RATIO'S

TABLE19 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%	41,79	1.79% above the maximum norm
Finance charges & depreciation	<10%	7.60	3.30 below norm

The Municipality's expenditure on employee related costs is above the national norm. The finance charges are 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

TABLE20 TOTAL CAPITAL EXPENDITURE

DETAIL	2017/18 R'000	2018/19 R'000	2019/20 R'000
Original Budget	27 665	30 946	47 208
Adjustment Budget	33 519	34 762	43 283
Actual	32 006	37 246	43 046
% Spent	95.48%	107.14%	99.45%

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The Cape Agulhas Municipality currently employs 346 people (excluding the Municipal Manager and 3 Directors), who individually and collectively contribute to the achievement of the Municipality's objectives.

The following paragraphs provide an overview of organisational development highlights and challenges. Full detail on organisational development for 2019/20 is contained in Chapter 4.

1.5.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

TABLE21 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

HIGHLIGHT	DESCRIPTION
EPWP	<ul style="list-style-type: none"> We created 573 jobs (156 full time equivalents) during the financial year through the Expanded Public Works Programme. Between 2014 and 2019, we appointed 55 EPWP workers on a permanent basis through our recruitment and selection processes.
Organisational Structure	<ul style="list-style-type: none"> Fully functioning top management structure through innovation, attraction of scarce & critical skills and employment strategies.
Salary	<ul style="list-style-type: none"> Full Integration of biometric time and attendance linked to the electronic payroll system –PAYDAY

1.5.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

TABLE22 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

CHALLENGE	ACTION TO ADDRESS
Implementation of the Employment Equity Plan	<ul style="list-style-type: none"> Employment Equity targets are compromised due to scarcity of experienced candidates with core skills locally.
Skills Development	<ul style="list-style-type: none"> Training budget for 2019/20 not fully utilised due to the national pandemic lockdown. Attracting and retaining disabled workers is generally a challenge in the area, although in this financial year we attracted a Junior Management level disabled employee in the skilled technical Occupational Level achieved.

1.5.3 EMPLOYMENT EQUITY

TABLE23 2019/20 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%	2	0	0%	0	0	0%	1	0	0%

We did not achieve any targets in the three highest occupational levels due to lack of provision made for posts in the mid-management level within the organization structure. Two vacant positions were advertised, but due to Covid 19 pandemic appointments could not be made as at 30 June 2020.

TABLE24 2019/20 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	3	14%	5	9	180.00%	1	0	0%	1	0	0%

The most suitable candidates were appointed in all vacant posts whether it was the equity target or not, we try as far as possible to employ people from the previously disadvantage groups.

TABLE25 2019/20 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
13	9	69.23%	17	3	17.65%	1	1	100%

Appointments were done in all occupational levels of the workforce. In the lower levels advertised post for general workers, include hard labour and women often get injured on duty. These positions were therefore mostly males who were shortlisted as they were more suited to the positions. Appointments of male candidates is an intervention to prevent injuries on duty.

1.5.4 SKILLS DEVELOPMENT

TABLE26 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT

YEAR	EMPLOYEE RELATED COST	TOTAL ALLOCATED FOR TRAINING	TOTAL SPENT	% SPEND
2017/18	R 115,542,164.00	1450 000.00	R1 398 351.05	1.19%
2018/19	R 123,137 175.00	1 525 400.00	R1 945 000.00	1.59 %
2019/20	R137 733 575,74	R1 195 800.00	R1 126 427,85	0.81%

1.6 AUDITOR GENERAL REPORT

The Municipality received an unqualified audit for 2019/20. 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 2018/19 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 Managers’ 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

TABLE27 AUDIT OUTCOMES

YEAR	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20

STATUS	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters
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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. 11 Council Meetings took place during the year. There were 5 ordinary meetings and 6 special meetings.

Due to the Covid -19 epidemic, all meetings, included council, committees, management, portfolio, went virtual with "Teams" We also use You tube to broadcast you MAYCO and Council meetings.

TABLE28 COUNCIL MEETINGS

DATE	SPECIAL / ORDINARY
23 July 2019	Ordinary
1 October 2019	Ordinary
29 October 2019	Special
10 December 2019	Ordinary

DATE	SPECIAL / ORDINARY
31 January 2020	Special
25 February 2020	Ordinary
26 March 2020	Ordinary
27 April 2020	Special
21 May 2020	Special
29 May 2020	Special
15 June 2020	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 2019/20 financial year.

TABLE29: 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	0%
Z Tonisi	Deputy Mayor PR Councillor	DA	Proportional	100	0%
GD Burger	Member of Mayoral Committee/ PR Councillor	DA	Proportional	100	0%
J Nieuwoudt	Speaker / Ward Councillor	DA	Ward 4	100	0%
RJ Baker	Ward Councillor	ANC	Ward 3	100	0%
D Europa	Ward Councillor	ANC	Ward 6	100	0%
E Sauls	District Representative / Ward Councillor	DA	Ward 1	100	0%
CJ Jacobs	PR Councillor	KAPCO	Proportional	72.7	27.2 (3)
D Jantjies	PR Councillor	Dienslewering-party	Proportional	91	9 (1)
M October	Member of Mayoral Committee / Ward Councillor	DA	Ward 2	100	0%
EC Marthinus	PR Councillor / District Representative	ANC	Proportional	91	9 (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 5 Mayoral Committee meetings were held in 2019/20

TABLE30 EXECUTIVE MAYORAL COMMITTEE

NAME OF MEMBER	CAPACITY	MEETING ATTENDANCE	MEETING DATES
P Swart	Executive Mayor	100 %	23 July 2019
Z Tonisi	Deputy Mayor	100 %	20 August 2019
D Burger	Member of Mayoral Committee	100 %	17 September 2019 19 November 2019
M October	Member of Mayoral Committee	100 %	21 February 2020

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.

TABLE31 PORTFOLIO COMMITTEES

COMMITTEE	MEMBERS	MEETING DATES
Infrastructure Services	M October (Chairperson) D Burger RJ Baker CJ Jacobs D Jantjies	17 July 2019 13 August 2019 10 September 2019 12 November 2019 6 February 2020 23 March 2020
Management Services	Z Tonisi (Chairperson) M October D Europa CJ Jacobs D Jantjies	17 July 2019 13 August 2019 10 September 2019 12 November 2019 6 February 2020 23 March 2020
Finance and ICT	GD Burger (Chairperson) Z Tonisi E Marthinus CJ Jacobs D Jantjies	17 July 2019 13 August 2019 10 September 2019 12 November 2019 6 February 2020 23 March 2020
Masakhane Committee	Z Tonisi (Chairperson) P Swart E Sauls J Nieuwoudt D Europa RJ Baker M October	17 July 2019 1 August 2019 11 September 2019 13 November 2019 12 February 2020 13 March 2020

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;
- To assist with the conclusion of matters that may not be finalized relating to past recommendations made on the Annual Report. This also 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.

TABLE32: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

NAME OF REPRESENTATIVE	CAPACITY	POLITICAL PARTY	MEETING DATES
C Jacobs	Chairperson	KAPCO	23 July 2019
E Marthinus	Member	ANC	23 August 2019 - No Quorum
E Sauls	Member	DA	26 November 2019
D Jantjies	Member	Diensleweringparty	22 January 2020 31 January 2020

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 Macro Structure was again revised in October 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.

TABLE33 ADMINISTRATIVE GOVERNANCE STRUCTURE: SENIOR MANAGEMENT

NAME OF OFFICIAL	DIRECTORATE	PERFORMANCE AGREEMENT SIGNED
Mr D O'Neill	Municipal Manager	Yes
Mr AA Jacobs	Director: Infrastructure Services	Yes
Mr H van Biljon	Director: Financial Services and Information Technology	Yes
Mr H Krohn	Director: Management Services	Yes

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

TABLE34 ADMINISTRATIVE GOVERNANCE STRUCTURE: THIRD TIER

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

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:

TABLE35 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

2.2 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:

TABLE36 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 Sector Engagements	District Municipality, Overberg Local municipalities, Private Sector, Western Cape Government Sectors	IDP/project issues
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

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
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
Overberg District ICT Managers Forum	Overberg District ICT Managers	ICT topics
Western Cape Planning Heads Forum	All Municipal Planning Heads, DEADP, Department of Land Affairs, Deeds Office, Surveyor General's Office	To discuss all town planning related matters in the Western Cape Province and also National Legislation
Municipal Coastal Committee (Overberg)	ODM, 4 B Municipalities, SANParks, CapeNature, Province and Estuary Forums	To discuss all Environmental related items in the Overberg
Heuningberg Estuary Forum	CapeNature, Provincial Departments and adjoining Farmers	To discuss the Management of the Heuningnes Estuary
SAPS Forum	SAPS, Municipal Officials (Town Planning, Building Control and Law Enforcement)	To discuss illegal activities in the Cape Agulhas Municipal area
Western Cape Spatial Information forum	All Western Cape GIS officials on Municipal, Provincial and National level	To discuss current GIS trends, challenges and case studies
IDP virtual engagements	District Municipality Overberg Local municipalities	IDP related issues

TABLE37 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

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
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
Western Cape Spatial Information forum	Western Cape Local Municipalities DEADP	Spatial related topics

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
Southern African Revenue Protection Association (SARPA)	Provincial branches: Municipal Electrical Managers, WCPG, Eskom	Municipal Electrical Infrastructure, Metering, Billing, Revenue Protection
Association of Municipal Electricity Utilities (AMEU)	Provincial Branches: Municipal Electrical Departments, Infrastructure	Municipal Electrical Matters, Challenges
Municipal Infrastructure Forum	Municipal Infrastructure Directors Department of Local Government, Provincial treasury	Municipal Assets and Infrastructure/Projects related topics

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:

TABLE38 WARD BASED PUBLIC MEETINGS

WARD 1

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
15 July 2019– Napier 9 September 2019– Napier 25 November 2019-Napier	Feedback Meeting	All Ward residents	Pamphlets, sms, loudhailing and Facebook.
9 September 2019– Napier	IDP meeting	All Ward residents	Advert in local media, Pamphlets, sms, loudhailing, Facebook and Municipal Website

15 December 2019- Napier	Year-end-Function	All Ward residents	Pamphlets, and Facebook, Ward Whatsapp group
22 December 2019- Elim			

WARD 2

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
22 July 2019- Bredasdorp 24 July 2019 - Klipdale 10 September 2019 - Bredasdorp 11 September 2019 - Klipdale	Feedback Meeting	All Ward residents	Pamphlets, sms and Facebook, Loudhaling
27 November 2019 – Bredasdorp 28 November 2019 – Klipdale	Feedback Meetings	All Ward residents	Advert in local media Pamphlets, sms, Facebook and loudhaling
10 September 2019 - Bredasdorp 11 September 2019- Klipdale	IDP meetings	All Ward residents	Advert in local media, Pamphlets, sms, loudhaling, Facebook
05 December 2019- Bredasdorp 06 December 2019 – Klipdale	Ward year-end function	All Ward residents	Pamphlets, and Facebook, Ward Whatsapp group

WARD 3

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
16 July 2019 05 September 2019 17 November 2019	Feedback meeting to community	All Ward residents	Pamphlets, sms, loud hailing and Facebook
05 September 2019	IDP meeting	All Ward residents	Advert in local media, sms, Facebook and Loud hailing
12 December 2019- Bredasdorp	Ward year-end function	All Ward residents	Pamphlets, and Facebook

WARD 4

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
5 July 2018 - Protem 6 July 2018 – Bredasdorp 17 September 2019- Bredasdorp 18 September 2019 – Protem	Feedback Meetings	All Ward Residents	Pamphlets, sms, loud hailing and Facebook
17 September 2019- Bredasdorp 18 September 2019 – Protem	IDP meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud hailing and Facebook
27 November 2019 – Bredasdorp 28 November 2019 – Protem	Feedback meeting	All Ward residents	Pamphlets, sms, loud hailing and Facebook
28 November 2019- Protem 4 December 2019 - Bredasdorp	Ward year-end function	All Ward residents	Pamphlets, and Facebook, Ward Whatsapp Groups

WARD 5

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
23 July 2019 15:00 – Suiderlig Service Centre 19:00 – Community Hall 11 September 2019 15:00 – Suiderlig Service Centre 19:00 – Community Hall 27 November 2019 – 15:00 – Suiderlig Service Centre 19:00 – Community Hall	Ward Feedback Meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud hailing and Facebook
11 September 2018	IDP meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud hailing and Facebook

15:00 – Suiderlig Service Centre			
19:00 – Community Hall			
21 December 2019	Year-end-Function	All Children in the Ward	Pamphlets, sms, loud hailing and Facebook

WARD 6

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
29 July 2019 - Bredasdorp	Feedback Meetings	All Ward Residents	Pamphlets, sms, loud hailing and Facebook
30 July 2019 – Arniston			
18 September 2019 - Bredasdorp			
19 September 2019 – Arniston			
20 November 2019 – Bredasdorp			
21 November 2019 – Arniston			
18 September 2019 - Bredasdorp	IDP meetings	All Ward residents	Advert in local media, Pamphlets, sms, loud hailing and Facebook
19 September 2019 – Arniston			
3 December 2019- Bredasdorp	Ward Year end Function	Elderly in Ward	Pamphlets, and Facebook
4 December 2019- Arniston			

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:

TABLE39 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	6	5	6
2	Yes	6	5	10
3	Yes	7	6	5
4	Yes	6	5	10
5	Yes	6	5	9
6	Yes	6	5	10

2.3.2.1 MEMBERSHIP AND FUNCTIONALITY OF WARD COMMITTEES

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

TABLE40 WARD COMMITTEE MEMBERSHIP AND FUNCTIONALITY

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
E Sauls	Ward Councillor	13 August 2019
J Wessels	Huis Klippe Drift/ Secretary	21 October 2019
H Mallet	Napier Community Police Forum	18 September 2019
E Africa	Napier Health and Welfare Forum	19 November 2019
M Sauls	Agulhas School of Skills	24 February 2020
J De Kock	Overberg District Agricultural Association	
J Fillies	Napier Neighbourhood Watch	
P Richter	Elim Residents Forum	
Y Kerr	Elim E-Centre	

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
M October	Ward Councillor	15 August 2019
F Koebergh	Otto Du Plessis Hospital Board	17 September 2019
K Dunston	AMSSS	24 October 2019
J Adams until July 2019	De Heide Primary	14 November 2019
M Walbrugh From August 2019		13 February 2020
W Abrahams until end of April 2020	Bredasdorp Residents Association	
C Prins from June 2020	Heavenly Promise Safe House	
E Wildschut	Young Peoples Rugby Club	
E Plaatjies	Cape Agulhas Ratepayers Association	
H Eksteen	Standards Rugby Club	
E Hendricks	Klipdale Residents	
M Olivier	Bredasdorp Neighbourhood Watch	
E Moos	Anglican Church Men Society	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
R Baker	Ward Councillor	13 August 2019
A van Der Byl	Bredasdorp Neighbourhood Watch	22 October 2019
Representative of Polapark Residents Vacant	Polapark residents	16 September 2019
Z Casiwe	Soccer Association	14 November 2019
H Temmers Until June 2019	Cape Agulhas Disability Forum	18 February 2020
D Petersen from July 2019		
E Pietersen	Compassion in Action	

K Grandfield	Religion	
A Klaasen	Sport	
A Rudolph	Woman in Progress	
B Gijana	WILCO	
J Van Reenen	Cape Agulhas Ratepayers Association	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
J Nieuwoudt	Ward Councillor	13 August 2019
D Giliomee	Otto du Plessis Hospital facility Council	11 September 2019
S van Dyk	ACVV Bredasdorp	29 October 2019
W Joubert	AGS Church	12 November 2019
M Geldenhuys	High School Bredasdorp	04 February 2020
J Bester	DR Church Bredasdorp	
M Hatting	Welfare and Health Sector	
R Maytham	Lions Club	
H Odendaal	ACVV Service Centre	
R Arends	Protem Community	
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
P Swart	Ward Councillor	15 August 2019
S Du Plessis until February 2020 – Position vacant	Struisbaai Fishermen Union	17 September 2019
E Krige	Cape Agulhas Business Association	23 October 2019
K Gertse	Council of Stakeholders	14 November 2019
C Visser	DR Church Suidpunt	06 February 2020
A.L Fourie	Onse Hoop Community Centre	
A Gerber	Suidpunt Conservation Association	

H Williams	Suidpunt Residents Association	
P van As	Springfield and Haasvlakte Rural Area	
G Thompson	Struisbaai Rugby Club	
J Taljaard	Agulhas National Park	

f) WARD 6: BREDASDORP (SELFBOU AREA AND BERGSIG), ARNISTON AND SURROUNDING FARMS

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
D Europa	Ward Councillor	13 August 2019
J Moos: Until February 2020	Sport (Social Golf)	17 September 2019
Mr J Abrahams from April 2020		24 October 2019
M Meyer	Anglican Church (Women)	14 November 2019
G Hendricks	Early Childhood Development (Babbel and Krabbel)	13 February 2020
L Valentine until February 2020 – Position Vacant	CARA	
N van Staden	Religion (Verenigde Pinkster)	
W Marthinus	Religion – Arniston (Siliom)	
G Gertse	Sea Hawks Rugby Club	
R Europa	Waenhuiskrans Fishermen Forum	
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 were submitted to the Provincial Public Participation Unit.
- 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
- Ward Committee members involvement in social programmes within their Wards
- Ward Committee members active involvement with covid 19 programmes

b) Ward committee challenges

- To improve the feedback from sector representatives on the ward committees.
- To improve co-operation with Provincial CDW's to assist in Public Participation Initiatives of the Municipality.
- The quality of report writing

- Failure to attend meetings results in information not reaching respective wards, and this means that the community are unaware of the issues Council wishes to engage them with.
- Members of ward committees had limited knowledge of the IDP and related budgeting process and also attended IDP meetings poorly.
- Some members of ward committees did not fully understand the system of governance and found themselves not properly participating in democratic processes.

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.

Four of the five municipalities in the District will continue with the shared service model. At local level, the Cape Agulhas Municipality has a local risk officer who provisionally coordinated the risk management function for the remainder of the financial year. A new Chief Risk Officer was appointed on the 1st of February 2020.

The initiatives and actions performed by the Risk Management Unit (RMU) during 2019/20 include:

- A comprehensive annual departmental risk assessment, involving the heads of department and line managers, which contributed to the compilation of a detailed risk register;
- Continuous emphasis on fraud and corruption risks and the related risk action plans;
- Developed a Fraud Prevention and Anti- Corruption Flow Chart;
- Anti – Corruption and Prevention Policy, Strategy, Plan and Code of ethics have been published on our municipal website.
- Continuous awareness and development of an ethical culture within the municipality;
- Distributed code of ethics posters and displayed them at all municipal buildings
- Code of Ethics featured in the external newsletter that has been distribution free of charge to the whole Cape Agulhas area
- The code of ethics featured in the internal newsletter consecutive times.
- The code of ethics featured more than once on our weekly radio slot called Municipal Matters on Radio Overberg 101.8fm
- Distributed our municipal values at all municipal buildings;
- Monitoring of the risk management implementation plan;
- 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;
- Participation in the Provincial Risk Management Forum;
- 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.
- Provided recommendations for improvement of the software being utilised (Ignite Risk Assist Module);
- Risk management is a standing agenda item for Audit and Performance Audit Committee meetings, where the Risk Officer provides feedback.

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.

TABLE41 FRAUD AND RISK MANAGEMENT COMMITTEE (FARMCO)

NAME	CAPACITY	MEETINGS
Mr A Kok	External Chairperson	11 October 2019
Mr A Jacobs	Director: Infrastructure Services	17 January 2020
Mr H Van Biljon	Director: Financial Services and ITC	25 June 2020
Mr H Krohn	Director: Management Services	10 July 2020
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	
Mrs M Saptou	Manager: Protection Services	
Mr N Davids	Risk Management Officer of the Cape Agulhas Municipality (Secretariat).	

STANDING INVITEES		
Mr B Swart	Chief Audit Executive of Cape Agulhas Municipality (Advisory and observation)	
Mr Z Hoosain	Chief Risk Officer of the district's shared risk management services	

2.4.1.2 RISK ASSESSMENTS

Risk assessments are systematic processes that quantify or qualify the level of risk associated with a specific event to enrich the risk intelligence available to the Municipality. The main purpose of risk assessments is to help the Municipality prioritise Risk assessments are systematic processes that quantify or qualify the level of risk associated with a specific event to enrich the risk intelligence available to the Municipality. The main purpose of risk assessments is to help the Municipality prioritise the most important risks since the Municipality is not expected to have the capacity to deal with all risks in an equal manner. Risk assessments should be re-performed for the key risks in response to changes, but at least once a year, to ascertain the shift in the magnitude of risk and the need for further management action as a result thereof.

The risk assessment process for 2019/20 commenced in February 2020. 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).

Risk Assessment Focus Areas

1. **Capacity / Org Structure** (Adequate Staff in relation to Daily Core Functions / Competencies (Skills shortages, unqualified, excessive training required etc.) / Performance – Meeting objectives with current staff structure / Reliance on Key Personnel / Frequency and Necessity Bound use of Consultants)
2. **Primary Duties and Responsibilities** (Delays in “Project” Completion / Challenges in Meeting KPI’s (SDBIP) / Time Management – Keeping up with Miscellaneous tasks while neglecting Core Functions / Staff Uncertainty in terms of Expectations / Overlapping or Duplication of Activities)
3. **Turnaround time** of processes / Adequacy of Administrative & Technical Processes (Support Functions as well as efficiency in technical work performed.
4. **Legal Compliance** Issues (Constitutional Mandatory Functions ... especially licensing and permit conditions, national prescripts? Contracts, agreements, Labour / HR activities, OHS.
5. **Possible Risk Fraudulent, Corrupt and Unethical activities** – Consider your work environment and assess your internal control environment. Such as abuse or misuse of Municipal time, - assets, - branding, - authority or any type of known / possible “exploitation”/ manual receipt books.
6. **Budgetary Issues** (Timeous submission/ needs analysis performed/prioritisation/ spiking? /required management skills/ MSCOA/ change management – new controls and new functionality.
7. **Record Management** Issues (Electronic Data/Filing Space/Storing and Retrieval/Flow of Correspondence/ Document Analysis and Interpretation etc.)
8. **Reporting lines** (Any issues relating to insubordination in terms of unlawful or unreasonable instructions or requests, Vague job descriptions – uncertainty i.t.o. expectations.
9. Current **control weaknesses**
10. **Inter-governmental / inter-departmental** relations
11. **ICT** related issues
12. **Asset Management & Contract Management** – Office space, Procurement i.t.o. enhancement/relation to core business, Property management, Service Provider’s Performance etc

13. **Anomalies**

14. **Findings** - Internal Audit reports / Auditor General Reports / Other Audit, Assessments and Evaluations conducted by national of provincial departments and/or by other external stakeholders

15. **Inefficiencies of Committee Structures** / District, Provincial & National Forums / Value for money, prioritisation, direct link to service delivery enhancement? Any influence i.t.o. financial sustainability

16. Democratic Election Process (**Political Impact and related considerations**) / Induction (Policies & Processes) / Strategic Planning / Ward Committees establishments

17. **POPI & PAIA, PAJA** (Protection of Personal Information Act, (Act 4 of 2013); Promotion of Access to Information Act, (Act 2 of 2000); Promotion of Administrative Justice Act, (Act 3 of 2000).

18. **Reputational Harm / Damage** – Internal or External friction, disgruntled employees, perceptions and expressions on social media, conflict of interest, public’s perception on service delivery performance etc.

The risk assessment results were submitted to the FARMCO on 12 April 2019. The FARMCO workshopped the Strategic and Operational Risk register on 21 June 2019. 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 for 2019/20

TABLE42 STRATEGIC RISK REGISTER 2019/20

RISK DESCRIPTION	CURRENT CONTROLS	RESIDUAL RISK	RISK ACTIONS
Protest action / Civil unrest	<ul style="list-style-type: none"> - Local Economic Development and Social Development Departments in place to implement programmes to improve the socio economic conditions in Cape Agulhas - Traffic and Law Enforcement Units to respond to protest actions and civil unrest. - Collaboration with the SAPS to plan for and deal with protests and riots - Collaboration between councillors and municipal officials to engage with communities to find solutions to problems giving rise to protest actions. - Court interdicts - Business Continuity - Utilisation of an eviction contractor - Councillors and municipal officials to engage with communities to find solutions - Indigent Policy and related and related subsidies - Municipal Infrastructure Grants (MIG) 	High	<ul style="list-style-type: none"> - Report to Portfolio committee on outcomes of Overberg Safety Forum meetings. - MOU between municipalities in district to assist one another.
Illegal Erection of Informal Structures and Land invasions	<ul style="list-style-type: none"> - Weekly surveys done by housing department to prevent land invasions. - Incidents of illegal occupation reported to law-enforcement 	High	<ul style="list-style-type: none"> - Monitor activities and incident reporting of squatter control (law enforcement).

RISK DESCRIPTION	CURRENT CONTROLS	RESIDUAL RISK	RISK ACTIONS
	<ul style="list-style-type: none"> - Land invasion and squatter control policy. - Ongoing training. Inter-departmental SOP (Housing and Law enforcement) - 2 Law Enforcement officers appointed 		<ul style="list-style-type: none"> - Present a proposed action plan to Portfolio committee on dealing with possible future influxes of people. - Review Housing and Squatter control Policies
Financial viability of the municipality	<ul style="list-style-type: none"> - LTFP adopted - June 2015. - Strategies adopted - December 2015 - Revenue Enhancement Strategy 	High	<ul style="list-style-type: none"> - Execution of the revenue enhancement framework (execution of targets within planned periods) - Cleansing and updating of debtors/indigents/informal settlement - Explore the possible utilization of municipal assets (land and buildings) - Monthly report to finance portfolio committee of long-term financial plan and revenue enhancement framework - Formulate KPI's for each manager involved with long term financial and revenue enhancement framework
Restrictive Permit Conditions (Landfill Sites)	<ul style="list-style-type: none"> - Monitoring of the run-off water - Run-off Water Canal from adjacent land - Regional landfill steering committee 	High	<ul style="list-style-type: none"> - Submission of a report to council on the most feasible option for new landfill site
Provision of long-term bulk water supply - source	<ul style="list-style-type: none"> - Water demand management. - Equipment of 2 new boreholes Napier and 1 borehole in Suiderstrand - Monitoring of ground water levels. 	Medium	<ul style="list-style-type: none"> - Drafting of water services development plan. (Budgeting and Procurement) - Complete the equipping of new pump and electricity for boreholes in Suiderstrand and Napier (2-year roll-over budget) - Verification and licensing of all ground water sources and drafting of a groundwater management plan

2.4.1.3 RISK POLICIES AND STRATEGIES

The Municipality has a Fraud and Risk Management Committee (FARMCO) who is the overseer of the municipality's Risk Management. The FARMCO has a Charter which sets out their roles and responsibilities which includes to review the risk management governance documents which are the Risk Management Policy, Risk Management Strategy and Risk Management Implementation Plan and recommend these documents for Councils approval. These documents were reviewed by FARMCO on 12 July 2019. The charter, policy and strategy were later submitted to Council for approval on 23 July 2019 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	23 July 2019 (Council Resolution 131/2019)
Risk Management Policy	Yes	23 July 2019 (Council Resolution 131/2019)
Risk Management Strategy	Yes	23 July 2019 (Council Resolution 131/2019)

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.

TABLE43 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:

TABLE44 IMPLEMENTATION STRATEGIES

KEY RISK AREAS	KEY MEASURES TO CURB CORRUPTION AND FRAUD
Policy	<p>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:</p> <ul style="list-style-type: none"> · What is fraud and corruption? · How do we deal with it when it arises?

	<ul style="list-style-type: none"> · What are the roles and responsibilities? · What are the sanctions?
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;
- accounting policies;
- the adequacy, reliability and accuracy of financial reporting and information;
- performance management;
- effective governance;
- compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation;
- performance evaluation; and any other issues referred to it by municipality.

Cape Agulhas Municipality has separate Audit and Performance Audit Committees 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 two Committees, the meetings are held on the same day and there are no additional costs for the municipality.

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:

TABLE45 MEMBERS OF THE AUDIT COMMITTEE

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. P. Strauss	Chairperson	1/7/2019 – 30/6/2020	19/7/2019
Mr. R. Mitchell	Member	1/7/2019 – 30/6/2020	20/7/2019
Mrs. L Stevens	Member	1/7/2019 – 28/2/2020	26/8/2019
Mr. D Miller	Member	1/8/2019 – 30/6/2020	6/10/2019 7/2/2020 17/4/2020

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 vacancy left by the resignation of Mrs. Salo during the previous financial year (due to personal circumstances) has been filled from 1 August 2019 by Mr. D Miller. Mrs. L Stevens also resigned from the Committee from March 2020 due to a conflict at the time. As a result of the Covid-19 lockdown periods and the effect it has on the municipality’s cash flows, the Committee recommended that the position be frozen until the situation has improved and was approved by Council on 27 August 2020.

2.4.3.3 MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS

TABLE46 MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2019/20	ACTIONS TAKEN ON RECOMMENDATIONS
19 July 2019	<p><i>Resolution 1</i></p> <ul style="list-style-type: none"> i. That the Municipal Manager (MM) intervene and give guidance on a timeframe of consultation and adoption of the revised anti-fraud policy and strategy. ii. The detail of the thirteen risks resolved and the eighteen new risks added be submitted to the Committee at the iii. next meeting scheduled for 26 August 2019. That internal audit arranges with the MM to have a training session by Ms. Stevens (Committee member) at the next MM management meeting as all managers will be available for such training. 	<ul style="list-style-type: none"> I. Policy and strategy have since been finalised and adopted by Council. II. Detail submitted at the next meeting as requested by the Committee. III. Due various delays, unavailability of managers at certain times and the resignation of Mrs. Stevens from the committee the training and the subsequent lockdown period the training could not take place. This has been transferred to the new financial year.
	<p><i>Resolution 2</i></p> <ul style="list-style-type: none"> i. The Business Continuity Management Risks (BCM) risks identified must also be rated in terms of likelihood and impact to determine the inherent and residual risk ratings. 	<p>Risks included in the Plan and rated in terms of the municipality’s approved risk framework.</p>

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2019/20	ACTIONS TAKEN ON RECOMMENDATIONS
	<p>ii. That the BCM risks be included in the 2019/20 risk register.</p> <p><i>Resolution 3</i></p> <p>Internal audit to investigate items on the Auditor-General findings action plan where due dates were not achieved and to obtain new dates that will be set as the final action dates.</p> <p><i>Resolution 4</i></p> <p>That internal audit reviews the top 20 risks identified by the risk management section for possible inclusion in the proposed 2019/20 Risk Based Audit Plan and report back to the Committee at the next meeting scheduled for 26 August 2019. The report back must also include the amendments/additions requested by the AC.</p>	<p>Investigated and new dates determined. Monthly reporting is done to the Council and the Western Cape Provincial Treasury. (The action plan has since been finalised in the new financial year).</p> <p>Top risks were review against the 2019/20 internal audit plan and plan amended where items were included in the plan after the review</p>
<p>26 Augustus 2019</p>	<p><i>Resolution 5</i></p> <p>i. Internal must look at the current contract with service provider to determine their responsibilities regarding recovery of fines as well as their fees structure.</p> <p>ii. Feedback to be given at the next Committee meeting.</p> <p><i>Resolution 6</i></p> <p>That the Council reconsider the current agreement with Kassiesbaai on the payment of services and to allow the residents to pay their accounts directly to the municipality.</p> <p><i>Resolution 7</i></p> <p>That the amounts owed by Councillors to the municipality be reported to Council and to the Committee quarterly.</p>	<p>After a high level review this item was included in the 2019/20 internal audit plan for a full audit.</p> <p>This is an ongoing negotiation with the board</p> <p>Reporting included in the financial reports to Council and the Committee</p>

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2019/20	ACTIONS TAKEN ON RECOMMENDATIONS
	<p><i>Resolution 8</i></p> <p>Internal audit must submit a progress report on the action taken on the Committee annual assessment of the internal audit unit to the Committee during its quarterly meetings</p>	<p>Included as a standing item on the quarterly Committee meetings</p>
<p>16 October 2019</p>	<p><i>Resolution 9</i></p> <p>i. The matter of the Kassiesbaai payments for services must be included as a standing item on the Committee agenda.</p> <p>ii. Internal Audit must review the current MOU in terms of the payment arrangements and possibility of individual residents being allowed to pay there accounts directly to the municipality and not via the union.</p>	<p>This is an ongoing negotiation with the board</p>
	<p><i>Resolution 10</i></p> <p>The risk item regarding the functionality of the HR system is referred back to risk management for clarification of “functionality” vs. “Usage”.</p>	<p>Item was referred back and re-assessed by the risk management section and the Fraud and Risk management Committee (FARMCO) and resolved</p>
	<p><i>Resolution 11</i></p> <p>A condensed version of the DR plan must be developed and included as an Annexure to the Business Continuity Plan.</p>	<p>Item developed by the risk management section and now included in the business continuity plan</p>
	<p><i>Resolution 12</i></p> <p>That item 8.1 of the audit finding on the follow-up audit on the leasing of municipal properties be investigated by internal audit and included in the 2019/20 RBAP.</p>	<p>Audit delayed due to the lockdown and will be performed in the next financial year.</p>
<p>7 February 2020</p>	<p><i>Resolution 13</i></p> <p>I. The review of the Kassiesbaai MOU and TMT contract must be included in the Internal Audit Risk Based Audit Plan (RBAP for 2019/20).</p> <p>II. The risk regarding compliance with the landfill site permit conditions must be taken to FARMCO as an emerging risk.</p> <p>III. Audit if the allocation of a leasing contract as indicated in the audit findings must be included in the 2019/20 RBAP.</p>	<p>i. Included in the RBAP but due to the lockdown period, changes to the board and current negotiations this item has been put on hold.</p> <p>ii. Item taken FARMCO, included in the internal audit plan and audited during the year under review.</p> <p>iii. Included in the plan, followed up and is being monitored by way of the internal audit tracking document on the implementation of audit recommendations.</p>

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2019/20	ACTIONS TAKEN ON RECOMMENDATIONS
	<p><i>Resolution 14</i></p> <p>Due to country wide problems with illegal immigrants and xenophobia this risk must be taken to FARMCO for consideration.</p>	<p>Considered by FARMCO and included in the risk register</p>
	<p><i>Resolution 15</i></p> <p>This matter of the procurement plan outstanding updates must be escalated to the Municipal Manager (MM).</p>	<p>Escalated to the MM and taken to the management meetings</p>
	<p><i>Resolution 16</i></p> <p>It is recommended that the Senior Internal Auditor be send on an advanced Excel course online as soon as possible as this has a direct impact on the internal audit's use of CAATS during its audit rather than wait for the municipality's official course.</p>	<p>The auditor was sent on the course during September/October 2020 (new financial year).</p>
	<p><i>Resolution 17</i></p> <p>i. The Committee's concerns regarding the management of the Essential Motor Scheme must be included in the Committees quarterly report to Council for the quarter ended March 2020.</p> <p>ii. The follow-up audit on this matter must be scheduled for early next financial year in the 2020/21 RBAP.</p>	<p>i. Concerns were included in the Committee's quarterly report to Council</p> <p>ii. The follow-up audit has been included in the internal audit plan for 2020/21</p>
	<p><i>Resolution 18</i></p> <p>That the Council be approached to have the current vacant Audit Committee position be frozen to save cost until such time as the municipality's revenue situation and cash flow has returned to normal.</p>	<p>Council approved the freezing of the position on 27 August 2020</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:

TABLE47 MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. P. Strauss	Chairperson	1/7/2019 – 30/6/2020	19/7/2019
Mr. R. Mitchell	Member	1/7/2019 – 30/6/2020	20/7/2019
Mrs. L Stevens	Member	1/7/2019 – 28/2/2020	6/10/2019
Mr. D Miller	Member	1/8/2019 – 30/6/2020	7/2/2020 17/4/2020

2.4.4.3 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS

TABLE48 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2016/17	ACTIONS TAKEN ON RECOMMENDATIONS
2 July 2018	No additional recommendations required	-
28 September 2018	No additional recommendations required	-
26 November 2018	No additional recommendations required	-
14 January 2019	No additional recommendations required	-

18 April 2019	No additional recommendations required	-
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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:

TABLE49 INTERNAL AUDIT FUNCTIONS

FUNCTION	DATE/NUMBER
▪ Execution of the Risk Based Audit Plan for 2019/20	▪ Ongoing during the financial year
▪ Attendance of management, Mayco, Council and financial Portfolio Committee meetings where required to be knowledgeable in the municipal environment as well as challenges and risks facing the municipality	▪ Ongoing during the financial year
▪ Monitoring the progress made with the implementation of the Auditor-General findings correction action plan	▪ Ongoing during the financial year
▪ Assisting with the annual risk assessment process	▪ 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

FUNCTION	DATE/NUMBER
<ul style="list-style-type: none"> ▪ Attending the Chief Audit Executive and Chief Risk Officers forums as well as local district internal audit forums where experiences and best practices are shared 	<ul style="list-style-type: none"> ▪ Ongoing during the financial year
<ul style="list-style-type: none"> ▪ Auditing of and issuing audit reports on: <ul style="list-style-type: none"> ○ Municipality's compliance with Laws and Regulations ○ Unauthorised, irregular and fruitless and wasteful expenditure for the 2018/19 financial year ○ Performance measurements and achievement of the municipality's annual performance targets ○ Performance measurements and achievement of the Director's annual performance targets ○ The municipality's risk management process ○ Municipality's anti-fraud and corruption governance ○ Control over the building plan approval process ○ Management of the essential motor vehicle scheme ○ Follow-up on combined assurance audit recommendations ○ Follow-up on ethics audit recommendations ○ Review of the adherence to the Bredasdorp landfill site permit conditions ○ Payroll management ○ Management of property valuation 	<ul style="list-style-type: none"> ▪ 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:

TABLE50 POLICIES DEVELOPED AND REVIEWED

POLICY	STATUS	DATE APPROVED	RESOLUTION
Policy: Illegal occupation of property	New	25 February 2020	45/2020
Policy: CAM Maintenance Management Policy	New	26 March 2020	57/2020
Policy: Social Welfare policy (Disaster: Covid-19 support directive)	Review and Amendment	29 May 2020	69/2020
Policy: CAM Maintenance Management Policy	New	15 June 2020	81/2020
Policy Integrated Waste Management Plan Review	Review	15 June 2020	82/2020

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 above mentioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of Batho Pele and this, in simple terms, means that those we elect to represent us (councillors at the municipal level) and those who are employed to serve us (the municipal officials at municipal level) must always put people first in what they do.

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

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

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 the District Communicators Forum and Provincial Communicators Technical (COMMTECH) Forum.

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.
- The unit designed and produced a Covid-19 awareness booklet that was distributed to staff especially those who do not have access to computers and internet at work.
- Municipal Matters on Radio Overberg moved to a new timeslot. During lockdown level 5 we had no fixed slot but rather broadcasted key messages from National, Provincial, District and local municipalities.
- CAM Communication assisted with the planning of the two different Consider Cape Agulhas Summits. We were responsible for the marketing and media of the summit. We also managed the process of design and approval of the Consider Cape Agulhas logo.
- In partnership with Open Up, and Laws.Africa we assisted two other municipalities with setting up of open by-law website.
- 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.
- Regular stock photos for tourism purposes.
- Tourism related stock photos.
- 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.
- Management of new social media platforms: CAM Instagram, CAM Youth Facebook, Discover Cape Agulhas Facebook (Tourism) and CAM Libraries Facebook.
- Management and distribution of complaints received via social media.

- Formulation of responses to questions and comments on social media.
- CAM Communication was on the forefront of communicating key messages to the public in relation to Covid-19.
- We took initiative in content creation about Covid-19 awareness. We received a lot of requests from provincial government and all the local municipalities of the Western Cape to distribute our design for them to use on their platforms as well.
- The senior communication officer did extensive advertising and coverage of Department: Health’s screening and testing campaigns. The photos went viral on social media and got front page coverage in different newspapers, even outside of Cape Agulhas Municipal region like the Hermanus Times.
- Video interviews were conducted and produced for social media with the Executive Mayor and the Regional Manager of the Hospitals. These videos were also converted to audio and broadcasted on radio.
- Our IT Department created a YouTube Channel where our Council Meetings was broadcasted through.
- CAM in partnership with Radio Overberg hosted a CAMMAD (Cape Agulhas Municipality Make a Difference) weekend with a focus on No Violence against Women and Children. The Senior Communication Officer was the Master of Ceremony during the Friday Night’s event.

2.4.7.2 COMMUNICATION POLICIES AND STRATEGIES

TABLE51 COMMUNICATION 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 is used as and when required.

a) Newsletters

TABLE52 NEWSLETTER DISTRIBUTION

TYPE OF NEWSLETTER	NUMBER DISTRIBUTED	CIRCULATION NUMBER	DISTRIBUTION
Internal	1	+/- 350	Annual
External	2	+/- 10 000 households	Bi Annual

b) Other communication channels

TABLE53 ADDITIONAL COMMUNICATION CHANNELS

CHANNEL	YES/NO	NUMBER OF PEOPLE REACHED	NUMBER OF PEOPLE REACHED
		2018/19	2019/20
Facebook	Yes	58 425 (on average per month)	130 735 (random month, May 2020)

Twitter	Yes	208	670 (impressions per tweet on average)
Instagram	Yes	N/A	589
SMS system	Yes	5980	6230
E-mail newsflashes	Yes	2290	2300
Radio (weekly slot)	Yes	20 000 RAMS (6 months)	20 000 RAMS (6 months)
YouTube	Yes	N/A	81 subscribers

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.

We have our by-laws on a microsite that is linked to the municipal website. By-laws are available in English and Afrikaans on the microsite in three formats ePUB, HTML and PDF for download or viewing purposes. The by-laws are published through a partnership between Cape Agulhas Municipality, OpenUp and Laws.Africa.

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

TABLE 59 WEBSITE CHECKLIST

DESCRIPTION OF INFORMATION AND/OR DOCUMENT	PUBLISHED YES/NO
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
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
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	

Budget 2019/20	Yes
Adjusted Budget 2019/20	Yes
Asset Management Policy	Yes
Masakhane - Debt Collection and Credit Control Policy	Yes
Funds and Reserves Policy	Yes
Investment Policy	Yes
Rates Policy	Yes
Supply Chain Management Policy	Yes
Budget & Virement Policy	Yes
Petty Cash Policy	Yes
Borrowing Policy	Yes
Top layer SDBIP 2019/20	Yes
Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2019/20	Yes
IDP Process Plan for 2019/20 (Time schedule of key deadlines)	Yes
Reports (Sections 52(d), 71, 72 & 75(1)(c) and 129(3) of the MFMA)	
Annual Report of 2018/19	Yes
Oversight reports 2018/19	Yes
Mid-year budget and performance assessment (Approved 25 January 2020)	Yes
Quarterly reports	Yes
Monthly Budget Statements	Yes
Local Economic Development (Section 26(c) of the MSA)	
Local Economic Development Strategy	Yes
Performance Management (Section 75(1)(d) of the MFMA)	
Performance Agreements for employees appointed as per Section 57 of MSA	Yes
Assurance Functions (Sections 62(1), 165 & 166 of the MFMA)	
Internal Audit Charter	Yes
Audit Committee Charter	Yes
Risk Management Strategy & Implementation Plan	Yes

TABLE 54 BY-LAWS

Cape Agulhas By-laws
Website link: https://capeagulhas.openbylaws.org.za/
DESCRIPTION OF BY-LAW
Beaches
Credit Control and Debt Collection
Electricity Supply
House Shops
Keeping of Animals, Bees and Poultry
Liquor Trading Hours
Municipal Land Use Planning
Problem Building
Property Rates
Public Nuisances
Refuse Removal
Rules of Order Regulating the Conduct of Meetings
Rules of Order for Internal Arrangements
Street Trading
Streets
Tariff Policy
Wastewater
Water

2.4.9 CLIENT SERVICES

In order to achieve the municipality's mission statement *"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"* we strive to continuously develop ways to ensure that in dealing with customers we demonstrate our value system based on the national Batho Pele principles which has been translated as *"people first"* and emphasises the values of *"customers first"*.

Our aim is to improve on customer loyalty and customer satisfaction within our municipality by placing all people at the centre of development. Furthermore, whenever customers contact us, we will make sure that they will consistently experience high standards of service excellence.

In order to achieve customer service excellence, our value system is based upon the eight Batho Pele Principles which brings services closer to the people and aims to serve. The name Batho Pele means “People First” and the eight principles set out in it are the foundation of our Government’s approach to guide all interaction between Government institutions and the public. The eight Batho Pele Principles includes:

- **Consultation** - The public should be consulted about the level and quality of public services they receive and, where possible, should be given a choice about the service offered.
- **Service Standards** - The public should be informed what level and quality of public service they will receive, so that they are aware of what they can expect.
- **Courtesy** - The public should always be treated with courtesy and consideration.
- **Access** - All members of the public should have equal access to services they are entitled to.
- **Information** - The public should have accurate information about the services they are entitled to receive.
- **Openness and Transparency** - The public should be told how administrations are run, how much they cost and who is in charge.
- **Redress** - If the promised service is not delivered, the public should be offered an apology, a full explanation, and a speedy and effective remedy, and when complaints are made, the public should receive a sympathetic and positive response.
- **Value for money** - Public services should be provided economically and efficiently in order to give citizens the best possible value for money.

The Batho Pele Principles are all about giving good customer services to the end-users of government services. All public servants are therefore required to practise the Batho Pele Principles throughout their various day-to-day functioning. Excellent service delivery leads to happier customers and employee satisfaction.

As an organization, Cape Agulhas Municipality constantly reminds its staff that there must be a commitment to the following values that will guide our interactions with customers. These values will be the cornerstone of our customer focused approach.

- Courtesy and Respect
- Good Customer Care
- Service Excellence
- Integrity and Professionalism
- Mutual trust and Understanding

TABLE55 CLIENT SERVICE ACTIVITIES

CLIENT SERVICE ACTIVITIES	YES/NO	DATE /COMPLETED
Functional complaint management system	Yes	Continuous
Management of complaints and status reporting	Yes	Continuous
Customer satisfaction survey	Yes	July 2019
Mini-Customer Care Surveys	Yes	Quarterly
Complaints quality assurance	Yes	Continuous
Client Services Charter review	Yes	To be done in collaboration with the provincial communication unit.

Functional after-hours emergency desk	Yes	Continuous
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Client Services uses alternative ways to improve service delivery in the community, which includes but are not limited to the following:

- Daily scanning of social media to identify issues raised. These issues are being logged on our Collaborator Service request 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.
- Complaints reports submitted to all Directorates.
- Biweekly inspections are being conducted to identify issues and assess quality assurance of complaints. 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.

The complaints report from the Collaborator system for 2019/20 is below:

FIGURE 9 COMPLAINTS REPORT FOR 2019/20

TOTAL COMPLAINTS	COMPLETED	NOT COMPLETED
2906	2870	36

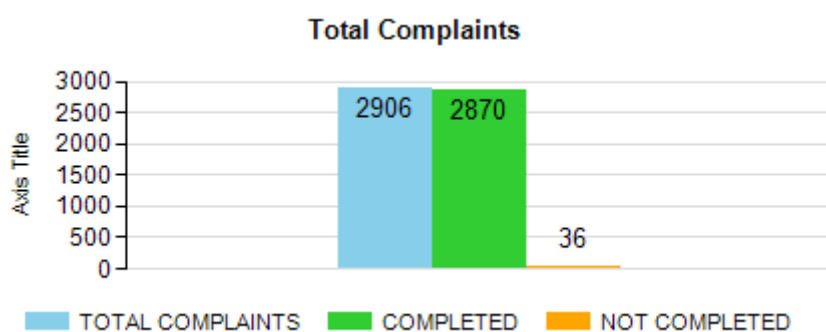


TABLE56 COMPLAINTS PER TOWN

TOWNS	COMPLAINTS FINALISED	COMPLAINTS OUTSTANDING	TOTAL
Agulhas	95	9	104
Aniston	4	0	4
Arniston	58	0	58
Bredasdorp	1833	9	1842
Elim	4	0	4
Klipdale	11	0	11

Napier	410	13	423
Protem	5	0	5
Struisbaai	439	5	444
Suiderstrand	11	0	11
Total	2870	36	2906

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.

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.

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 2019/20 financial year:

TABLE57 BID COMMITTEE MEETINGS

BID SPECIFICATION COMMITTEE	BID EVALUATION COMMITTEE	BID ADJUDICATION COMMITTEE
21	28	25

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

TABLE58 ATTENDANCE OF MEMBERS OF BID SPECIFICATION COMMITTEE

MEMBERS	PERCENTAGE ATTENDANCE
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There are no permanent members on the Bid Specification Committee. Members are allocated dependent on the type of bid	100%
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The attendance figures of members of the bid evaluation committee are as follows:

TABLE59 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:

TABLE60 ATTENDANCE OF MEMBERS OF BID ADJUDICATION COMMITTEE

Member	Percentage attendance
H Van Biljon (Director: Finance & ITC Services)	92 %
S Stanley (Manager: Budget & Treasury Office)	68%
H Kröhn (Director: Management Services)	92%
A Jacobs (Director: Infrastructure Services)	80%
N Mhlati-Musewe (Division Head: Human Resources)	40%
T Stone (Division Head: Strategic, Planning & Administration Services)	84%
R Sefoor (manager: Supply Chain & Fleet Management)	100%

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.

TABLE61 SUMMARY OF AWARDS MADE BY BAC

AWARDS	1 st Quarter		2 nd Quarter		3 rd Quarter		4 th Quarter		Year to Date	
	1 July – 30 September 2019		1 October – 31 December 2019		1 January – 31 March 2020		1 April – 30 June 2020		1 July 2019 – 30 June 2020	
	QTY	Amount	QTY	Amount	QTY	Amount	QTY	Amount	QTY	Amount

Competitive Bids	7	R 4 210 157,60	7	R 8 136 818,70	15	R 42 981 547,93	6	R 4 439 393,48	35	R 59 767 917,71
Formal Written Quotations	5	R 556 926,94	1	R 76 000,00	4	R 361 165,97	3	R 319 406,75	13	R 1 313 499,66
Deviation in Terms of Part 18.6.3 Of The SCMPOS	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00
Sale of Erven	0	R 0,00	0	R 0,00	8	R 545 623,89	0	R 0,00	8	R 545 623,89
Extensions / Amendment of Contracts in Terms of Part 20.14 Of The SCMPOS	0	R 0,00	3	R 381 562,50	3	R 183 029,04	2	R 64 853,87	8	R 564 591,54
Procurement in Terms SCM Regulation 32	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00
Number of Disputes, Complaints, Enquiries and Objections Received	0		1		1		1		3	

b) Ten highest bids

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

TABLE62 SUMMARY OF TEN HIGHEST BIDS

TENDER NR	DEPARTMENT	DIVISION	DESCRIPTION	SUCCESSFUL TENDERER	CONTRACT AMOUNT
SCM13/2019/20	Infrastructure services	Water & sewerage	Upgrading of the Wastewater treatment works in Bredasdorp	Khubeka Construction	R 35 200 632,44
SCM23/2019/20	Infrastructure services	Water & sewerage	Supply & delivery of domestic water meters for a period of 3 years	Elster Kent Metering pty ltd	R 2 863 500,00
SCM21/2019/20	Infrastructure services	Water & sanitation	Maintenance contract of mechanical and electrical equipment for water & Sanitation infrastructure for the period ending 30 June 2022	Hidro-tech systems pty ltd	R2 709 860,00
SCM9/2019/20	Infrastructure services	Streets & stormwater	The upgrading of RDP roads in Bredasdorp (phase 2)	Meyer Beton	R 2 337 508,83

SCM15/2019/20	Infrastructure services	Streets & stormwater	The construction of water & road services for light industrial erven in Struisbaai	Cape Agulhas Civils CC	R 1 671 007,50
SCM32/2018/20	Strategic, Planning & Admin	Town planning	Planning, survey, environmental, engineering and architectural services to develop the Waenhuiskrans node behind the resort	Aurecon South Africa PTY LTD	R 1 384 688,21
SCM11/2019/20	Infrastructure services	Water & sewerage	8000l vacuum tanker sewerage truck	Shorts Nissan cc	R 1 242 271,40
SCM27/2019/20	Infrastructure services	Water & sewerage	The replacement of existing pipe systems in Bredasdorp	Futi Construction	R 1 093 771,90
SCM11/2019/21	Infrastructure services	Water & sewerage	3 x 2000cc 1 tonner LDV (4x2) with roof carriers mounted on canopy	Isuzu Truck centre (PTY) LTD	R 1 007 279,25
SCM14/2019/20	Infrastructure services	Streets & stormwater	Paving of sidewalks in Cape Agulhas area	Cape Agulhas Civils cc	R868 652,50

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 40 bids over the value of R100 000 during the 2019/20 financial year.

TABLE63 REPORTED BIDS OVER R100 000

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T99/2019	CONSTRUCTION OF 2 WOODEN STRUCTURE PAVILIONS AT STRUISBAAI SPORTSGROUND (Q3-2019-20)	BRIGHT IDEA PROJECTS 322 CC	Level 1	Price Quotations	R 143 750,00	R 143 750,00	-	R 143 750,00
T96/2019	FINANCIAL MANAGEMENT & ACCOUNTING SERVICES FOR A PERIOD OF 3 YEARS (SCM1-2019-20)	SIYANDA BUSINESS SOLUTIONS	Level 4	Competitive Bids	R 1 755 755,40	R 1 755 755,40	-	R 1 755 755,40

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T97/2019	FINANCIAL SERVICES - UNBUNDLING OF INFRASTRUCTURE ASSET ACCORDING TO GRAP 17 FOR A PERIOD OF 3 YEARS (SCM2-2019-20)	MUBESKO AFRICA (PTY) LTD	Non-compliant contributor	Competitive Bids	R 2 013 627,00	R 2 013 627,00	-	R 2 013 627,00
T93/2019	PROFESSIONAL SERVICES: PLANNING, SURVEY, ENVIRONMENTAL AND ARCHITECTURAL SERVICES TO DEVELOP THE WHK NODE BEHIND THE RESORT (SCM32-2018-19)	AURECON SOUTH AFRICA (PTY) LTD	Level 1	Competitive Bids	R 1 384 688,21	R 1 384 688,21	-	R 1 384 688,21
T92/2019	PROFESSIONAL SERVICES: TO DEVELOP THE DUIKER STREET TO STRUISBAAI HARBOUR PRECINT DEVELOPMENT PLAN WITH PROPOSED AND USES AS PART OF THE CAM SDF PROCESS. (SCM32-2018-19)	COASTAL ENVIRONMENTAL SERVICES (PTY) LTD	Level 1	Competitive Bids	R 803 750,54	R 803 750,54	-	R 803 750,54
T107/2019	PROVISION OF SECURITY SERVICES AT THE THUSONG CENTRE FOR A PERIOD OF 12 MONTHS (SCM7-2019-20)	BREDASDORP ARMED RESPONSE	Level 1	Competitive Bids	R 168 480,00	R 168 480,00	-	R 168 480,00
T112/2019	SUPPLY & DELIVERY OF 900KG VIBRATORY ROLLER (SCM10-2019-20)	BELL EQUIPMENT SALES SA LTD	Level 3	Competitive Bids	R 202 400,00	R 202 400,00	-	R 202 400,00
T95/2019	SUPPLY & DELIVERY OF OFFICE FURNITURE (Q1-2019-20)	PARKERSON THOMAS TECHNOLOGIES CC	Level 1	Competitive Bids	R 160 850,50	R 160 850,50	-	R 160 850,50

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T110/2019	SUPPLY & DELIVERY OF RIDE ON LAWNMOWER. (Q5-2019-20)	MEMOTEK TRADING	Level 1	Price Quotations	R 131 073,91	R 131 073,91	-	R 131 073,91
T106/2019	SUPPLY, INSTALLATION OF OUTDOOR GYM EQUIPMENT IN NAPIER & WHK (SCM5-2019-20)	CI STEYN TRADING AND PROJECTS	Level 1	Competitive Bids	R 257 176,00	R 257 176,00	-	R 257 176,00
T121/2019	ENVIRONMENTAL IMPACT ASSESSMENT STRUISBAAI NORTH CEMENTRY (SCM3-2019-20)	INFINITY ENVIRONMENTAL	Level 2	Competitive Bids	R 103 500,00	R 103 500,00	-	R 103 500,00
T128/2019	PAVING OF SIDEWALKS IN CAPE AGULHAS AREA (SCM14-2019-20)	CAPE AGULHAS CIVILS CC	Level 3	Competitive Bids	R 868 652,50	R 868 652,50	-	R 868 652,50
T118/2019	REFURBISHMENT OF BREDASDORP TRAFFIC DEPARTMENT VEHICLE INSPECTION PIT. (SCM6-2019-20)	LUCOR CONSTRUCTION PTY LTD	Level 4	Competitive Bids	R 314 915,14	R 314 915,14	-	R 314 915,14
T123/2019	SUPPLY & DELIVERY OF VARIOUS NEW VEHICLE - 3X2000CC 1 TONNER LDV (4X2) WITH ROOF CARRIERS MOUNTED ON CANOPY. (SCM11-2019-20)	ISUZU TRUCK CENTRE (PTY) LTD	Level 3	Competitive Bids	R 1 007 279,25	R 897 986,91	R 109 292,34	R 1 007 279,25
T137/2019	SUPPLY & DELIVERY OF VARIOUS NEW VEHICLES - 8000L VACUUM TANKER SEWERAGE TRUCK. SCM11-2019-20	SHORT NISSAN CC	Level 2	Competitive Bids	R 1 242 271,40	R 1 195 169,85	R 47 101,55	R 1 242 271,40
T126/2019	SUPPLY & DELIVERY OF VARIOUS NEW VEHICLES - LIGHT COMMERCIAL VEHICLE LDV. (SCM11-2019-20)	GEAT SERVICES (PTY) LTD	Level 1	Competitive Bids	R 244 397,65	R 244 397,65	-	R 244 397,65

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T125/2019	SUPPLY & DELIVERY OF VARIOUS NEW VEHICLES - SEDAN/HATCHBACK TRAFFIC VEHICLE (1500CC/1600CC). (SCM11-2019-20)	GEAT SERVICES (PTY) LTD	Level 1	Competitive Bids	R 255 286,43	R 244 282,40	R 11 004,03	R 255 286,43
T136/2019	THE CONSTRUCTION OF WATER & ROAD SERVICES FOR LIGHT INDUSTRIAL ERVEN IN STRUISBAAI (SCM15-2019-20)	CAPE AGULHAS CIVILS CC	Level 3	Competitive Bids	R 1 671 007,50	R 1 671 007,50	-	R 1 671 007,50
T119/2019	THE UPGRADING OF RDP ROADS IN BREDASDORP. (SCM9-2019-20)	MEYER BETON	Level 2	Competitive Bids	R 2 337 508,83	R 2 337 508,83	-	R 2 337 508,83
T5/2020	SUPPLY & DELIVERY OF DOMESTIC WATER METERS FOR A PERIOD OF 3 YEARS (SCM23/2019/20)	ELSTER KENT METERING PTY LTD	Level 2	Competitive Bids	R 2 863 500,00	R 2 863 500,00	-	R 2 863 500,00
T2/2020	UPGRADING OF THE WASTEWATER TREATMENT WORKS IN BREDASDORP	KHUBEKA CONSTRUCTION	Level 2	Competitive Bids	R 35 200 632,44	R 35 200 632,44		R 35 200 632,44
T11/2020	SUPPLY & DELIVERY OF 1 PORTABLE AIR QUALITY MONITOR SYSTEM (SCM22/2019/20)	MATTER INDUSTRIES PTY LTD	Level 2	Competitive Bids	R 187 645,50	R 187 645,50	-	R 187 645,50
T12/2020	RENDERING OF SANITARY BINS TO THE CAPE AGULHAS MUNICIPALITY FOR A PERIOD AF 3 YEARS (SCM24/2019/20)	BIDVEST STEINER PTY LTD	Level 3	Competitive Bids	R 115 973,74	R 115 973,74		R 115 973,74
T14/2020	CONSTRUCTION OF PEDESTRIAN BRIDGE IN BREDASDORP (SCM19/2019/20)	CAL CONSTRUCTION	Non-Compliant Contributor	Competitive Bids	R 648 538,70	R 648 538,70		R 648 538,70

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T18/2020	SAFEGAURDING OF RECEPTIONIST AREA AT LÁGULHAS & NAPIER OFFICES (SCM31/2019/20)	DC ZEEMAN T/A ALUMINIUM DESIGN & GLASS	Level 1	Competitive Bids	R 167 300,00	R 167 300,00		R 167 300,00
T21/2020	THE REPAIR AND RESEAL OF ROADS IN BREDASDORP SCM28/2019/20	CAPE AGULHAS CIVILS CC	Level 3	Competitive Bids	R 854 852,50	R 854 852,50		R 854 852,50
T22/2020	CIVIL WORKS FOR LESEDI CONTAINERS PROJECT, BREDASDORP SCM29/2019/20	CAPE AGULHAS CIVILS CC	Level 3	Competitive Bids	R 357 362,50	R 357 362,50		R 357 362,50
T24/2020	PAVING OF WAENHUISKRANS SPORTSGROUND Q9/2019/20	AD DIEDERICKS CONSTRUCTION PTY LTD	Level 1	Competitive Bids	R 132 131,00	R 132 131,00		R 132 131,00
T23/2020	BUILDING OF ABLUTION FACILITY IN NAPIER SCM30/2019/20	ANNYS TRADING PTY LTD	Level 2	Competitive Bids	R 374 150,00	R 374 150,00		R 374 150,00
T26/2020	THE REPLACEMENT OF EXISTING PIPE SYSTEMS IN BREDASDORP SCM27/2019/20	FUTI CONSTRUCTION	Level 2	Competitive Bids	R 1 093 771,90	R 1 093 771,90		R 1 093 771,90
T27/2020	SUPPLY, DELIVERY & INSTALLATION OF WINDOWS, DOORS & SAFETY GATES FOR OU MEULE CONTAINER PROJECT BREDASDORP SCM35/2019/20	ANNYS TRADING PTY LTD	Level 1	Competitive Bids	R 157 920,00	R 157 920,00		R 157 920,00
T28/2020	SUPPLY, DELIVERY & BUILDING OF ROOFS FOR OU MEULE CONTAINER PROJECT BREDASDORP SCM35/2019/20	S VALENTINE	Level 1	Competitive Bids	R 132 433,40	R 132 433,40		R 132 433,40
T45/2020	DESIGN, SUPPLY & DELIVERY OF MODIFIED SHIPPING	CONTAINER CONSUMABLES AND INDUSTRIAL SUPPLIES CC	Level 1	Competitive Bids	R 664 010,00	R 664 010,00	-	R 664 010,00

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
	CONTAINERS <u>SCM42/2019/20</u>							
T51/2020	DRILLING OF GROUNDWATER MONITORING BOREHOLES AT THE BREDASDORP SOLID DISPOSAL SITE <u>SCM39/2019/20</u>	SENZOGYSTIX PTY LTD	Level 4	Competitive Bids	R 131 473,75	R 131 473,75		R 131 473,75
T49/2020	REMOVAL AND INSPECTION OF EXISTING EQUIPMENT (12 BOREHOLES) , INSTALLATION OF DIP TUBES (12 BOREHOLES) AND POSSIBLE INSTALLATION OF UPVC CASING AT TWO NEW BOREHOLES IN THE CAPE AGULHAS LOCAL MUNICIPALITY ton of uPVC casing at Two New Boreholes in the Cape Agulhas Local Municipality <u>Q18/2019/20</u>	OCEAN TRADING 86 CC T/A AQUIFER	Level 2	Formal Written Quotation	R 192 906,75	R 192 906,75		R 192 906,75
T60/2020 - T67/2020	SUPPLY & DELIVERY OF TRAFFIC & LAW ENFORCEMENT UNIFORMS FOR A PERIOD OF 3 YEARS - <u>SCM25/2019/20</u>	SPARKS & ELLIS UNIFORMS	Level 1	Competitive Bids	R 133 732,24	R 133 732,24	-	R 133 732,24
T68/2020 - T72/2020	SUPPLY & DELIVERY OF TRAFFIC & LAW ENFORCEMENT UNIFORMS FOR A PERIOD OF 3 YEARS - <u>SCM25/2019/21</u>	IMVELO CENTRIC	Level 1	Competitive Bids	R 171 769,75	R 171 769,75		R 171 769,75
T54/2020	MAINTENANCE CONTRACT OF MECHANICAL AND ELECTRICAL EQUIPMENT FOR WATER & SANITATION	HIDRO-TECH SYSTEMS PTY LTD	Level 2	Competitive Bids	R 2 709 860,00	R 2 709 860,00		R 2 709 860,00

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
	INFRASTRUCTURE FOR THE PERIOD ENDING 30 JUNE 2022 - <u>SCM21/2019/20</u>							
T57/2020	REPLACEMENT OF WATER BULK METERS - <u>SCM32/2019/20</u>	RE-SOLVING CONSULTING	Level 2	Competitive Bids	R 499 034,74	R 499 034,74		R 499 034,74
Total					R 61 855 369,17	R 61 687 971,25	R 167 397,92	R 61 855 369,17

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

TABLE64 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	17	R 5 108 749,63	R 5 097 745,60	R 11 004,03
Level 2	11	R 46 804 781,56	R 46 757 680,01	R 47 101,55
Level 3	7	R 5 077 527,99	R 4 968 235,65	R 109 292,34
Level 4	3	R 2 202 144,29	R 2 202 144,29	-
Non-Compliant Contributor	2	R 2 662 165,70	R 2 662 165,70	-
Total	40	R 61 855 369,17	R 61 687 971,25	R 167 397,92

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 2019/20 financial year.

2.4.10.3 DEVIATIONS FROM NORMAL PROCUREMENT PROCESSES

The following table provides a summary of deviations approved for the 2019/20 financial year:

TABLE65 SUMMARY OF DEVIATIONS FOR 2019/20

Number of deviations	Value of deviations
Deviations for amounts below R30 000:	
31	R308 086.34
Deviations for amounts above R30 000:	
17	R1 116 115.18
Deviations for amounts above R200 000:	
2	R1 853 669.75

TABLE66 BREAKDOWN OF DEVIATIONS 2019/20

Deviations from Minor Breaches of the Supply Chain Management Policy (SCM Regulations 36 (1) (a), (i) (ii), (iii), (iv)&(v))

Deviations from Minor Breaches of the Supply Chain Management Policy (SCM Regulations 36 (1) (a), (i) (ii), (iii), (iv)&(v))			
<i>Deviations below R30 000</i>	YTD 2017/18	YTD 2018/19	YTD 2019/20
36 (1) (a) (i): Emergency	R0,00	R12 046,25	R45 336,71
36 (1) (a) (ii): Sole Provider	R111 482,88	R300 592,55	R48 724,25
36 (1) (a) (iii): Special Works of art	R0,00	R0,00	R0,00
36 (1) (a) (iv): Animals for zoos	R0,00	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R190 262,40	R269 997,67	R214 025,38
BELOW R30 000	R301 745,28	R582 636,47	R308 086,34
<i>Deviations above R30 000</i>			
36 (1) (a) (i): Emergency	R0,00	R568 603,47	R363 266,45
36 (1) (a) (ii): Sole Provider	R182 345,32	R576 754,67	R0,00
36 (1) (a) (iii): Special Works of art	R0,00	R0,00	R0,00
36 (1) (a) (iv): Animals for zoos	R0,00	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R182 326,03	R689 278,80	R752 848,73
ABOVE R30 000	R364 671,35	R1 834 636,94	R1 116 115,18
<i>Deviations above R200 000</i>			
36 (1) (a) (i): Emergency	R0,00	R0,00	R1 853 669,75
36 (1) (a) (ii): Sole Provider	R0,00	R287 500,00	R0,00
36 (1) (a) (iii): Special Works of art	R0,00	R0,00	R0,00

36 (1) (a) (iv): Animals for zoos	R0,00	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R0,00	R0,00	R0,00
ABOVE R200 000	R0,00	R287 500,00	R1 853 669,75
TOTAL SUMMARISED DEVIATIONS:			
36 (1) (a) (i): Emergency	R0,00	R580 649,72	R2 262 272,91
36 (1) (a) (ii): Sole Provider	R293 828,20	R1 164 847,22	R48 724,25
36 (1) (a) (iii): Special Works of art	R0,00	R0,00	R0,00
36 (1) (a) (iv): Animals for zoos	R0,00	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R372 588,43	R959 276,47	R966 874,11
TOTAL AMOUNT OF DEVIATIONS APPROVED	R666 416,63	R2 704 773,41	R3 277 871,27

2.4.10.4 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 services 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 annual stock count took place on Monday 29 June 2020. No surpluses or deficits was found during the stock count.

TABLE67 STOCK VALUE AT MUNICIPAL STORES

	OPENING VALUE	PURCHASES VALUE	ISSUES VALUE	BALANCE VALUE
Store A – Bredasdorp Stores	R 1 480 677,82	R 317 262,14	-R 160 074,92	R 1 637 865,04
Store B – Electrical Stores	R 102 375,00	R 0,00	R 0,00	R 102 375,00
Store C – Struisbaai Stores	R 153 548,95	R 8 175,21	-R 20 880,41	R 140 843,75
Total value of stock	R 1 736 601,77	R 325 437,35	-R 180 955,33	R 1 881 083,79

2.4.10.5 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 2019/20 financial year.

TABLE68 PROCUREMENT STATISTICS

REQUISITION S PER DEPARTMEN T	1st Quarter 'JULY - SEPTEMBER 2018		2nd Quarter 1 October – 31 December 2018		3rd Quarter 1 January – 31 March 2019		4th Quarter 1 April – 30 June 2019		YTD SUMMARY	
	TOTA L NO	TOTAL VALUE	TOTA L NO	TOTAL VALUE	TOTA L NO	TOTAL VALUE	TOTA L NO	TOTAL VALUE	TOTA L NO	TOTAL VALUE
Finance and IT Management	25	R877 770,01	10	R364 061,84	15	R112 663,03	10	R120 224,30	60	R1 474 719,18
Infrastructure Services	46	R614 330,91	88	R3 785 345,58	42	R533 678,31	26	R437 987,93	202	R5 371 342,73
Management Services	21	R39 163,75	36	R212 170,55	38	R245 201,13	5	R8 396,55	100	R504 931,98
Office of the MM: Administratio n	1	R1 756,00	1	R2 400,00	0	R0,00	0	R0,00	2	R4 156,00
Office of the MM: Council and Executive Administratio n	6	R8 363,00	5	R38 886,78	2	R19 608,00	4	R15 817,50	17	R82 675,28
Office of the MM: HR and Organisational Development	7	R36 839,67	4	R98 890,00	2	R28 004,53	2	R9 794,00	15	R173 528,20
Office of the MM: Socio and Economic Services	7	R17 591,60	10	R17 076,48	14	R22 861,07	15	R111 670,50	46	R169 199,65
Office of the MM: Strategic and Risk	11	R44 246,59	4	R36 917,72	7	R22 737,65	9	R1 024 890,60	31	R1 128 792,56

Compliance Services										
	124	R1 640 061,53	158	R4 555 748,95	120	R984 753,72	71	R1 728 781,38	473	R8 909 345,58

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 person who have family members in services of the state:

TABLE69 DIRECT AWARDS TO CLOSE FAMILY MEMBERS IN SERVICE OF THE STATE (CAPE AGULHAS MUNICIPALITY)

NO.	SCM PROCESS FOLLOWED	DESCRIPTION	AWARDED TO	RELATIONSHIP	NAME OF PERSON IN SERVICE OF THE STATE	AMOUNT PAID AS AT 30 JUNE 2020
1	3 Quotes		DIEDERICKS CONSTRUCTION	Brother of CAM official Mr. J Diedericks	Mr. J Diedericks	R 129 504,45
2	Direct	Pauper Burials	ADONAI FUNERAL HOME	Brother of CAM official Mr. D Fredericks	Mr. D Fredericks	R 40 000,00
3	3 Quotes	Catering	EE SPANDIEL	Parent of CAM official Mr. H Spandiel	Mr. H Spandiel	R 6 450,00
						R175 954,45

TABLE70 INDIRECT AWARDS TO CLOSE FAMILY MEMBERS IN SERVICE OF THE STATE

Nr	SCM process followed	Tender Description	Tenderer	Relationship to person in service of the state	Name of Person in service of the state	Expenditure to date
1	Tenders	Plant hire for construction purposes, 'paving of sidewalks in Cape Agulhas municipal area, the construction of water & road services for light industrial erven in Struisbaai	Cape Agulhas Civils	Ms. TL Du Toit spouse of DH Du Toit, Director in Cape Agulhas Civils is in service of the Department of Health	Ms. TL Du Toit	R4 435 160,61

2	Tenders & quotations	Computer accessories & stationery	CANFRED Computers T/A Premium Computers & Stationers Swellendam	Mr. N Eksteen , parent of both shareholders/Directors of Premium Computers & Stationers Swellendam in service of DENEL OTR	Mr. N Eksteen	R 18 545,44
3	Tenders & quotations	Safeguarding of reception area at Struisbaai resort	DC Zeeman T/A Aluminium Designs	V Zeeman (Spouse) of owner is in service of the state (Overberg District Municipality)	Ms. V Zeeman	R 113 987,00
4	SCM1-2018-19	Item 9-12 annual store stock & services	IKAPA Reticulation & Flow	Spouse of Director is employed by Western Cape Education Department (Athlone school for the blind)		R564 404,41
5	SCM1-2018-19	Item 9-12 & 13 annual store stock & services	Democratic Packaging CC	Spouse of Director V Van Der Heever is a teacher WCED	Ms. V Van Der Heever	R 194 948,00
7	SCM1-2018-19	Item 18 annual store stock & services	Piston Power Chemicals CC	Nadira Andhee , wife of Ujush Andhee (Director) is employed as an Educator KZN	Ms. Nadira Andhee	R 23 698,74
						R 5 350 744,20

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 2019. 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 x 1

SCM staff undertook the following training in 2019/20

TABLE71 SCM TRAINING 2019/20

Training	Date	Venue
Supply Chain Management Training to Address the Audit Outcomes by Focussing On Material Non-Compliance Which Led To Irregular Expenditure For The 2019/20 Financial Year	30 October – 1 November 2019	University of Stellenbosch, Worcester Campus
Combined Assurance Training	29 October 2019	Caledon Town Hall
Data Analytics Course	16-18 October 2019	University of Stellenbosch, Worcester Campus
B-BBEE Workshop	20 September 2019	Stellenbosch Municipality

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 2019/20 financial year:

- 12 July 2019 - SCM Forum
- 14 – 15 November 2018 - SCM-LED Indaba
- 17 June 2020 - SCM Forum (MS Teams)

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3.1 INTRODUCTION

This report provides an overview of the actual performance of the Cape Agulhas Municipality for the period 1 July 2019 to 30 June 2020 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 2019/20 performance as measured against the actual 2017/18 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). The first review of the IDP for (2018/19) was approved by Council on 28 May 2018 (Council Resolution 59/2018) and the 2nd review was approved by Council on 28 May 2019 (Council Resolution 88/2019) This annual report reflects on the performance of the Municipality in implementing the second review of the IDP.

3.3.1 ORGANISATIONAL PERFORMANCE MANAGEMENT

a) Top Layer SDBIP (The municipal scorecard)

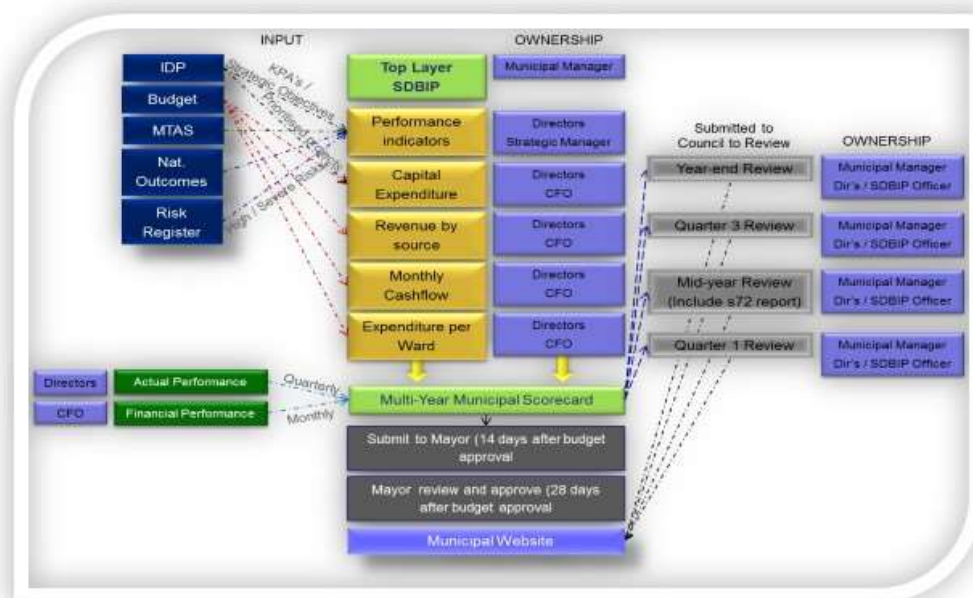
The SDBIP is a layered plan comprising a Top Layer SDBIP and Departmental SDBIPs. The Top Layer SDBIP comprises quarterly, high-level service delivery targets. It is a public document, which was approved by the Executive Mayor on 25 June 2018. Reporting on the Top Layer SDBIP is done to the Mayoral Committee 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 31 January 2019 (Council resolution 2/2019) 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 10 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 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 2019/20 financial year were signed by 30 July 2019, except for the newly appointed Director Management Services who signed his contract on 30 August 2019. This was within the 60-day period allowed by legislation for new employees on this level. 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 2019 to 31 December 2019) took place on 25 February 2020 and the final evaluation of the 2019/20 financial year (1 January 2020 to 30 June 2020) took place on 19 October 2020.

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;
- External Municipal Manager;
- 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 2019/20 financial year. The mid-year performance of 2019/20 (1 July 2019 to 31 December 2019) took place in March 2020 and the final evaluation of the financial year (1 January 2020 to 30 June 2020) was concluded by 30 September 2020. The evaluation of performance is done between a manager and the employee in the presence of the applicable supervisor after which senior management do a moderation of all the results to ensure reliable and realistic outcomes.

3.3.4 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 2019/20

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 72 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

3.4.2 PERFORMANCE PER KEY NATIONAL KEY PERFORMANCE AREA

The following graph provides an overview of the Municipality's overall performance for the 2019/20 financial year. The Municipality set 47 Key Performance Indicators (KPI's) for the financial year when the SDBIP was approved on 21 June 2019, and this number remained the same following the amendments on 31 January 2020. The Municipality met 29 (62%) of its targets, almost met another 11 (23%) and failed to meet 7 by the due date (15%).

FIGURE 2 PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA

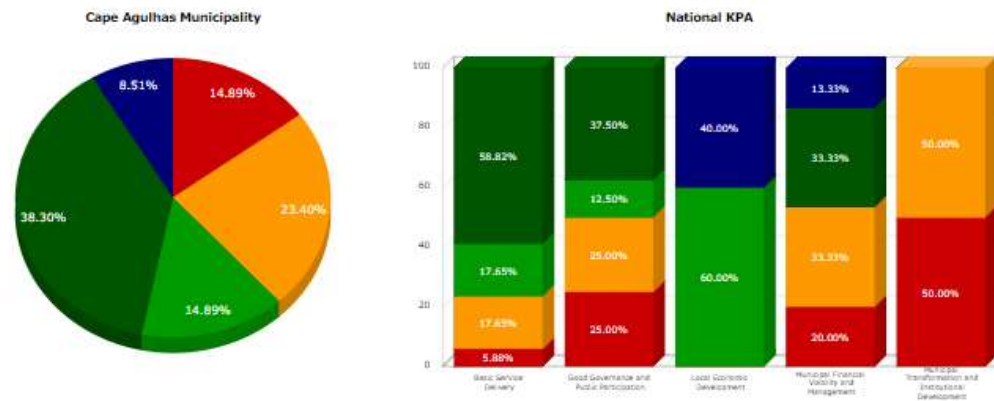


FIGURE 3 PERFORMANCE PER STRATEGIC OBJECTIVE

	Cape Agulhas Municipality	National KPA				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
Not Yet Applicable	-	-	-	-	-	-
Not Met	7 (14.89%)	1 (5.88%)	2 (25.00%)	-	3 (20.00%)	1 (50.00%)
Almost Met	11 (23.40%)	3 (17.65%)	2 (25.00%)	-	5 (33.33%)	1 (50.00%)
Met	7 (14.89%)	3 (17.65%)	1 (12.50%)	3 (60.00%)	-	-
Well Met	18 (38.30%)	10 (58.82%)	3 (37.50%)	-	5 (33.33%)	-
Extremely Well Met	4 (8.51%)	-	-	2 (40.00%)	2 (13.33%)	-
Total:	47	17	8	5	15	2
	100%	36.17%	17.02%	10.64%	31.91%	4.26%

3.4.2 DETAILED PERFORMANCE FOR 2019/20 PER NATIONAL KEY PERFORMANCE AREA

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.

TABLE73 SDBIP MEASUREMENT CATEGORIES

RATING	CATEGORY	EXPLANATION
	KPI Not Met	0% <= Actual/Target <= 74.999%
	KPI Almost Met	75.000% <= Actual/Target <= 99.999%
	KPI Met	Actual meets Target (Actual/Target = 100%)
	KPI Well Met	100.001% <= Actual/Target <= 149.999%
	KPI Extremely Well Met	150.000% <= Actual/Target

3.4.2.1 NATIONAL KPA 1: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL2	Implement 85% of the RBAP for 2019/20 by 30 June 2020 {(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	To ensure good governance	To create a culture of good governance	85.00%	All	86.60%	10.00%	30.00%	50.00%	85.00%	85.00%	82.20%	0	The achievement of this KPI was influenced by the Covid 19 pandemic. The Risk Based Audit Plan (RBAP) was 82.2% complete as at 30 June 2020. Many of the meetings that should have been attended in terms of the plan did not take place (MPAC, Council etc) and some audits could also not be completed on time because of limitations in respect of the number of people who could be at the office at one time.	The Municipality put facilities in place to be able to do meetings and discussions in a virtual environment. Audits that could not be completed will be rolled over to the 20/21 Risk Based Audit Plan.
TL19	Spend 95% of the budget allocated for the implementation of the SMART CITY Concept by 30 June 2020	% of 2019/20 project budget spent	To ensure good governance	To create a culture of public participation and empower communities to participate in the affairs of the Municipality	95.00%	All	New KPI	0.00%	50.00%	80.00%	95.00%	95.00%	99.99%	G2	Project milestones for 2019/20 were completed, including installation of public Wi-fi and CCTV Cameras in each ward. Budget: R 2 450 000 Spent: R 2 449 904	None required

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL24	Revise the Human Settlement Plan, which includes the provision of serviced erven and submit to Council by 30 June 2020	Revised Human Settlement Plan submitted to Council	To ensure good governance	To create a culture of good governance	1	All	0	0	0	0	1	1	0	R	The achievement of this KPI was influenced by the Covid 19 pandemic. The Human Settlement Plan could not be revised due to lock down, which initially influenced the ability of stakeholders to engage. The provision of serviced erven is being investigated and will be subject to availability of bulk infrastructure and budget.	Technology has been put in place to have virtual workshops. The Human Settlement Plan will be revised in the new financial year as part of the IDP / Budget process for 2021/22
TL28	Submit a policy on the manner in which unlawful occupation of land must be dealt with by 30 September 2019	Policy submitted to Council	To ensure good governance	To create a culture of good governance	1	All	New KPI	1	0	0	0	1	0	R	This policy was submitted to the Management Services Portfolio Committee on 10 September 2019, followed by the Mayoral Committee on 17 September 2019. The Council noted	Policy was submitted to Council on 25 February 2020.

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
															the resolutions of the Mayoral Committee in this regard on 1 October 2019.	
TL34	95% of water samples comply with SANS241 micro biological indicators ((Number of water samples that comply with SANS241 indicators/Number of water samples tested)x100}	% of water samples compliant	To ensure good governance	To create a culture of good governance	95.00%	All	96.75%	95.00%	95.00%	95.00%	95.00%	95.00%	99.68%	G2	Average water compliance as at 30 June is 99.68% which indicates very good quality.	None required
TL35	65% average compliance of the Bredasdorp WWTW water quality to SANS 241 for the 2019/20 financial year	% average compliance of the quarterly waste water test results	To ensure good governance	To create a culture of good governance	65.00%	All	66.66%	65.00%	65.00%	65.00%	65.00%	65.00%	58.33%	O	Due to construction at Bredasdorp WWTW the already strained plant is not functioning at full capacity as critical structures for treatment had to be taken off line during the construction process.	Waste water quality will improve as the project nears completion. Constant monitoring of the construction project.
TL36	Spent 95% of the available budget for the upgrade of the Bredasdorp WWTW by 30 June 2020 (2 year project)	% of 2019/20 project budget spent	To ensure good governance	To create a culture of good governance	95	2,3,4,6	New KPI	0	20	50	95	95	107.11	G2	A total of 107.11% has been spent on the upgrading of the Bredasdorp Waste Water Treatment	None required. Project is a two year project.

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures		
								Target	Target	Target	Target	Target	Actual	R				
																	Works (WWTW) . Budget R5 122 018. Spent R 5 485 946.	
TL47	Review the Integrated Waste Management Plan by 31 March 2020 and submit to Council for approval	Integrated Waste Management Plan review and submitted for approval	To ensure good governance	To create a culture of good governance	1	All	New KPI	0	0	0	1	1	1	G	IWMP submitted to Council on 26 March 2020. Resolution 59 /2020	None required		

Summary of Results: Good Governance and Public Participation

N/A	KPI Not Yet Applicable	0
R	KPI Not Met	2
O	KPI Almost Met	2
G	KPI Met	1
G2	KPI Well Met	3
B	KPI Extremely Well Met	0
	Total KPIs:	8

3.4.2.2 NATIONAL KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL1	The percentage of the municipality's personnel budget actually spent on implementing its Workplace Skills Plan by 30 June 2020 in terms of the WSDL Act. {(Actual amount spent on training/total personnel budget)x100}	% of the personnel budget spent on training	To ensure institutional sustainability	To create an administration capable of delivering on service excellence.	1.00%	All	1.57%	0.00%	0.00%	0.00%	1.00%	1.00%	0.81%	O	The achievement of this KPI was influenced by the Covid 19 pandemic. 0.81% of the personnel budget was spent on training. Some of the planned training could not take place as a result of lockdown, and the savings incurred were utilised for the Covid 19 Relief Programme.	The Municipality put facilities in place to be able to do training in a virtual environment and training that could not be completed will be done in the new financial year.
TL4	Number of people from employment equity target groups employed in vacancies on the three highest levels of management in compliance with a municipality's approved employment	Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management	To ensure institutional sustainability	To create an administration capable of delivering on service excellence.	1	All	0	0	0	0	1	1	0	R	The achievement of this KPI was influenced by the Covid 19 pandemic. There were two vacancies that arose during the financial year. Both were advertised but could not be filled as recruitment and selection	The Municipality put facilities in place to be able to do recruitment and selection processes in a virtual environment. Vacancies will be filled in the 2020/21 financial year.

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
	equity plan for 2019/20														processes were delayed due to the lockdown.	

Summary of Results: Municipal Transformation and Institutional Development

N/A	KPI Not Yet Applicable	0
R	KPI Not Met	1
O	KPI Almost Met	1
G	KPI Met	0
G2	KPI Well Met	0
B	KPI Extremely Well Met	0
Total KPIs:		2

3.4.2.3 NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL3	Create FTE's through government expenditure with the EPWP by 30 June 2020	Number of FTE's created	To promote local economic development in the Cape Agulhas Municipal Area	To create an enabling environment for economic growth and development	99	All	119	0	0	0	99	99	156	B	156 FTE's were created during the financial year. EPWP recruitment process continued despite Covid 19 lockdown.	None required.
TL5	Revise the Municipality's Local Economic Development Strategy (inclusive of an implementation plan) and submit to Council by 30 June 2020	Strategy developed and submitted to Council	To promote local economic development in the Cape Agulhas Municipal Area	To create an enabling environment for economic growth and development	1	All	New KPI	0	0	0	1	1	1	G	LED Strategy revised by Council on 15 June 2020. Resolution 80/2020.	None required.
TL6	Host a local economic development /tourism summit to promote the Cape Agulhas Municipal Area by 30 September 2019	Number of Tourism / LED summits held	To promote local economic development in the Cape Agulhas Municipal Area	To create an enabling environment for economic growth and development	1	All	New KPI	1	0	0	0	1	2	B	A local economic development conference was held on 5 September 2019. A Tourism and film conference was held on 14 November 2019. Both events were very successful.	None required.
TL20	Obtain full Blue Flag status for Duiker Street	Number of beaches for which full blue	To promote local economic development in	To promote tourism in the Municipal Area	1	5	1	0	1	0	0	1	1	G	Full Blue Flag Status was achieved for	None required

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
	Beach Struisbaai by 30 December 2019	flag status is achieved.	the Cape Agulhas Municipal Area												Duiker Street Beach in Struisbaai.	
TL46	Apply to Eskom for an increased NMD of 2 MVA by 30 June 2020	Number of approvals from Eskom	To promote local economic development in the Cape Agulhas Municipal Area	To create an enabling environment for economic growth and development	1	All	New KPI	0	0	0	1	1	1	G	Confirmation received on Eskom account	None required

Summary of Results: Local Economic Development

N/A	KPI Not Yet Applicable	0
R	KPI Not Met	0
O	KPI Almost Met	0
G	KPI Met	3
G2	KPI Well Met	0
B	KPI Extremely Well Met	2
Total KPIs:		5

3.4.2.4 NATIONAL KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL14	The percentage of the municipality's capital budget actually spent on capital projects by 30 June 2020 ((Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% of the municipal capital budget spent	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	95.00%	All	107.14%	5.00%	40.00%	75.00%	95.00%	95.00%	99.45%	G2	99.27% of the total capital budget of the Municipality was spent. Budget: R43 283 039. Spent R 43046136.07. Only 1 project was not done, namely the purchase of audit software due to the costs that far exceeded the grant received. All other projects were completed, despite challenges relating to lockdown.	None required.
TL15	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2020 (Short Term Borrowing + Bank Overdraft + Short Term	% Debt to Revenue	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	15.00%	All	11.06%	0.00%	0.00%	0.00%	15.00%	15.00%	8.78%	B	The Municipality's % debt to revenue is 8.78%	None required

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
	Lease + Long Term Borrowing + Long Term Lease) / Total Operating Rev															
TL16	Financial viability measured in terms of the outstanding service debtors as at 30 June 2020 (Total outstanding service debtors/ revenue received for services) (Target is maximum))	% Service debtors to revenue	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	10.00%	All	10.27%	0.00%	0.00%	0.00%	10.00%	10.00%	11.77%	R	The Municipality's % service debtors to revenue is 11.77%. This achievement of this KPI was influenced by Covid 19.	Ongoing credit control; measures to be implemented and ensuring arrangements made as a result of Covid 19 are honoured..
TL17	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2020 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed	Cost coverage	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	2.5	All	3.66	0	0	0	2.5	2.5	2.89	G2	The Municipality's cost coverage for the year is 2.89	None required

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures		
								Target	Target	Target	Target	Target	Actual	R				
	Operational Expenditure excl																	
TL18	Achieve a debtors payment percentage of at least 96% by 30 June 2020 {((Gross Debtors opening Balance + Billed Revenue - Gross Debtors closing Balance - Bad Debts Written Off)/Billed Revenue) x 100}	% debtors payment ratio achieved	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	96.00%	All	96.29%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	94.85%	O	The achievement of this KPI was influenced by the Covid 19 pandemic that left many people with no or reduced income.	Continuous efforts were made to encourage people to pay their accounts throughout the pandemic, and arrangements were concluded where people experienced difficulty.
TL23	Spend 95% of the total approved management services capital budget by 30 June 2020	% of management services budget spent	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	95.00%	All	95.41%	20.00%	75.00%	80.00%	95.00%	95.00%	95.00%	95.00%	91.84%	O	Budget: R 3 889 031. Spent: R 3571554.31. All projects were completed despite challenges associated with Covid-19. Savings were incurred on two projects. The tenders for the ablution facilities at Suiderstrand and Napier initially exceeded the available funds	Improve accuracy of project estimates during budget process.

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures		
								Target	Target	Target	Target	Target	Actual	R				
																	and the budget had to be adjusted. When tenders were asked again, the full adjusted budget did not need to be utilised.	
TL25	Spent 95% of the budget made available for the development of a soccer field at Napier by 30 June 2020	% of 2019/20 project budget spent	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	95.00%	1	New KPI	0.00%	40.00%	40.00%	95.00%	95.00%	97.81%	G2	97.81 % of the budget for Phase 1 of the Napier Soccer Field was spent. Phase 1 included the levelling of the site, walls and gates. Budget R500 000. Spent R 489 044	None required.		
TL30	95% of the roads and storm water capital budget spent by 30 June 2020 ((Actual expenditure divided by the total approved roads and stormwater capital budget) x 100}	% of roads and storm water capital budget spent	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	95.00%	All	94.51%	5.00%	35.00%	85.00%	95.00%	95.00%	91.10%	O	Roads capital budget 91.10% spent. All but one of the projects were completed, despite the challenges associated with the Covid-19 lockdown. The project not completed was the road to the Struisbaai North Camping Site, which was deferred due to the possibility	Ongoing discussions with potential developer in respect of the Struisbaai North Campsite Road.		

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures		
								Target	Target	Target	Target	Target	Actual	R				
																	that a developer may upgrade this road as part of a planned development. Budget R8 725 538 Spent R 7 948 811.	
TL31	95% of the approved refuse removal capital budget spent by 30 June 2020 {(Actual expenditure divided by the total approved refuse removal capital budget) x 100}	% of refuse removal capital budget spent	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	95.00%	All	99.91%	0.00%	55.00%	80.00%	95.00%	95.00%	109.53%	G2	The refuse capital budget was 80.98 % spent at year end. Landfill rehabilitation, borehole and wheelie bin projects completed. Budget: 1 550 000. Spent: 1 255 217. A transfer from operational revenue took place at year end to the amount of R 442529.53, which resulted in the total capital expenditure on refuse reflecting at 109.53%.	None required.		
TL32	95% of the approved water capital budget spent by 30	% of water capital budget spent	To improve the financial viability of the Municipality	To provide effective financial, asset and	95.00%	All	67.16%	15.00%	60.00%	85.00%	95.00%	95.00%	82.47%	O	Water capital budget 82.47 % spent. The boreholes were	The saving incurred on the boreholes will be rolled over		

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
	June 2020 {(Actual expenditure divided by the total approved water capital budget) x 100}		and ensure its long term financial sustainability	procurement management											equipped, but a saving was incurred which will be rolled over to do the electrification in the new financial year. The replacement of water mains and bulk meters were completed at a lesser than anticipated cost. Budget R5 018 000. Spent R4138213.63.	to do the electrification in the new financial year.
TL33	Limit unaccounted for water to less than 15% by 30 June 2020 {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold (incl free basic water) / Number of Kiloliters Water Purchased or Purified /100}	% unaccounted water	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	15.00%	All	12.13%	15.00%	15.00%	15.00%	15.00%	15.00%	18.51%	R	Water losses appear higher than the previous year, but it must be borne in mind that the previous years figure was based on assumptions due to inaccuracies on the bulk meters, which have now been replaced. Another factor contributing to the increase, is the water	The bulk water monitoring programme is in the final stages of implementation which will assist with the water balance exercise. Our new water master plan has also been completed and the pipe replacement programme will also commence to further reduce non-revenue water.

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Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures	
								Target	Target	Target	Target	Target	Actual	R			
															problems that occurred in Struisbaai during December 2019 that necessitated the bleeding of the water pipe lines to rid the network of air.	We are now able to more effectively monitor and manage the water losses.	
TL37	Limit unaccounted for electricity to less than 6.5% by 30 June 2020 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) X 100}	% unaccounted electricity	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	8.00%	All	6.50%	6.50%	6.50%	8.00%	8.00%	8.00%	8.00%	5.04%	B	Electricity distribution losses - Units purchased (Kwh) 73 267 305 - Units lost during distribution (Kwh) 3 695 121 Electricity losses for the year of 5.04%, are well below the norm.	None required
TL38	95% of the electricity capital budget spent by 30 June 2020 {(Actual expenditure	% of electricity capital budget spent	To improve the financial viability of the Municipality and ensure its long term	To provide effective financial, asset and procurement management	95.00%	All	200.18%	5.00%	50.00%	90.00%	95.00%	95.00%	95.00%	99.50%	G2	Electricity capital budget 99.50 % spent. All projects completed. Budget R10 820	None required

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
	divided by the total approved capital budget) x 100}		financial sustainability												852. Spent R 10 766 458	
TL41	Spent 95% of the available budget for the regravelling of the Suiderstrand Road by 31 December 2019	% of 2019/20 project budget spent	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	95	5	New KPI	0	95	0	0	95	90.28	O	Project completed. Budget prior to adjustment budget R700000. Total spent on project R669 551,76 (95.65%) of the project budget. At 30 December, there was still one invoice of R 37 580.21 pending payment, hence the total expenditure of 90.28% at 30 December 2019.	Outstanding invoice of R 37 580.21 as at 30 December 2019 paid in January 2020.
TL42	Spent 95% of the budget available to implement measures to comply with the landfill permit conditions by 30 June 2020	% of 2019/20 project budget spent	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	95.00%	3	New KPI	0.00%	0.00%	35.00%	95.00%	95.00%	65.36%	R	The achievement of this KPI was influenced by the Covid 19 pandemic. Budget R 850 000. Spent R 555 557. Sloping of the landfill site takes place at regular intervals in	Sloping that could not be done because of lockdown will be done at the next interval.

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
															accordance with the maintenance plan. One of these could not be done because of lockdown. The two boreholes that were part of the maintenance programme were completed at less than the anticipated cost and a saving was thus also incurred.	

Summary of Results: Municipal Financial Viability and Management

N/A	KPI Not Yet Applicable		0
R	KPI Not Met		3
O	KPI Almost Met		5
G	KPI Met		0
G2	KPI Well Met		5
B	KPI Extremely Well Met		2
		Total KPIs:	15

3.4.2.5 NATIONAL KPA 5: BASIC SERVICE DELIVERY

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL7	Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2020	Number of formal residential properties which are billed for water	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	8 805	All	8805	8 952	8 952	8 805	8 805	8 805	9 149	G2	9149 formal residential properties receive piped water that is connected to the municipal water infrastructure network and were billed for the service as at 30 June 2020.	None required.
TL8	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 2020	Number of formal residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas)	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	8 904	All	8904	9 171	9 171	8 904	8 904	8 904	9 414	G2	9414 formal residential properties were connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2020.	None required.
TL9	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service (inclusive of septic tanks), irrespective of the number of water closets (toilets) and billed	Number of residential properties which are billed for sewerage	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	8 982	All	8982	9 109	9 109	8 982	8 982	8 982	9 416	G2	9416 formal residential properties were connected to the municipal waste water sanitation/sewerage network for sewerage service (inclusive of septic tanks),and billed for the service as at 30 June 2020.	None required

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
	for the service as at 30 June 2020															
TL10	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2020	Number of formal residential properties which are billed for refuse removal	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	8 960	All	8960	9 094	9 094	8 960	8 960	8 960	9 395	G2	9395 formal residential properties received a weekly refuse removal service and were billed for the service as at 30 June 2020.	None required
TL11	Provide 6kl free basic water per month to all formal households during the 2019/20 financial year	Number of formal Households receiving free basic water	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	8 805	All	8805	8 952	8 952	8 805	8 805	8 805	9 149	G2	9149 Households in the Municipal Area received free basic water.	None required
TL12	Provide 50 kwh free basic electricity per month to registered indigent / poor households in terms of the equitable share requirements during the 2019/20 financial year	Number of registered indigent / poor households receiving free basic electricity in terms of Councils indigent policy	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	3 001	All	3002	3 145	3 145	3 001	3 001	3 001	3 380	G2	3380 indigent households were provided with 50 Kwh free electricity as at 30 June 2020.	None required
TL13	Provide free basic sanitation and refuse to registered indigent / poor households in terms of the equitable share requirements during the 2019/20 financial year	Number of registered indigent / poor households receiving free basic sanitation and refuse in terms of Councils indigent policy	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	3 001	All	3002	3 145	3 145	3 001	3 001	3 001	3 380	G2	3380 indigent households were provided with free basic sanitation and refuse as at 30 June 2020	None required

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL21	Implement Human Settlement Plan through the construction of 158 houses in Area H by 30 June 2020	No of top structures completed	To ensure access to equitable affordable and sustainable municipal services for all citizens	Development of sustainable vibrant human settlements	158	2	30	0	0	0	158	158	119	O	The achievement of this KPI was influenced by the Covid 19 pandemic. A total of 119 houses were completed in Area H. Less houses could be completed than anticipated due to the level 5 lockdown, when no construction could take place. The project gained momentum again during level 4 and will be completed in 2020/21.	Circumstances were beyond the control of the contractor. Regular meetings are taking place between implementing agent and the Municipality to ensure that targets are met.
TL22	Implement Human Settlement Plan through the construction of 250 houses in Area F by 30 June 2020	No of top structures completed	To ensure access to equitable affordable and sustainable municipal services for all citizens	Development of sustainable vibrant human settlements	250	2	25	0	0	0	250	250	283	G2	283 Houses were constructed in Area F	None required.
TL26	Host a youth summit for the youth of the Cape Agulhas Municipal Area by 30 December 2019	Number of youth summits held	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	To promote social and youth development	1	All	New KPI	0	1	0	0	1	1	G	A Youth Summit was conducted on 8-9 November 2019 in Arniston	None required
TL27	Submit quarterly reports to the Management Services Portfolio	Number of reports submitted	To create a safe and healthy environment	To create and maintain a safe and healthy environment	4	All	New KPI	1	1	1	1	4	3	O	The achievement of this KPI was influenced by the Covid 19 pandemic.	The Municipality put facilities in place to be

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
	Committee on the activities of the Community Police Forums in all towns		for all citizens and visitors to the Cape Agulhas Municipality												Monthly meetings were held with the CPF and there is regular communication with the Chair Persons of Napier CPF, Struisbaai CPF and Bredasdorp CPF. Reports could not however be submitted to the Portfolio Committees due to their being no Portfolio Committees from March till June 2020 due to the pandemic.	able to do meetings and discussions in a virtual environment.
TL29	Submit a report on the deferred housing ownership programme to the Management Services Portfolio Committee by 30 March 2020	Number of reports submitted	To ensure access to equitable affordable and sustainable municipal services for all citizens	Development of sustainable vibrant human settlements	1	All	New KPI	0	0	1	0	1	1	G	Report was included in the agenda of the Management Services Portfolio Committee that was scheduled for 23 March 2020.	None required
TL39	Reseal 10000 square metres of roads within the municipal area by 30 June 2020	Square metres of road sealed	To ensure access to equitable affordable and sustainable municipal services for all citizens	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	10 000	All	5933	0	0	0	10 000	10 000	4 880	R	4880 Square metres of road were resealed. This was less than anticipated because additional preparations had to be done on the base layers.	Budget will be increased in future years to accommodate adverse structural conditions of base layers.

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2019/20

Ref	KPI Name	Unit of Measurement	Strategic goal	Strategic Objective	Annual Target	Ward	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for the year ending June 2020			Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R		
TL40	Complete the equipment of 2 boreholes in Napier and 1 borehole in Suiderstrand by 30 June 2020	Number of boreholes equipped	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	To create and maintain a safe and healthy environment	3	5	3	0	0	0	3	3	3	G	Two boreholes in Napier and one in Suiderstrand equipped as per order.	Non required.
TL43	Implement wheelie bin project through the purchase of 1500 wheelie bins by 30 June 2020	Number of wheelie bins purchase	To ensure access to equitable affordable and sustainable municipal services for all citizens	To provide community facilities and services	1 500	All	6600	0	0	0	1 500	1 500	1 794	G2	1794 Wheelie bins were purchased	None required
TL44	Install 1600 EEDSM Street lights by 30 June 2020	Number of EEDSM Street lights installed	To ensure access to equitable affordable and sustainable municipal services for all citizens	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	1 600	All	2152	400	400	400	400	1 600	2 106	G2	2106 ESDM lights installed for the financial year	None required
TL45	Spent 95% of the available budget (grant) for the implementation of the RSEP/ VPUU Programme, through the construction of a pedestrian bridge in Bredasdorp by 30 June 2020	% of 2019/20 project budget spent	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	To create and maintain a safe and healthy environment	95.00%	2	New KPI	0.00%	0.00%	50.00%	95.00%	95.00%	87.82%	O	Budget: 800 000. Spent R 702 566. The full project was completed. Reported amounts on RSEP Project reported as VAT Exclusive.	None required. VAT is claimable on the project and the grant will therefore be fully utilised.

Summary of Results: Basic Service Delivery

N/A	KPI Not Yet Applicable	0
R	KPI Not Met	1
O	KPI Almost Met	3
G	KPI Met	3
G2	KPI Well Met	10
B	KPI Extremely Well Met	0
	Total KPIs:	17

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 74 MUNICIPAL FUNCTIONS

MUNICIPAL FUNCTION	MUNICIPAL FUNCTION (YES / NO)
Constitution Schedule 4, Part B functions	
Air pollution	Yes (currently run in conjunction with the Overberg District Municipality (ODM) due to capacity constraints. The ODM is also responsible for the licensing function)
Building regulations	Yes
Childcare 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 wastewater and sewage disposal systems	Yes

MUNICIPAL FUNCTION	MUNICIPAL FUNCTION (YES / NO)
Constitution Schedule 5, Part B functions:	
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 75 BASIC SERVICE PROVISION PER TOWN 2019/20

SERVICE LEVEL	TOWN	WATER	SANITATION	ELECTRICITY	REFUSE
Formal Households with minimum service delivery	Bredasdorp	3961	4369	9414	4364
	Napier	1128	1108		1106
	Struisbaai	2568	2493		2497
	L'Agulhas	691	662		660
	Waenhuiskrans	608	604		589
	Protem	21	23		23
	Klipdale	20	20		21
	Suiderstrand	152	137		135
All informal areas in CAM	Total Households	753	753	753	753
Households without minimum service delivery		0	0	0	0
TOTAL HOUSEHOLDS		9902	10169	10167	10148

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 76 PRIORITY CAPITAL PROJECTS OF WARD 1

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Napier Ablution facility	July 2019	June 2020	374 150,02
Construction Soccer Field (Napier)	July 2019	November 2019	489 044,37

TABLE 77 TOP FOUR SERVICE DELIVERY PRIORITIES FOR WARD 1

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2019/20
1	CCTV cameras (Entrances and exits of towns)	CCTV was successfully implemented at all entrances and exits of the towns in the Municipal area.
2	Upgrading of roads	No provision made in budget.
3	Sewer system must be upgraded	Application has been made for R20million for the Waste- Water Treatment Works to replace water and sewer pipes.
4	Storm water drainage – Eskom	Part of newly drafted masterplan.

3.6.2.2 WARD 2

Ward 2 comprises part of Bredasdorp and Klipdale.

TABLE 78 PRIORITY CAPITAL PROJECTS OF WARD 2

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
RSEP (DPLG) - Pedestrian Bridge (Ou Meuleweg)	April 2020	June 2020	702 566,34
Sidewalks - Bredasdorp (Park street)	November 2019	January 2020	237 700,00

TABLE 79 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 2

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2019/20
1	Tarring of streets (all 5 streets in Klipdale) and access road to Carolineville	No provision made in budget. Will refer to 2021/22 budget
2	Indoor bathrooms in Duine Avenue and private toilets in Rivier Street and Queenstown	Bathroom in Duine Avenue is finalized. No provision in current budget for the outstanding houses.
3	Access bridge for cars Golf / Baatjes Streets	No provision made in budget
4	New Primary school	Due to drastic changes in budgetary priorities it was inevitable that the infrastructure budget was severely curtailed. This led to a need for the reprioritizing of projects and a change in the approach regarding the

	determination of needs for additional classroom space. For as long as there is a lack of optimal utilization of the available facilities in an area/town, it is very highly unlikely that an additional new school will be prioritized.
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3.6.2.3 WARD 3

Ward 3 comprises part of Bredasdorp, which include the low-cost housing scheme (Kleinbegin), Zwelitsha and Simunye.

TABLE 80 PRIORITY CAPITAL PROJECTS OF WARD 3

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
DEAT (DPLG) Lesedi LED Containers units	April 2020	June 2020	1 157 892,57
Fencing - Simunye/Tussen Treine	November 2019	January 2020	76 000,00

TABLE 81 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 3

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2019/20
1	Subsidised public transport	Referred to Province
2	Satellite library	The wheelie wagons were provided already. The services could not continue due to the Covid19 pandemic. Planning is still in progress.
3	Home for people with disabilities	Referred to Province
4	Tarring of all gravel roads	Simunye roads are done. As well as a portion of Zwelitsha. Phase 3 of Zwelitsha will be done during 2020/21

3.6.2.4 WARD 4

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

TABLE 82 PRIORITY CAPITAL PROJECTS OF WARD 4

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
CCTV cameras in Bredasdorp and Protem	July 2019	June 2020	373 733,95
Construction of 4 speedbumps	Jan 2020	Feb 2020	32 000,00

TABLE 83 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 4

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2019/20
----	--------------------------	-------------------------

1	Upgrading of old water and sewer systems (Du Toit, Kloof and Dorpsig Streets)	Hugo Street was completed due to it being a higher priority
2	Upgrading of sidewalks at Suideroord	No provision made in budget
3	Eradication of alien plantation in water absorbed area	ABI received funding for next 3 years to undertake Alien Clearing
4	CCTV cameras at town entrances	CCTV was successfully implemented at all entrances and exits of the towns in the Municipal area.

3.6.2.5 WARD 5

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

TABLE 84 PRIORITY CAPITAL PROJECTS OF WARD 5

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
200-Seater Wooden Pavilion - Struisbaai	October 2019	January 2020	125 000,00
Ablution facility - Suiderstrand	May 2020	June 2020	490 149,00
Equipment for boreholes in Struisbaai	Feb 2020	June 2020	732 115.57

TABLE 85 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 5

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2019/20
1	Job creation	EPWP projects were rolled out in the Ward.
2	Upgrade refuse site (visual impact, capacity for garden refuse, no shelter, road)	Department of Waste management sent out a tender for the chipping of green waste in Struisbaai (and Bredasdorp)
3	Improve traffic flow (Circles / Additional parking). Main Road / Marine Drive.	No provision in budget. Provincial Road.
4	Youth development (Facility / Activities (Rooms for computers and ECD facilities))	The Shield House in Struisbaai North is currently used as a youth development facility and is utilized by various stakeholders for youth activities. 11 youth were employed for 3 months on the mosaic art works project at the Thusong centre. 3 additional youth workers were employed for a period of 12 months. We communicated with Cape Access to expand the computer facility in Struisbaai.

3.6.2.6 WARD 6

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

TABLE 86 PRIORITY CAPITAL PROJECTS OF WARD 6

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Sport facility - Waenhuiskrans	July 2019	June 2020	240 384,71

TABLE 87 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 6

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2019/20
1	Identifying of land for development of low-income housing projects - Arniston	Land in Arniston remains a challenge. Council has to review the Housing Pipeline to prioritize land in Arniston
2	Community Hall - Bredasdorp	No provision made in budget
3	Upgrading sidewalks in whole ward Paving of Steenbras, Geelstert, Krans Streets)	No provision made in budget
4	Playparks (Outdoor gym) - Bergsig	Budgeted for in 2020/2021.

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 supplies water to consumers in their area of jurisdiction through the Uitvlucht Spring, Sanddrif Dam and Vleikloof Dam. The municipality conducted a hydrosensus in the 2019/20 financial year to determine the health of its current ground water sources. It found that future installation of boreholes is needed to accommodate the population growth within the municipal boundaries.

Currently CAM operates an 8MI/day water purification plant in Bredasdorp and one reverse osmosis plant in Spanjaarskloof. Arniston and Suiderstrand receives purified water from reverse osmosis plants operated by private operators.

CAM supplies potable water to the entire municipal area through a network and infrastructure consisting of about 16 reservoirs / holding tanks and water towers and 5 water pump stations the network is monitored by a telemetry system.

TABLE 88 DAM LEVELS AS AT 30 JUNE

2018		2019		2020	
SANDDRIF	VLEIKLOOF	SANDDRIF	VLEIKLOOF	SANDDRIF	VLEIKLOOF
29%	76%	8%	75%	25%	80%

The current level 3 water restrictions were imposed during the 2018/19 financial year. Households were restricted to a consumption volume of 20 kl per month and businesses 50 kl and these restrictions are still in place.

CAM has also updated the water master plans to enable CAM to improve water demand management and provide a greater level of control over the constraints related to limited water resources. The updated water technical information will now provide improved management decision-making, enabling economic development and growth.

▪ Service delivery highlights for 2019/20

- Three new boreholes were developed in Napier and Suiderstrand.
- Updating of the Cape Agulhas Municipality water master plan.
- Drilling two new boreholes in Struisbaai over December 2019 to address water shortages in the area caused by extended load shedding schedules which resulted in significantly fewer pumping hours for boreholes.
- Installing new bulk water meters
- Installing new bulk monitoring equipment

- Installing new bulk water pipes

▪ **Service delivery challenges for 2019/20**

- The peak water demand during the summer holiday season in coastal town's remains a challenge. CAM has re-drilled two existing boreholes in Struisbaai and will be constructing a larger bulk water pipe in L'Agulhas to feed more water from L'Agulhas to Struisbaai. Larger reverse osmosis plants will also be installed in Arniston and Suiderstrand by a private operator to accommodate peak demands.

b) Service statistics

▪ **Unaccounted for water (Losses)**

Non-revenue or unaccounted for water has increased to 18.51%. This is attributable to the water problems experienced in Struisbaai during December 2019 that necessitated the bleeding of the water pipelines in order to get rid of the air in the water network system. There are also increasing pipe bursts due to old infrastructure (such as bulk meters / network repairs) which are in process of replacement. It must also be borne in mind that the previous year's figure was based on assumptions due to inaccuracies on the bulk meters, which have now been replaced.

The bulk water monitoring programme is in the final stages of implementation which will assist with the water balance exercise. Our new water master plan has also been completed and the pipe replacement programme will also commence to further reduce non-revenue water and enable us to more effectively monitor and manage water losses.

TABLE 89 UNACCOUNTED FOR WATER

YEAR	PURIFIED (KL)	LOSSES (KL)	%	RAND VALUE
2017/18	2 741 319	379 571	13.8%	766 733
2018/19	2 950 603	357 786	12.13%	801 441
2019/20	2 709 734	501 606	18.51%	1 389 449

▪ **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. During the Covid-19 pandemic CAM installed 17 water tanks in informal areas to address the ratio of number of residents to number of water taps.

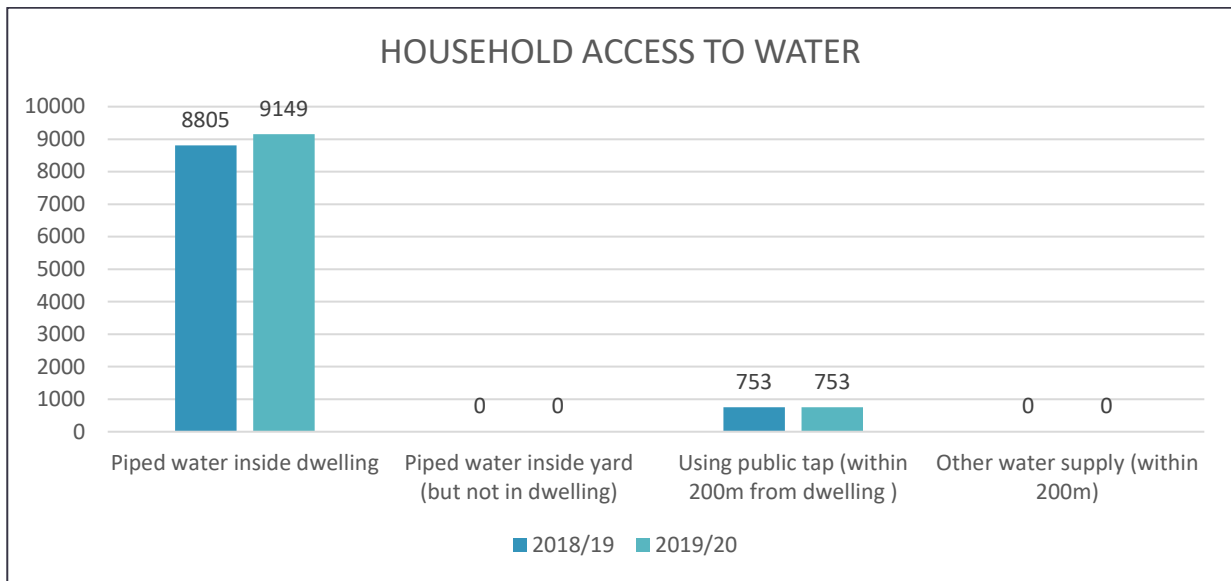
TABLE 90 ACCESS TO WATER

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
2017/18	14%	93%	100%
2018/19	12%	88%	100%
2019/20	13%	87%	100%

TABLE 8 WATER SERVICE DELIVERY LEVELS: HOUSEHOLDS

DESCRIPTION	HOUSEHOLDS	
	2018/19	2019/20
	ACTUAL NO	ACTUAL NO
Water: (above min level)		
Piped water inside dwelling	8805	9149
Piped water inside yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling)	753	753
Other water supply (within 200m)	0	0
Minimum Service Level and Above sub-total	9558	9902
Minimum Service Level and Above Percentage	100%	100%
Water: (below min level)		
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
Total number of households	0	0
*Includes informal settlements		

FIGURE 11 WATER SERVICE DELIVERY LEVELS



c) Human resources

TABLE 91 EMPLOYEES WATER SERVICES

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	18	8	6	2	25%
4 to 8	8	27	26	1	4%
9 to 13	13	8	8	0	0%
14 to 18	1	1	1	0	0%
TOTAL	40	44	41	3	7%

These positions also perform the sanitation function.

d) Financial performance: Capital expenditure

TABLE 92 CAPITAL EXPENDITURE: WATER SERVICES

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Replacement LDV CS15640	270 000	21 000	291 000	290965	0%
Replacement LDV CS15643	270 000	21 000	291 000	290965	0%

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Replacement LDV CS4580	270 000	21 000	291 000	290965	0%
Water network (move) train racks	200 000	200 000(-)	-	-	-
Air conditioner (water MGR office)	20 000	10 000(-)	10 000	9815	-2%
Equipment for boreholes in Napier and Suiderstrand	500 000	250 000	750 000	404559.	-46%
Boreholes monitoring equipment (Struisbaai)	-	500 000	500 000	469384	-6%
Equipment for boreholes in Struisbaai	-	800 000	800 000	732115	-8%
Replace old Water Mains	1 000 000	500 000	1 500 000	1131438.81	-25%
Bulk Water Meters - Replacement	500 000	-	500 000	433943	-13%
Grass cutter (Water Treatment Plant)	15 000	5 000(-)	10 000	9061	-9%
Water Storage Tanks (Donation)	-	75 000	75 000	75000	0%
TOTAL	3 045 000	1 973 000	5 018 000	4138213	-18%

3.7.2 SANITATION

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 and in urban areas where septic tanks are still being used. Various Wastewater Treatment Works (WWTW) are operational throughout the Municipal Area.

▪ Service delivery highlights for 2019/20

- The commencement of Upgrading of Bredasdorp WWTW to 3.6MI/day.
- Procurement of an additional sewer truck to assist with high number of septic tanks to be emptied during holiday periods.

- **Service delivery challenges for 2019/20**

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

b) Service statistics

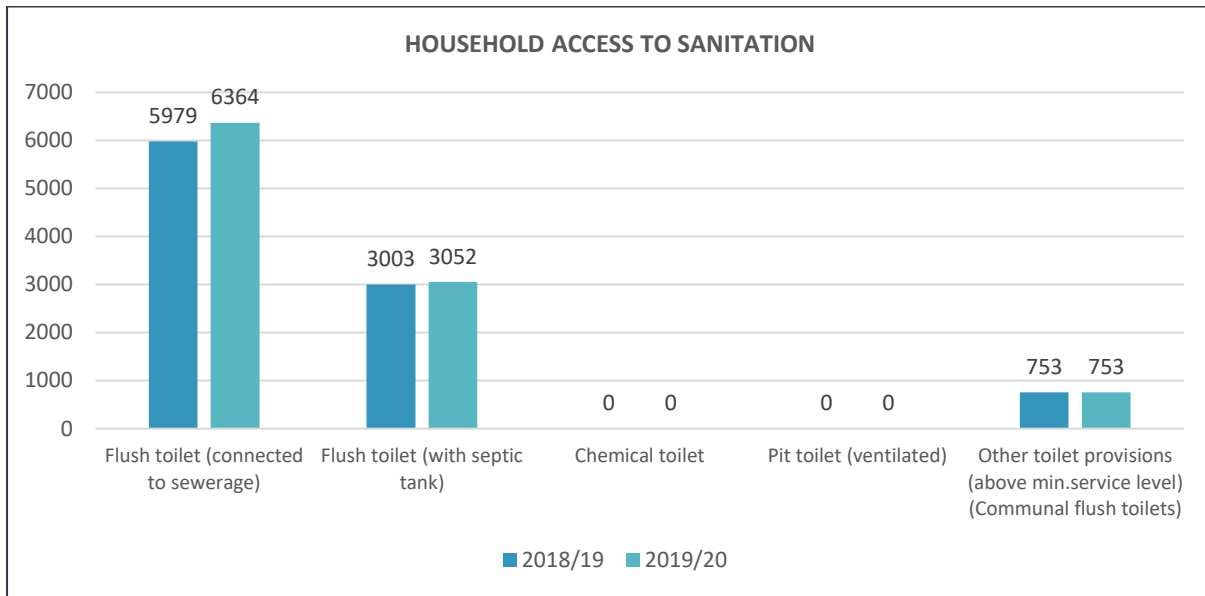
- **Household access to sanitation**

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 93 SANITATION SERVICE DELIVERY LEVELS

DESCRIPTION	HOUSEHOLDS	
	2018/19	2019/20
	ACTUAL NO	ACTUAL NO
Sanitation/sewerage: (above minimum level)		
Flush toilet (connected to sewerage)	5979	6364
Flush toilet (with septic tank)	3003	3052
Chemical toilet	0	0
Pit toilet (ventilated)	0	0
Other toilet provisions (above min. service level) (Communal flush toilets)	753	753
Minimum Service Level and Above sub-total	9735	10169
Minimum Service Level and Above Percentage	100%	100%
Sanitation/sewerage: (below minimum level)		
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
Total number of households	0	0

FIGURE 12 SANITATION SERVICE DELIVERY LEVELS



c) **Human resources**

The same employees are utilised for the water and sanitation service. See Water above for information.

d) **Financial performance: Capital expenditure**

TABLE 94 CAPITAL EXPENDITURE: SANITATION SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
Sewerage Truck	1 500 000	-63 000	1 437 000	1 080 236	-25%
Rehab Wastewater Treatment Works	5 122 018	-	5 122 018	5 052 902	-1%
Rehab Wastewater Treatment Works	9 000 000	-9 000 000	-	433 043	-
TOTAL	15 622 018	-9 063 000	6 559 018	6 566 182	0%

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 95 ELECTRICITY DISTRIBUTION AREAS

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

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

The installation of SSEG projects is increasing rapidly within the Cape Agulhas Municipal supply area but has a negligible effect on electrical sales, 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. This will erode the Municipality’s KWHr sales and the usage of Municipal infrastructure to be able to sell KWHr back to the Municipality must be carefully costed so as to benefit both parties in the long term, thus encouraging the uptake of renewable energy within the Municipality’s area of supply. What must be borne in mind is that the Municipality must still maintain infrastructure to cater for the possible maximum demand if all SSEG fails. Approval and safe installation of SSEG installations are monitored and controlled by the CAM Electricity Services department. Cape Agulhas Municipality is supportive of alternative energy solutions to reduce the pressure and reliance on the national grid and promoting responsible energy generation. During 2019/2020 financial year the Municipality bought 210 000 KWHr’s from SSEG customers

▪ **Service delivery highlights for 2019/20**

- Installation of 2106 LED Streetlights in Bredasdorp to the value of R6 000 000. The Municipality received a conditional grant from DOE for the retrofit of streetlights under their EEDSM project.
- Maintenance of streetlights in the Eskom supply areas in accordance with an agreement concluded with ESKOM
- Successful application for assistance with an energy demand management system from GIZ. One of only five Municipalities in the country to be accepted, two of which are in the Western Cape.
- The above project is progressing well, with internal base load figures now far more accurate and will help with obtaining funding for own renewable energy.
- Electrification of the second phase of Area “F” in Bredasdorp utilising our own staff.
- Electrification of Area “H” in Bredasdorp utilising our own staff.
- Commencement of converting High Street in Napier from an ageing overhead reticulation system to underground cables.

- Distribution losses are limited to 5.04% which when compared with the industry standard of 10% is an achievement.
- The successful application to Eskom for an upgrade of Notified Maximum Demand for Bredasdorp for an additional 2 MVA and Napier for an additional 700KVA which will enable development in the area. Eskom capacity restraints has been an issue for the past few years but will be adequate for the current five-year development plan.

• **Service delivery challenges for 2019/20**

- 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.
- The differing service levels between the Eskom areas of supply and Municipal areas of supply
- Increasing incidents of copper theft.
- Increasing incidents of vandalism.

b) Service statistics

• **Unaccounted for electricity (Losses)**

The Municipality’s electricity losses decreased from 6.93% in 2017/18 to 6.50% in 2018/19 and are 5.04% for 2019/20. Our unaccounted electricity remains well below the norm.

TABLE96 ELECTRICITY LOSSES

YEAR	UNITS PURCHASED (kWh)	LOSSES (kWh)	%	RAND VALUE (APPROXIMATE)
2017/18	77 015 632	5 336 516	6.93%	3 682 196.00
2018/19	76 293 217	4 956 856	6.50%	3 668 073.37
2019/20	73 267 305	3 695 121	5.04%	3 140 853

• **Household access to electricity**

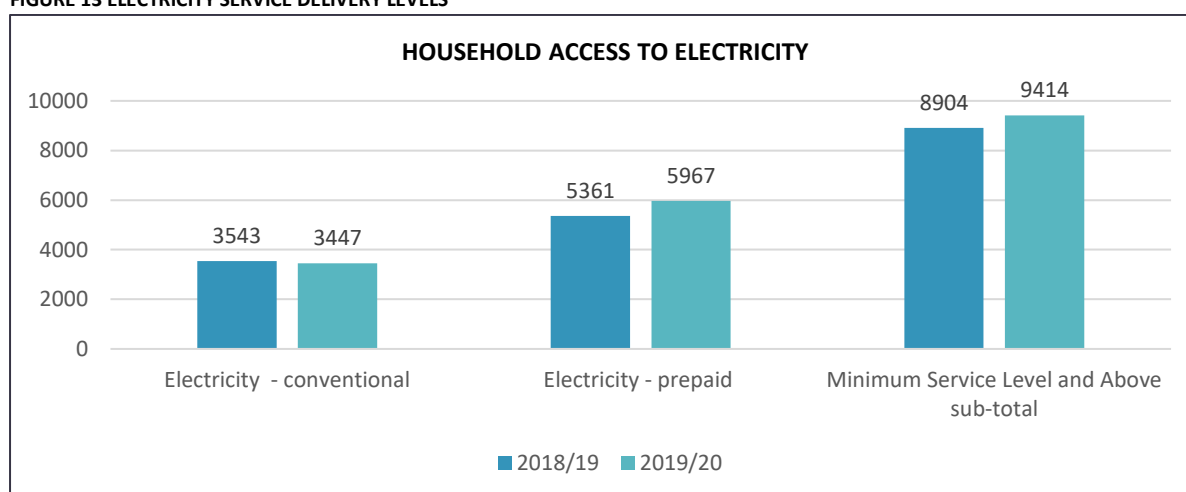
Access to minimum electricity standards is defined as an electricity connection at the dwelling. National policy also requires that poor households should receive 50kWh of free basic electricity per month. All formal households as well as households in informal settlements have access to electricity in the Cape Agulhas Municipal area of supply.

TABLE 97 ELECTRICITY SERVICE DELIVERY LEVELS

DESCRIPTION	HOUSEHOLDS	
	2018/19	2019/20
	ACTUAL NO	ACTUAL NO
Energy: (above minimum level)		
Electricity - conventional	3543	3447
Electricity - prepaid	5361	5967
Minimum Service Level and Above sub-total	8904	9414
Minimum Service Level and Above Percentage	100%	100%
Energy: (below minimum level)		
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
Total number of households	0	0

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

FIGURE 13 ELECTRICITY SERVICE DELIVERY LEVELS



c) Human resources

TABLE 98 EMPLOYEES: ELECTRICITY SERVICES

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	5	4	3	1	25%
4 to 8	5	6	5	1	17%
9 to 13	10	10	10	0	0%
14 to 18	1	1	1	0	0%
TOTAL	21	21	19	2	10%

d) Financial performance: Capital expenditure

TABLE 99 CAPITAL EXPENDITURE: ELECTRICITY SERVICES

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Bredasdorp	720 000	-	720 000	520224	-28%
Office Furniture	3 000	-	3 000	2160	-28%
Air conditioner (x1)	9 500	-2 500	7 000	6905	-1%
Master Plan *Struisbaai	500 000	-	500 000	456400	-9%
Quality of Supply Meters	95 000	-	95 000	95000	0%
Generator	350 000	-	350 000	202000	-42%
Thermal Imager	92 000	-12 000	80 000	68850	-14%
Electrification - Informal Set	121 570	-	121 570	86645	-29%
*Napier	1 000 000	-	1 000 000	1518371.	52%
Tools	25 400	-5 000	20 400	18764.	-8%
Cable locator	126 800	-25 000	101 800	87015	-15%
Master Plan *L'Agulhas	470 000	-60 000	410 000	377883	-8%

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Change Transformers Minisubs	503 000	-43 000	460 000	456400	-1%
Replace Med/Low Volt Overheadlines	593 476	-	593 476	462789.	-22%
Master Plan *Waenhuiskrans / Arniston	930 000	-30 000	900 000	872418.	-3%
Streetlights - New	298 606	-	298 606	297863	0%
EEDSM LED Streetlights / Projects	-	5 160 000	5 160 000	5236766.	1%
TOTAL	5 838 352	4 982 500	10 820 852	10766458	-1%

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

a) Introduction to waste management

- **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

Indications are however that a regional landfill will be the most suitable option.

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. Three new boreholes were drilled as part of the permit conditions and monitoring the groundwater quality.

The Municipal Council approved a revised Integrated Waste Management Plan during the year under review.

- **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.

CAM continued with the wheelie bin project and which will be completed during the 2020/21 financial year and purchased a new compactor truck. The wheelie bins replaced the black bag system and all towns have received their bins already. Collection of wheelie bins started on 01 July 2019.

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). Coastal Clean-up operations were done with the Overberg District Municipality and recycling bins were distributed to various schools to promote the project.

▪ **Awareness**

The following awareness campaigns were rolled out;

- 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 formed part of an education programme.
- Awareness campaigns on recycling were held at businesses, shopping malls, schools and door to door campaigns.
- Currently CAM is busy with the awareness project to promote the implementation of the wheelie bin system.
- The National Department of Environmental Affairs and Development Planning (DEADP), made provision for 22 additional environmental staff members under the Presidential Good Green Deeds Campaign for the following positions: 1 Environmental Officer, 7 Awareness workers and 15 General workers. These workers were appointed through the EPWP initiative in the Cape Agulhas Municipal Area.

▪ **Service delivery highlights for 2019/20**

- Illegal dumping sites within Bredasdorp have been converted into community gardens and are being maintained.
- The wheelie bin project has been implemented in all towns within Cape Agulhas. R 700 000 was available for the project in this financial year.
- A revised integrated management plan (IWMP) was approved.

• **Service delivery challenges for 2019/20**

- Illegal dumping is an ongoing challenge
- Compliance with permit conditions at all times. This was particularly challenging during the first phase of lockdown.

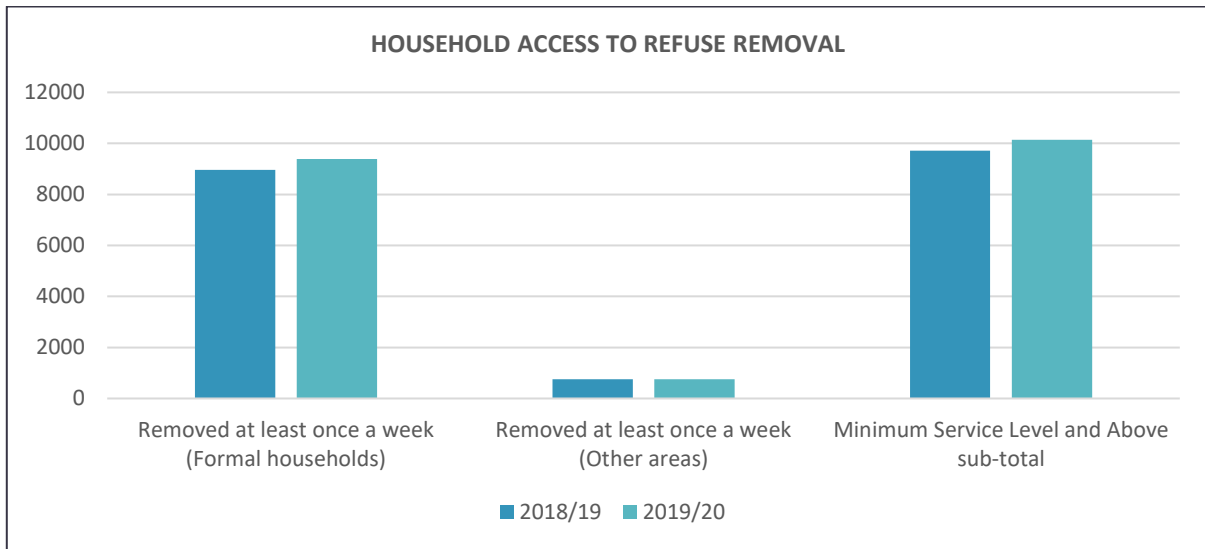
b) Service statistics

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 100 WASTE MANAGEMENT SERVICE DELIVERY LEVELS

DESCRIPTION	HOUSEHOLDS	
	2018/19	2019/20
	ACTUAL NO	ACTUAL NO
Solid waste removal (Minimum level)		
Removed at least once a week (Formal households)	8960	9395
Removed at least once a week (Other areas)	753	753
Minimum Service Level and Above sub-total	9713	10148
Minimum Service Level and Above percentage	100%	100%
Solid waste removal (Below minimum level)		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level percentage	0	0
Total number of households	0	0

FIGURE 14 WASTE MANAGEMENT SERVICE DELIVERY



c) Human resources

TABLE 101 EMPLOYEES: WASTE MANAGEMENT

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	22	23	23	0	0%
4 to 8	6	7	7	0	0%
9 to 13	1	1	1	0	0%
14 to 18	1	1	1	0	0%
TOTAL	30	32	32	0	0%

d) Financial performance: Capital expenditure

TABLE 102 CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Wheelie Bins	700 000	-	700 000	699 660	0%
Rehabilitation Provision - Landfill site	-	-	-	442529	
Land Fill Site - Compliance	850 000	-	850 000	555 557	-35%

(Boreholes / Slops / Equipment)					
TOTAL	1 550 000	-	1550000	1697746	10%

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 in 2018, 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 2019/20 financial year:

- CAM drafted a business plan to cater for the middle-income group after identification of a huge demand for housing in this group. The municipality, together with the Department of Human Settlements are embarking on a new project that will cater for the middle-income group (Deferred Ownership). This is a pilot project for the Western Cape and the idea is to roll it out as part of a National Housing programme.
- Planning is underway for a new mixed housing project in Bredasdorp and Struisbaai. 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:

- IRDP in Struisbaai of 441 houses (Final Basic Assessment Report has been submitted to Department of Environmental Affairs and Planning) and CAM received a positive outcome. An in-house survey was done at Oukamp, Struisbaai and the plan is to relocate qualifying beneficiaries to Struisbaai, Area A. Non-qualifiers will be given serviced sites. With this initiative, we hope to eradicate the Oukamp Informal settlement entirely.
- Finance Linked Individual Subsidy Programme Projects (GAP) was replaced by the deferred ownership module (rent-to-buy). R10m was already secured for project 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
- Completed the Rapid Appraisal of all informal settlements and prioritisation of the informal settlements. The Department of Human Settlements appointed People’s Environmental Planning (PEP) for the upgrade programme of all informal settlements within the municipal jurisdiction.
- Commenced with planning for Napier 150 houses IRDP

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.

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 (alternatively deferred ownership).

c) Title deed restoration programme

The Municipality is participating in the Title Deed Restoration Programme. The process is ongoing for all towns within the municipal area.

b) Service statistics

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

TABLE 103 PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING

YEAR	TOTAL HOUSEHOLDS (INCLUDING IN FORMAL AND INFORMAL SETTLEMENTS)	HOUSEHOLDS IN FORMAL SETTLEMENTS	PERCENTAGE OF HHS INFORMAL SETTLEMENTS	HOUSEHOLDS IN INFORMAL SETTLEMENTS
2018/19	10 161	9408	7.4%	753
2019/20	10 161	9408	7.4%	753

Source: Statistics SA – Census 2011 / Informal settlement register

There are currently 3351 applicants or potential beneficiaries on the waiting list for Cape Agulhas Municipality.

TABLE 104 HOUSING WAITING LIST

FINANCIAL YEAR	HOUSING APPLICANTS	% HOUSING WAITING LIST (INCREASE/DECREASE)
2017/18	3685	2.57
2018/19	3635	-1.36
2019/20	3351	7.81

TABLE 105 HOUSES BUILT / STANDS SERVICED IN 2019/20

FINANCIAL YEAR	ALLOCATION R'000	AMOUNT SPENT R'000	% SPENT	NUMBER OF HOUSES BUILT	NUMBER OF SITES SERVICED
2017/18	29 764	29764	100	0	683
2018/19	29 900	29 900	100	55	230
2019/20	54 249 168	55 304 873	102	402	728

c) Human resources

TABLE 106 EMPLOYEES: HOUSING SERVICES

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	2	2	2	0	0%
9 to 13	1	2	2	0	0%
14 to 18	1	1	1	0	0%
TOTAL	4	5	5	0	0%

d) Financial performance

TABLE 107 CAPITAL EXPENDITURE: HUMAN SETTLEMENTS

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Chairs (x2)	2 000	-500	1 500	1 500,00	0%

Desk	2 500	-900	1 600	1 600,00	0%
TOTAL	4 500	-1 400	3 100	3 100	0%

A grant to the amount of R54 249 168 was allocated by the Western Cape Provincial Government for the planning and services during the financial year under review. The amount of R55 304 873 was spent and the following was completed:

- Planning for Site G 351 houses in Bredasdorp
- Planning for Site A 443 houses Struisbaai
- Planning for 150 houses and 10 GAP erven in Napier
- 119 houses in Area H
- 283 houses in Area F

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 poor households that received free basic services in the past two financial years:

TABLE 108 FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS

YEAR	TOTAL HH'S	HOUSEHOLDS EARNING LESS THAN R4750.00 PER MONTH							
		FREE BASIC WATER		FREE BASIC SANITATION		FREE BASIC ELECTRICITY		FREE BASIC REFUSE	
		ACCESS	%	ACCESS	%	ACCESS	%	ACCESS	%
2017/18	10 161*	3 021	29.73	3 021	29.73	3 021	29.73	3 021	29.73
2018/19	10 161	3001	29.53	3001	29.53	3001	29.53	3001	29.53
2019/20	10 161	3380	33.26	3380	33.26	3380	33.26	3380	33.26

TABLE 109 COST TO THE MUNICIPALITY OF FREE BASIC SERVICES DELIVERED

SERVICES DELIVERED	2018/19	2019/20			
	ACTUAL	BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO BUDGET
Water	2 952 012.10	20 185 660.00	21 725 248.00	22 388 729.00	- 663 481.00
Wastewater (Sanitation)	2 741 499.72	11 873 376.00	12 676 061.00	12 453 132.00	222 929.00
Electricity	4 641 148.66	111 309 784.00	102 638 644.00	103 946 132.00	- 1 307 488.00
Waste Management (Solid Waste)	102 910.35	20 690 102.00	15 476 622.00	20 669 084.00	- 5 192 462.00
TOTAL	10 437 570.83	164 058 922,00	152 516 575,00	159 457 077,00	-6 940 502,00

3.8 COMPONENT B: ROAD TRANSPORT AND STORMWATER

This component includes roads and wastewater (storm water drainage). The Roads and Stormwater Department is tasked with the construction and maintenance of all roads and storm water assets within the Cape Agulhas Municipal Area. Master plans for roads and storm water for the whole area were put in place to assist in planning and budgeting.

3.8.1 ROADS

a) Introduction to roads

The strategy of the Roads and Storm Water Department is to reseal and rehabilitate as many roads as financially possible in terms of the updated pavement management system. According to the PMS the short-term backlog and medium-term backlog are R 25.80 m and R 143.20 m respectively. The surface condition of 21.63 % of all paved roads are in a poor to very poor condition and the structural condition of 24.34 % of all roads are in a poor to very poor condition.

▪ Service delivery highlights for 2019/20

- Existing gravel roads in the Zwelitsha RDP area in Bredasdorp have been upgraded to paved roads to the value of R 2.3 m and has been funded from the MIG.
- A portion of Ou Meule Road in Bredasdorp has been re-sealed and two of the intersections have been raised and paved for speed calming purposes.
- New industrial erven in Struisbaai have been serviced with roads.
- The Suiderstrand Road has been re-gravelled.
- Numerous sidewalks were paved in Bredasdorp and Struisbaai.

• Service delivery challenges for 2019/20

- Funding to address the backlog in road maintenance and rehabilitation is limited.
- An application for MIG funding will be submitted during 2020/21.
- A significant number of working hours have been lost due to the Covid 19 regulations and the lock down period.

b) Service statistics

TABLE110 GRAVEL ROAD INFRASTRUCTURE

YEAR	TOTAL GRAVEL ROADS KM	NEW GRAVEL ROADS CONSTRUCTED KM	GRAVEL ROADS UPGRADED TO TAR KM	GRAVEL ROADS GRADED/MAINTAINED KM
2017/18	26.96	0	1.9	25.06
2018/19	38.10	0	1.21	25.00
2019/20	40.30	0	0.38	40.30

TABLE 111 TARRED ROAD INFRASTRUCTURE

YEAR	TOTAL TARRED ROADS KM	NEW TAR ROADS KM	EXISTING TAR ROADS RE-TARRED KM	EXISTING TAR ROADS RE-SHEETED KM	TAR ROADS MAINTAINED KM
2017/18	181.67	5.7	1.9	0	189.27
2018/19	187.65	0	0	0.62	187.65
2019/20	187.65	0	0	0.35	187.65

TABLE 112 COST OF CONSTRUCTION/MAINTENANCE

YEAR	GRAVEL			TAR		
	NEW	GRAVEL – TAR	MAINTAINED	NEW	RE-WORKED	MAINTAINED
	(R' 000)	(R' 000)	(R' 000)	(R' 000)	(R' 000)	(R' 000)
2017/18	43250	2800	710	5500	1650	1300
2018/19	0	5 700	260	0	0	1 600
2019/20	0	2 338	250	0	1 000	1 600

c) Human resources

TABLE 113 EMPLOYEES: ROADS AND STORMWATER

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	18	15	14	1	7%
4 to 8	9	12	10	2	17%
9 to 13	13	12	12	0	0%
14 to 18	1	1	1	0	0%
TOTAL	41	40	37	3	8%

d) Financial performance: Capital expenditure

TABLE 114 CAPITAL EXPENDITURE ROADS

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
RSEP (DPLG) - Pedestrian Bridge (Ou Meule Road)	800 000	-	800 000	702566	-12%
Air conditioners (x2)	16 000	-2 000	14 000	13812	-1%

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Bomag (X1)	250 000	-74 000	176 000	176000	0%
Sidewalks - Bredasdorp (Park street)	250 000	-12 000	238 000	237700	0%
Sidewalks - Struisbaai (1st Avenue)	100 000	-	100 000	100000	0%
Bredasdorp RDP - Upgrade Roads	3 719 538	-	3 719 538	3400182	-9%
Upgrade Road (SBN Camping Site)	1 500 000	-1 030 600	469 400	226665	-9%
Sidewalks Struisbaai/LA	500 000	-80 000	420 000	417650	-1%
Upgrade Suiderstrand Road	700 000	288 600	988 600	834098	-36%
Reseal of Roads CAM	1 000 000	-	1 000 000	900313	-10%
Struisbaai Industrial Services (Roads/Stormwater)	3 000 000	-2 200 000	800 000	939827	17%
TOTAL	11 835 538	-3 110 000	8 725 538	7948811	-9%

3.8.2 STORMWATER DRAINAGE

a) Introduction to storm water

Stormwater upgrading and maintenance are essential for any municipality to minimize the risk of flooding causing damage to infrastructure and private property.

Stormwater drainage is still a major challenge due to the existing backlog and inadequate storm specifically in low lying areas in Bredasdorp and Struisbaai.

The stormwater master plan has been finalised and will guide council to identify projects to address storm water problems.

- **Service delivery highlights for 2019/20**

- No storm water projects were undertaken during the year
- **Service delivery challenges for 2019/20**
 - Insufficient financial resources
 - High risk of flooding in certain areas in Arniston, Struisbaai and Bredasdorp.

b) Service statistics

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

TABLE 115 STORMWATER INFRASTRUCTURE

YEAR KM	TOTAL STORM WATER MEASURES KM	NEW STORM WATER MEASURES KM	STORM WATER MEASURES UPGRADED KM	STORM WATER MEASURES MAINTAINED KM
2017/18	79.3	2.59	0.4	81.89
2018/19	77.8	0	0	77.80
2019/20	77.8	0	0	77.80

TABLE 116 STORM WATER INFRASTRUCTURE COST

YEAR	STORM WATER MEASURES		
	NEW (R'000)	UPGRADED (R'000)	MAINTAINED (R'000)
2017/18	1900	970	800
2018/19	0	0	Part of roads budget
2019/20	0	0	Part of roads budget

c) Human resources

The same personnel are utilised for both roads and stormwater.

3.9 COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT

This component includes integrated development planning, spatial planning, building control and local economic development.

3.9.1 INTEGRATED DEVELOPMENT PLANNING

a) Introduction to Integrated development planning

Integrated development planning is a process through which municipalities prepare their strategic plan, which is known as an Integrated Development Plan (IDP), which covers a five-year period. The IDP is the principal strategic planning instrument, which guides and informs all planning, budgeting, management and decision-making processes in a municipality.

- **Third Review of the Integrated Development Plan**

The third review of the 2017/18 - 2021/22 IDP took place during the financial year under review.

The IDP is reviewed annually in accordance with an assessment of its performance measurements and to the extent, that changing circumstances demand. The review process serves as an institutional learning process whereby stakeholders can meet to discuss the performance of the past year. The review is not a replacement of the 5-year IDP, nor is it meant to interfere with the long-term strategic direction of the Municipality to accommodate new whims and additional demands.

As prescribed by Section 34 of the Local Government: Municipal Systems Act, 2000 (Act 32 Of 2000) the following is legislated:

34. Annual review and amendment of integrated development plan.

“A municipal council –

(a) must review its integrated development plan –

(i) annually in accordance with an assessment of its performance measurements in terms of section 41; and

(ii) to the extent that changing circumstances so demand; and

(b) may amend its integrated development plan in accordance with a prescribed process.”

The municipality developed an IDP and Budget Time Schedule, which serves as a “plan to plan” for the third review of the 5-year IDP of Cape Agulhas Municipality. It was adopted by Council on 31 July 2018 with resolution number 95/2018 and contains clear deliverables and specific timeframes. The purpose of the time schedule is to indicate and manage the planned activities and strategies that the municipality will follow to review the IDP.

It also co-ordinates the planning cycle between other strategic processes within the municipality such as the budget, SDBIP and the Annual Report of the municipality. Furthermore, this time schedule facilitates improved co-ordination with the planning cycles of other spheres of government. It also identifies key role players such as the local communities, ward committees and other key municipal stakeholders that must be involved in the review of the IDP through an extensive public participation process. This enhances the credibility of the review process and enables the municipality to undertake development plans and render services that are more responsive to the needs and conditions of local communities.

▪ **IDP Assessment**

In terms of the provisions of the Local Government: Municipal Systems Act, 2000 municipality should submit a copy of the Council approved IDP to the MEC for Local Government in the province. The MEC is tasked by legislation to assess the IDP and give comment on its alignment to government programme. The MEC comments have largely provided guidance on the preparation of the IDP.

3.9.2 SPATIAL PLANNING

a) Introduction to spatial planning

Spatial planning is the responsibility of the Town and Regional Planning section, which is mandated to manage the spatial planning of various land uses such as industrial, institutional, residential and business. The section has three main sub-sections namely: Town Planning, GIS and Environmental Management.

The Town Planning Section oversees:

- Town Planning services i.e. provision of zoning information and processing of various land use applications i.e. rezoning applications.
- Development Enforcement: Enforcement of town planning scheme rules – prosecution of illegal land uses.
- Effective service delivery and networking with the public;
- Issuing zoning certificates, information, business licences;
- Site inspections;
- Dealing with complaints;
- Application considerations;
- Town planning and environmental workshops;

Spatial Planning is central to the development and promotion of an integrated Municipal Area. The Municipality is committed to addressing spatial injustices and ensuring development of vibrant, resilient and sustainable urban and rural areas.

▪ **Implementation of SPLUMA**

The Municipality is currently implementing the Spatial Planning and Land Use Management Act (SPLUMA), Act No. 16 of 2013. Section 156(2) of the Constitution, gives municipalities the right to make by-laws for the matters which they have the right to administer, in this case “municipal planning” as set out in Schedule 4 B of the Constitution, read together with section 11(3)(e) and (m) of the MSA. A Land Use Planning By-Law was gazetted in terms of SPLUMA, which was implemented from the date of promulgation. This by-law is regarded as compliant with the Constitution, SPLUMA, LUPA, Municipal Systems Act and other legislation.

The Municipality has appointed an Authorised Official and successfully constituted its Municipal Planning Tribunal (MPT) and Municipal Appeal Tribunal (MAT), which deals with land use applications and application appeals respectively. This includes applications for rezoning, removal/suspension of restrictive conditions, township establishments, etc. The turnaround time for processing of land use applications has been expedited through this process.

▪ **Spatial Development Framework (SDF)**

Section 26 of the Municipal Systems Act as well as Section 20 of the Spatial Planning and Land Use Management Act require each municipality to have a Spatial Development Framework.

The SDF is one of the core components of the Municipal IDP and gives spatial effect to the vision, goals and objectives of the new 2017/18 – 2021/22 IDP. It indicates spatially the long-term growth and development of the Municipality and coordinates the spatial implications of all strategic sector plans (engineering, transport, economic, housing, community services, etc.).

A new Spatial Development Framework was compiled concurrently with the 2017/18 – 2021/22 Integrated Development Plan, which complies with SPLUMA as well as the principles of the National Development Plan (NDP). The SDF was approved on 30 May 2017 (Resolution 103/2017), and will guide the future spatial development of the Municipal Area.

Decreasing poverty and inequality is intrinsic in the way the SDF has been designed – communities will be closer to new and improved levels of housing, commercial and industrial areas and a chance to be walking distance from jobs, nature and urban agriculture. The SDF identifies areas where the following is needed:

- integration and restructuring
- economic growth and investment opportunities and social investment
- Infill and densification;
- Future development;
- Development corridors

It also identifies areas with existing infrastructure capacity to support integration, densification, as a way of ensuring sustainable development.

▪ **Service delivery highlights for 2019/20**

- The Council approved the Feasibility Study for the Struisbaai Square in December 2019.
- A site development plan and feasibility study were completed for the taxi interchange in Bredasdorp.
- Application was made to the RSEP Programme for funding for the third node within the Ou Meule Street Precinct, namely the Anene Booysen Memorial Park
- Various guest accommodation and business applications have been considered favourably, thus promoting economic development.
- We managed to render a continuous planning service during Covid 19 Level 3 and 4 Regulations, by using technology to enable clients to upload applications electronically on the Ovvio portal.

• **Service delivery challenges for 2019/20**

- Identifying areas that need to be protected. These include natural, heritage and environmental key assets as well as agricultural and rural assets;
- Identifying areas with no infrastructure capacity for sustainable development.
- Illegal activities in contravention with the zoning scheme
- Illegal house shops and shebeens create social problems and even regular raids / joint operations are not effective.
- Covid 19 Regulations resulted in a longer turnaround time on applications as the postal services were not fully functional and we allowed additional time for objections.

b) Service statistics

TABLE 117 APPLICATIONS FOR LAND USE DEVELOPMENT

DESCRIPTION	FORMALIZATION OF TOWNSHIPS		REZONING		AUTHORISED OFFICIAL		MUNICIPAL PLANNING TRIBUNAL MPT		PLANNING APPEAL COMMITTEE MAYOR	
	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20
Planning Applications received	0	0	27	13	160	128	3	9	2	6
Decisions made in current year	0	0	24	9	6	124	0	9	2	4
Applications withdrawn	0	0	0	0	0	0	0	0	0	0
Applications outstanding at year end	0	0	3	4	18	4	1	0	0	2

c) Human resources

TABLE 118 EMPLOYEES SPATIAL PLANNING

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	0	0	0	0	0%
9 to 13	1	1	1	0	0%
14 to 18	3	3	2	1	33%
TOTAL	4	4	3	1	25%

d) Financial performance: Capital expenditure

None

3.9.3 BUILDING CONTROL

The Building Control Department resorts within the Infrastructure Services Directorate of the Municipality. Building Control is integral to the generation of revenue for the municipality, through valuations and planning fees. A seamless process for considering building plans is a foundation for local economic development.

The mandate of the department is to ensure implementation of the National Building Regulations and Standards Act Air Quality Control and Noise Management, which in turn ensures a safe and healthy environment.

The functions of the Building Control Department are:

- Networking with the public and provide information.
- Providing recommendations on plans, specifications and documents and to receive instructions in terms of the NBR and perform them on behalf of the Municipality and take care of related matters and Legislation.
- Every building plan passes through a clearly structured sequence of well-defined milestones from the receipt of the application right through to the verdict of approval or rejection.
- Address illegal building work and signage and issuing the necessary notices for legal action.
- Building inspections as prescribed.
- Handling of correspondence and dealing with complaints.
- Issuing of occupancy certificates
- Dust control, Noise control, Air quality control.

The BCO is the local representative of the building industry, but equally represent the NBR as an enforcement officer on behalf of the minister who is responsible for the Act. Building control ensure that all buildings comply with the NBR.

A survey was done by SACAP which determined that the Building Control Department of CAM delivered a full service during the national lockdown period due to the covid19 pandemic.

The following was implemented to improve the performance of the building control department:

- Monthly staff meetings
- Workshops and training of staff in terms of new legislation and policies
- Access to user-friendly data and equipment – electronic building plan register and plan submission on the Ovvio portal.
- Consideration of building plans within two weeks of submission

▪ **Service delivery highlights for 2019/20**

- Electronic submission of plans on the Ovvio portal which worked well especially during the earlier phases of lockdown.
- SMS notification of plan approvals.
- Staff are knowledgeable;
- Tasks are completed within the prescribed time framework;
- Complaints are dealt with immediately;
- Legal requirements and processes are adhered to;
- Compliance to the Air Quality Management plan for CAM;
- Assisting the public with building plans where they cannot afford architects;
- Doing site visits and giving advice in terms of building work;
- Low cost housing projects: ASLA and Melon Housing projects
- Completed the Ou Meule Square container project.
- Participation in and attend the following forums and or meetings:
 - o Member of the LGSETA (QCTO) working group developing Occupational Qualification for Building Inspectors;
 - o Member of the National Steering Committee for Building Control SA;
 - o Regional Tourism Liaison Committee (RTLCL)

- Overberg Planning Forum;
- Legislative Task Team Forum;

● **Service delivery challenges for 2019/20**

- Illegal building operations
- Illegal land uses
- Cooperation with courts to address illegal building work
- To go paperless on plan submission and approval to improve service delivery and shorten approval time.

a) Service statistics

TABLE 119 VALUE AND NUMBER OF BUILDING PLANS

YEAR	TOTAL VALUE	RESIDENTIAL	BUSINESS / INDUSTRIAL	TOTAL PLANS APPROVED
2015/2016	R284 428 000	352	12	364
2016/2017	R353 503 000	432	14	446
2017/2018	R346 160 202	428	0	428
2018/2019	R412 647.00	396	6	402
2019/2020	R352 746 000	374	6	380

b) Human resources

TABLE 120 EMPLOYEES BUILDING CONTROL

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	0	0	0	0	0%
9 to 13	4	4	3	1	25%
14 to 18	1	1	1	0	0%
TOTAL	5	5	4	1	20%

c) Financial performance: Capital expenditure

TABLE 121 CAPITAL EXPENDITURE: BUILDING CONTROL

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
High Back Chair	3400	-1000	2400	2400	0%
Cupboard	1500	0	1500	1500	0%
TOTAL	4900	-1000	3900	3900	0%

3.9.4 LOCAL ECONOMIC DEVELOPMENT AND TOURISM

a) Introduction to local economic development

The Municipality created an Economic Development and Tourism Department from 1 July 2018. The purpose of LED is to improve the vibrancy and sustainability of local economies, which will ultimately lead to better living conditions for the majority of the population. LED is not about direct projects with the poor, but more about recognising the scale of this impact by business on poverty levels and making this even greater. Working directly with the poor is also important but is called social development, not to be confused with economic development.

The role of the Municipality is to facilitate economic development by creating a conducive environment for business development and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy. Government can obviously not plan or implement LED effectively if the private sector, who is the key driver of a local economy, is not included in such development processes.

Cape Agulhas Municipality was ranked the ninth best municipality in the country by *Good Governance Africa* (GGA) in April 2019. The indicators used in their government performance index were administration, service delivery and economic development. It is therefore not far-fetched to claim that our programmes had a profound impact on this excellent rating.

The prevailing Covid 19-pandemic and the accompanying lock-down that was introduced early in March 2019, has had an important impact on the operations of this division. A significant part of our programmes are events driven, and most of our envisaged programmes has had to be abandoned as a result, forcing us to explore digital and virtual pathways. We are however constantly on the move to explore new ideas, and to pursue funding opportunities to try and mitigate the negative impact that this pandemic is having on our local economy.

b) LED Strategy

The Municipal Council approved a revised LED Strategy on 27 June 2017. This strategy focuses on initiatives that can be achieved within the short to medium term and is in essence a consolidation of the 2013 revision updated with other internal and external strategic processes, initiatives and programmes relating to economic development. During 2017/18, this strategy was again revised, and specific focus placed on implementation.

During the year under review, there was a significant shift to regional economic development. The Overberg District Municipality commenced the process of developing a Regional Economic Development Strategy (RED), and the

Municipality participated in this process. A revised LED and Tourism Strategy incorporating an action plan, was once again submitted to and approved by Council in 2019/20.

c) Entrepreneurship Development

SMME’s /Co-operatives. enterprise support and development which is done in partnership with other stakeholders e.g. SEFA, SEDA, DOA, Casidra and DRD&LR

- We have partnered with various local stakeholders such as the Disabled Association, Forestry Workers, Healthgro, Elim Joinery, etc in order to capacitate them to become sustainable.
- The municipality has established street markets with steering committees in all the major towns with the necessary resources, with the view of encouraging entrepreneurship.
- We are continuing to include these entrepreneurs on training programmes and assist them with funding applications.
- We have hosted a small business development summit in collaboration with DEDAT, SARS, and SEEFA with the purpose of exposing them to funding and training opportunities.

TABLE 122 ENTREPRENEURSHIP REGISTRATIONS

REGISTRATIONS	2018/19	2019/20
Co-operatives registered	8	15
Companies registered	26	20
Non-profit Company	2	1
SARS related matters	93	206
CIDB	9	5
COIDA	28	14
UIF	27	700
Supplier data bases	114	90
National Credit Regulator	0	0
Access to finance through CASIDRA/SEDA Department of small Business development	10	15

d) Rural development programmes

• **Comprehensive Rural Development Programme (CRDP)**

Cape Agulhas Municipality works with the Department of Rural Development and Land Reform and Department of Agriculture on the implementation of interventions to uplift the livelihood of rural communities through various development programme. The programme covers the rural towns of Arniston and Struisbaai as development nodes. These programmes include developing rural infrastructure, facilitating access to land for community gardens, providing support to emerging farmers, facilitating integrated development and social cohesion. The overall objective of the programme is also to address skewed ownership patterns of distribution of wealth and ownership of wealth and assets.

Over the past year, the Municipality has participated in an established Intergovernmental Steering Committee (ISC) to ensure smooth coordination of all development initiatives by various stakeholders and departments. Through the Steering Committee, many development projects have been identified for implementation this financial year and others are in various stages of completion. These projects include road rehabilitation, provision of fish farming

equipment to support the fishing communities. The municipality plays a central role in assisting these fish farming communities to register cooperatives and train them as legal entities. We have also revived and empowered the Council of Stakeholders, a community non-profit organisation whose responsibility is to ensure community participation and monitoring in all development initiatives to empower the Council.

- **Napier Small Town Regeneration Strategy**

The Municipality is also involved in a partnership initiative with South African Local Government Association to implement a Small Towns Regeneration programme in Napier. The programme is also aimed at coordinating development initiatives and mobilising resources for the development and beatification of the town and its people. The programme is coordinated through a Steering Committee, which serves as a link between the Municipality and the community. This initiative has identified projects, which need funding for implementation. Some of these projects are now part of the municipality's integrated development plan and budget processes. A farmer's support project, namely a pack shed is almost at the completion stage. This project is funded by the Department of Rural Development and Land Reform to support the local emerging farmers' cooperative operating in the area. The Municipality together with the Steering Committee has identified a potential of starting a Clothing Factory, it is now busy facilitating the registration of a non-profit making entity that will run the factory.

- **Agri- Parks**

The Municipality is also involved in the implementation of Agri-Parks programme, which is a district programme. The Municipality has earmarked land as a site for Agri-Parks initiative and projects. It also participates in the intergovernmental structure, the District Agri-parks Joint Operation Centre whose role is to coordinate and monitor the implementation of the programme across various municipalities within the district. The Agri-Parks programme is a national programme led by the Department of Rural Development and Land Reform, and the Department of Agriculture. The programme is aimed at reigniting Rural Economic Transformation in identified districts across the country. It is aimed at networking innovation systems of agro-production, processing, logistics, marketing, extension services and training within a district. The programme consists of three basic focus areas or units, which are Farmers Production Support, Agri-Hubs, and Rural Urban Marketing Centres. The future of the programme within the Province is uncertain at this stage, but as a Municipality, we have been and will remain involved.

- **Agricultural projects on municipal land**

The Municipality has made available pockets of communal land, which it owns to various emerging farmers groups who are organised into cooperatives. This process has assisted them to leverage support from the Department of Agriculture who provides them with farming equipment etc. Although sustainability of our emerging farmers remains a challenge, some are doing very well and can be counted as success stories to learn from. These include Napier Health Gro Vegetable Gardens, Amqhawe Farmers' Cooperative and Isivuno, Farmers Cooperative. We have also embarked on a process to determine whether each pocket of allocated land is being utilised in terms of their leasing conditions. We are in the process of developing a programme to be implemented to ensure maximum use of the land takes place, and to re-allocate land to other beneficiaries if necessary.

- **Installation of Water Tanks**

We have partnered with the Breede-Gouritz Catchment Management Agency (BGMCA) to facilitate the installation of water tanks to qualifying households in Bredasdorp, Napier and Klipdale. To date 21 tanks has been installed and other qualifying beneficiaries will be accommodated in the current financial year.

e) **SMME Development**

• **Acquisition of Land for Informal Traders**

The Council has purchased an erf in the central business area, with the view of developing it into an informal market where traders can sell their products in a protective environment. This fits into our commitment to broaden the scope of our upcoming entrepreneurs and to assist them to become sustainable.

• **SMME-Summit**

We have held a very successful SMME-summit which took place in February 2020. The purpose of this summit was to ascertain the needs of SMME's, and to equip them with the skills to enhance their business ventures. The following role players were invited to the Summit to present their inputs: Dedat, SARS, Department of Labour, Small Enterprise Development Agency, Overberg District Municipality, and local financial institutions.

• **Annual Street Market**

Our annual Street Market took place in November 2019. This event was intertwined with live performances by local artists. Many vendors have made use of this opportunity to exhibit and sell their products.

• **Sponsoring-a-Shelf Project**

We have engaged different retailers to sponsor shelf space to show-case the products of our informal traders and other upcoming entrepreneurs. The idea is to introduce such products to a bigger market whilst utilising these facilities.

• **Kapula Candles Collaboration**

Our office has managed to secure some trading space in the show room of a well-known and established candle exporter, called Kapula Candles. Our partnership with Kapula Candles also makes provision for the utilisation of their export trading networks. We have once again involved some of our informal traders, as well as a group representing physically challenged persons to provide the following products to be showcased:

- Products made out of recycled goods
- Candle Holders made from metal or wire
- Any other products that complements Kapula Candle's range of ceramics and candles.

• **Partnership with Dept. of Small Business Development**

We have bought into a partnership with the above department as part of our inter-governmental relationships with all spheres of government. As a result, we have secured the approval of tools and equipment for about 70 local upcoming entrepreneurs. Ownership of the approved equipment will be taken after the lock-down regulations has been relaxed.

- **Regional Socio-Economic Programme** The Municipality successfully applied to participate in the Regional Socio-Economic Programme (RSEP). The re-development of the Ou Meule Street precinct is the focus of the programme, and the first phase of the project which was done over 2 financial years entailed the construction of a container trading area. The RSEP Programme contributed R2 000 000 and the Council R800 000 for this

project. The project is finalised, and there are 12 business units available for upcoming entrepreneurs. The other project that was completed in the year under review is a pedestrian bridge on the corner of Long and Ou Meule Street. RSEP Provided R800 000 for this project.

- **DEDAT SMME Booster Fund Project**

Successful application was made to the DEDAT SMME Booster Fund to develop a container hub trading area in Ou Meule Street. An amount of R 1 465 000. The project is complete and can accommodate between 6 and 12 entrepreneurs.

f) **Tourism**

The municipality has participated in the following programmes, to boost tourism in our region:

- **Colour Fun Run**

The aim with this Run is to enhance our tourism economy through sports. A significant number of local people and visitors participated in this fun run, the first ever held under auspices of the Municipality. It has ever since been established as an annual event.

- **Schools Project**

We have introduced tourism to high school learners during a workshop and invited industry roleplayers as guest lecturers. Participants were taught about the importance of tourism in our local economy, thereby encouraging them to recognise the role that tourism could play in their future endeavours.

- **Dining-with-Locals**

The Municipality has embarked on a programme to identify and train community members in the above concept, with the view of empowering them to provide catering to tour groups visiting the area. The idea is also to introduce tourists to the life of ordinary people in our neighbourhoods through this programme. We have partnered with Xplorio Online to ensure that this project, and the services it has on offer is marketed across the spectrum.

- **Partnering with Community Festivals**

We have partnered and participated in the following community events:

- Voet van Afrika-marathon,
- Southern Tip Festival,
- Legend Runner, and
- Napier Patat Festival.

- **Local Tours Initiative**

We have embarked on a campaign to host tour operators and companies to expose them to all our offerings, with the view of them sharing the same experiences with their clients. To date we have reached about 22 such companies and has observed the positive impacts of these engagements through the increased influx of tourists to our region, especially from Asian countries.

- **LED/Tourism Forum**

We have established our very first Forum, comprising of various stakeholders from the various local economic and tourism sectors. The purpose of this forum is to consult with local stakeholders and to exchange ideas relating to the development of Cape Agulhas.

- **Filming Desk**

We have established a filming desk with the aim of attracting more filming productions to our area. A staff member was allocated to co-ordinate filming promotion, and we are engaging with a well-known film producer to seek his input on how to make our area more attractive to draw more producers to Cape Agulhas.

- **Establishment of Khoi San Village**

We are working closely with the Napier Khoi San – community for the establishment of a Khoi San Village on council-owned land, and have already managed to secure some funding for side-ventures which is to form part of the ultimate Khoi San Village.

g) Skills Development

We have hosted several training sessions in the following disciplines:

- Customer Care Training
- Social Media / Phone Filming Training
- Dining-with-Locals Training
- Events Management Training
- Capacitating Forestry Workers
- Tender Readiness
- Theories of Local Economic Development
- Business planning
- Capacitating spinning-and-weaving group
- New Venture Development Workshop in partnership with Seda, Dedat and SARS

h) Marketing

- The Municipality has invited representatives of various tour agencies to a working holiday during which we have showcased our tourist attractions, with the view of convincing these agencies to extend their tour packages to our area.
- We have overhauled our social media platforms in order to reach as many people as possible possible, to keep them abreast of developments in our area. This includes a user-friendly website, Facebook Page (Consider Cape Agulhas) and Instagram Account.
- We have extended the distribution line of our tourism brochures to reach as many potential tourists as possible.
- Our office is also making use of the municipality's newly created You Tube-channel to market our area and to expose the public to new initiatives.
- We are also utilising a weekly radio slot which was allocated to us by Radio Overberg to market our area more extensively.

- We have embarked on a process of constructing a digital mall. It will be featured on our You Tube-channel, Facebook page, website and others. The aim with this is to provide bigger exposure to our local businesses and put them with reach of national and global markets.

i) Consider Cape Agulhas Campaign

Highlights of the year include the initiating of the “Consider Cape Agulhas” campaign. This included an investment summit which was well attended by businesses, potential investors and other role-players. The key message on this summit was to examine amount and type of new developments that is in the pipeline for Cape Agulhas, and how local businesses and upcoming entrepreneurs can tap on to the opportunities emanating from it. The keynote speaker at the event was the Western Cape MEC for Agriculture. We also hosted a Tourism & Filming Conference in November 2019. This conference was aimed at drawing more investors and visitors to our region. The conference has identified more tourism and filming initiatives to explore and resolved to strengthen partnerships between the applicable stakeholders. The conference was well attended, and some of our guest speakers included the CEO of Wesgro.

j) Human resources

TABLE 123 EMPLOYEES LED AND TOURISM

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	1	0	0	0	0%
4 to 8	0	0	0	0	0%
9 to 13	3	4	4	0	0%
14 to 18	1	1	1	0	0%
TOTAL	5	5	5	0	0%

i) Financial performance: Capital expenditure

TABLE 124 CAPITAL EXPENDITURE LOCAL ECONOMIC DEVELOPMENT

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Air conditioners x4	70000	-30000	40000	39261	-2%
DEAT (DPLG) Lesedi LED Containers units	0	1495000	1495000	1157892.57	-23%
TOTAL	70000	1465000	1535000	1197153.57	-22%

3.10 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes libraries, cemeteries and human development.

3.10.1 LIBRARIES

a) Introduction to libraries

The Municipal Library Service consists of nine libraries. Internet is available in seven of the libraries. The usage of internet facilities is free, and costs are covered by the Provincial Library Services. The two libraries that do not have internet, namely Elim and Struisbaai have access to the Cape Access Programme.

TABLE 125 MUNICIPAL LIBRARIES

TOWN	NO	LIBRARIES
Bredasdorp	2	Main and Welverdiend Libraries
Napier	2	Napier Library and Nuwerus Libraries
Struisbaai	1	Struisbaai Library
Arniston / Waenhuiskrans	1	Arniston / Waenhuiskrans Library
Protem	1	Protem Library
Klipdale	1	Klipdale Library
Elim	1	Elim Library

Libraries are an important community service because there are limited recreational facilities in the various towns. Services are provided to old age homes and service centres for the elderly and the libraries are used extensively by school learners. We also assist school libraries with their limited collections through the outreach to Education Connection.

▪ Service delivery highlights for 2019/20

- The Department of Cultural Affairs and Sport provided a conditional grant to set up a modular library for Elim during the 2018/19 financial year and the process was commenced to erect a modular library at the end of June 2019, which was completed during the financial year.

▪ Service delivery challenges for 2019/20

- The Provincial budget for books has been severely cut, but despite this challenge, the libraries still render an excellent service, and some libraries are broadening their collections through donations from private people as well as giving donations to province.

- The building of the modular library was a challenge due to contractual issues and a long wait for Eskom to install the electricity, and Covid- 19 slowed the transfer of stock to the new library.

b) Service statistics

TABLE126 SERVICE STATISTICS FOR LIBRARIES

TYPE OF SERVICE	2017/18	2018/19	2019/20
Library members	10440	13 436	14082
Books circulated	11315	178 868	141262
Exhibitions held	220	215	183
Internet users	6637	2075*	20*
Children programmes	12	82	85
Visits by school groups	26	43	53
Book group meetings for adults	20	27	23
Primary and Secondary book education sessions	29	3 **	_*

* Internet users are much lower because ICT statistics must now be added to book statistics putting everything on an equal platform, and these statistics now only indicate people from outside the Municipal boundaries etc working on internet.

** It appears that there is a decline in the book education sessions, but in all children programs there’s always a book education session included as part of that programme. The book education sessions are worked in at story hours as well as group visits by school groups.

c) Human resources

TABLE 127 EMPLOYEES: LIBRARIES

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
o to 3	0	0	0	0	0%
4 to 8	9	9	8	0	0%
9 to 13	3	3	3	0	0%
14 to 18	0	0	0	0	0%
TOTAL	12	12	11	1	8%

c) Financial performance: Capital expenditure

None except for computers which were contributed assets.

3.10.2 CEMETERIES

a) Introduction to cemeteries

The Municipality has eight cemeteries within its Municipal Area.

TABLE 128 CEMETERIES PER TOWN

TOWN / AREA	NUMBER
Bredasdorp	1
Struisbaai	2
Napier	1
Waenhuiskrans	1
Protem	1
Klipdale	1
Bredasdorp	1

- **Service delivery highlights for 2019/20**
 - Expansion of the Napier cemetery
- **Service delivery challenges for 2019/20**
 - Vandalism and theft

b) Service statistics

TABLE 129 SERVICE STATISTICS FOR CEMETERIES

TYPE OF SERVICE	2017/18	2018/19	2019/20
Pauper burials	7	14	16
Ordinary burials	151	84	147

c) Human resources

There are no specific positions assigned to the cemeteries. Cemetery maintenance is done by a singular team of workers who are responsible for community parks and sport and recreation facilities.

d) Financial performance: Capital expenditure

None

3.10.3 HUMAN DEVELOPMENT

a) Introduction to human development

Our Human Development vision is to develop a self-reliant society through a comprehensive network of human development partners that will enable and empower the poor, the vulnerable and those with special needs. Human Development is an important component in each individual and is regarded as a planned change process, designed to promote the human well-being of the population (community) together with economic development.

It is a pro-poor strategy that is based on a people centred approach to enhance development and it promotes citizen participation in development. It also aims to promote the voice of the less fortunate in decision-making and in building democratic and accountable institutions to achieve social and economic justice, human rights, social solidarity and active citizenship.

▪ Service delivery highlights for 2019/2020

- Youth Employment
 - o Appointed 4 youth to implement youth development programmes on EPWP for the 2019/2020 financial year
- Established 11 soup kitchens
 - o Facilitated the implementation and monitoring of the 11 soup kitchens in the Municipal Area during the winter season and other humanitarian relief programmes during the Covid 19 lockdown period
- Youth Development Programmes/ Projects
 - o Conducted a two-day Youth Summit with youth representatives from all over the Cape Agulhas municipal area. Information gathered from this engagement informed the content of the Cape Agulhas Youth Policy
 - o Continuous interaction with a functional Youth Council which will do advocacy on youth matters.
- Women Empowerment
 - o Planned two women empowerment camps but only one was implemented due to Covid 19 lockdown restrictions
 - o Conducted legislative education workshops for women in collaboration with the Western Cape Parliament

• Service delivery challenges for 2019/2020

- Restructuring of the organogram and the Covid 19 lockdown restrictions impacted on the momentum and co-ordination of Human Development programmes.

a) Service Statistics

TABLE 130 SERVICE STATISTICS FOR HUMAN DEVELOPMENT PROGRAMMES

ACTIVITY	2018/19	2019/20
Soup kitchens established or supported	7	11
Youth educated and empowered	<ul style="list-style-type: none"> - Established a functional Youth Council - Distribution of information for employment and study opportunities amongst the youth - Conducted a two-day Youth Summit where the youth in CAM expressed their concerns and possible solutions to address their challenges. The information gathered informed the reviewed youth policy. 	<ul style="list-style-type: none"> - Functional Youth Council - Members of the Youth Council participated in the Provincial Youth Parliament - Conducted workshops with youth in collaboration with Open up to introduce them to municipal bylaws - Distribution of information for employment and study opportunities - Conducted a Two - day Youth summit to follow-up on the progress of youth development projects and programmes - Facilitated the mosaic art project for the pedestrian bridge in ward 2 which created youth employment and showcasing local skills - Only 1 women empowerment camp could be conducted due to Covid 19 lockdown restriction - 2 legislative education workshops were conducted with women in Struisbaai and Bredasdorp
Women Empowerment Camps	2	0

b) Human resources

TABLE 131 EMPLOYEES: HUMAN DEVELOPMENT

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	1	1	1	0	0%
9 to 13	0	0	0	0	0%
14 to 18	1	1	1	0	0%
18 to 20	0	0	0	0	0%
TOTAL	2	2	2	0	0%

c) Financial performance: Capital expenditure

None

3.11 COMPONENT E: ENVIRONMENTAL PROTECTION

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 ensure environmental sustainability. This component includes air and noise quality control; biodiversity coastal protection and climate change, which are programmes done in co-operation with other organs of state.

DEADP has finalised a Municipal Environmental Profile for Overberg District Municipality and the document has been given to the District for dissemination to local municipalities. The Municipal Profile provides an overview of the current environmental status quo and current challenges within Overberg District Municipality. The intention of the profile is to deepen awareness of environmental aspects within the District in order to highlight key considerations for future development planning. It covers the following thematic areas: Environmental Management Governance; Environmental Programmes; Biodiversity; Waste Management; Air Quality; Climate Risk and Vulnerability; and Climate Change Mitigation).

3.11.1 AIR QUALITY CONTROL

a) Introduction to air quality control

The Constitution defines air pollution as an executive role of local government. This imposes responsibilities on local municipalities in terms of building capacity, to ensure monitoring and enforcement of air pollution.

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

- Develop an Air Quality Management Plan (AQMP) for inclusion in the Municipality's IDP; and
- To ensure the effective and consistent implementation of sustainable Air Quality management practices by all spheres of government, relevant stake holders and the civil society to progressively and efficiently maintain clean and healthy air in CAM.
- Make sure that all tasks are performed in accordance with the relevant laws.
- Attend all local and provincial forums and meetings, give feedback reports and on community meetings in this regard.

Cape Agulhas Municipality has a designated Air Quality Officer, who resorts within the Building Control Department. The revised Air Quality Management Plan (AQMP) was approved by Council in November 2019. The AQMP is aligned with the District AQMP, and provides a logical and holistic approach for communities, industry and government to manage air quality in the Cape Agulhas Municipal area. We have purchased equipment and will do our own ambient Air Quality monitoring from July 2020. Cape Agulhas municipality also has an Air Quality By-Law that was Gazetted it in 2015.

- Our officials participate in the following forums:
- Overberg Air Quality Control Forum;
- Legislative Task Team Forum;
- Provincial Air Quality and Noise Management Forum;
- Member of the National Association for clean Air. (NACA)

▪ Service delivery highlights for 2019/20

- Two officials successfully completed the training in Air Quality Monitoring
- Air Quality/ noise awareness banners was made and ‘Spekbome’ planted at some of the new RDP houses.
- Purchased Air quality measuring and monitoring equipment which will be operational in July 2020
- Planning a 100 Spekbome for Abor day on the 5th September 2020

▪ **Service delivery challenges for 2019/20**

- To implement awareness and education programmes for local schools and in the workplace.
- We want to plant a 1000 Spekbome during the year and are endeavouring to give every new owner of an RDP house a Spekbome to plant at his premises.
- To have an awareness week for World Earth day 22 April 2021.
- Complaints about dust increased.

b) Human resources

The Air pollution function is performed by the personnel of the Building Control Department

c) Financial performance: Capital expenditure

TABLE 132 CAPITAL EXPENDITURE AIR QUALITY

PROJECT	FULL YEAR BUDGET	ADJUSTMENT BUDGET	FULL YEAR BUDGET	YEAR TO DATE ACTUAL	% VARIANCE
Air Quality Measuring Equipment	120 000	-	120000	120000	100.00%
Sensors (Replacement)	60 000	-	60000	43170	71.95%
TOTAL	180000	-	180000	163170	90.65%

3.11.2 NOISE CONTROL

a) Introduction to noise control

The Environment Conservation Act, 1989 Western Cape Noise Regulations was promulgated in 2013. The Municipality has to ensure compliance with the Noise Regulations for the Western Cape in accordance with the relevant laws.

Noise control has become a National priority and Cape Agulhas municipality has to ensure compliance to the relevant laws.

Building Control is responsible for Noise Control and work jointly with the ODM. They also attend meetings, handle complaints and enforcement and attend all relevant noise control training. Covid-19 did not have any effect on us during the lockdown.

▪ **Service delivery highlights for 2019/20**

- Two officials of the Building Control Department and one Law enforcement Officer successfully completed the course in Environmental Noise and Traffic Noise Control Management (Regulatory) and received their certificates.
- Noise awareness banners were created and displayed in key locations.

▪ **Service delivery challenges for 2019/20**

- Awareness raising at the workplace
- Education at local schools for noise control and to the public.
- To do our own noise measuring.

Our officials participate in the following forums:

- Noise Control Forum;
- Legislative Task Team Forum

3.11.3 BIO-DIVERSITY AND LANDSCAPE

Biodiversity refers to genus and species (animals and plants), ecosystems, and landscape and the ecological and evolutionary processes that allow these elements of biodiversity to exist.

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

The Critical Biodiversity Areas (CBA) of the Overberg District Municipality report was prepared in April 2010 and indicates the CBA's for the district. These include protected areas, critical biodiversity areas and ecological support areas. The report indicated that the southern part of the Municipal Area contains an important mosaic of CBA's, and the northern part, the Runes Agricultural Area, contains some Renosterveld remnants identified as CBA's. There is a need to have these critical biodiversity areas mapped and appropriate guidelines developed to guide conservation thereof.

During the year under review, the Municipality spent an amount of R63 400 for alien clearing and maintenance of roads and mountain bike trails on the Heuningberg Reserve.

3.11.4 COASTAL PROTECTION

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

The Integrated Coastal Management Programme (ICMP) for the Western Cape in 2003 was prepared in terms of the Coastal Zone Management Bill and the Coastal Zone Policy. The objectives of the CMP are to “...facilitate improved planning of coastal resources as well as allow for better targeted investment from government and non-government organisations to support sustainable coastal development”.

We are included in the Coastal Management Programme for the Overberg District Municipality which was concluded in May 2016. It includes specific Coastal Management Programmes for each of the three Local coastal Municipalities.

The Suiderstrand Slipway was listed by MEC: Local Government, Environmental Affairs and Development Planning, Anton Bredell, as an official Public Launch Site and Cape Agulhas Municipality identified as the responsible Management Body, in Provincial Gazette 7410, Provincial Notice 193/2015, on 26 June 2015. The users of this site must comply with the provisions of the general duty of care principle and the remediation stipulated in terms of section 28 of the National Environmental Management Act, 1998 (Act No. 107 of 1998), the provisions of the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008) as well as all other relevant legislation.

3.11.5 CLIMATE CHANGE

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

Climate Change response and Air Quality are closely linked. The problem itself is not new, but the complexity has compounded and has become much more intense and that can be seen in CAM and the Overberg.

At this stage, the exact magnitude of Climate Change is largely unknown, but it is reasonably foreseeable that the following changes may and are already occurring in Cape Agulhas:

- Longer dry periods between rainfall events.
- Shifts in seasonality.
- Change of weather patterns.
- Rise in sea levels such as those seen at Struisbaai. The Cape Agulhas coast has several areas that have been identified as being susceptible to sea level rise due to climate change.

All this puts food security in danger, although wheat and grain production in the Overberg is likely to be less effected by global climate change than other production areas.

Cape Agulhas Municipality is working together with all relevant Provincial and National departments, to develop a Climate Change Response strategy/framework for the Overberg. This will help improve planning for climate change adoption and work together to a more sustainable future for Cape Agulhas in the Overberg. Awareness raising, outreach and education programmes on Climate Change must be put in place in the Overberg.

The Department of Environmental Affairs in collaboration with the South African National Biodiversity Institute (SANBI) has also developed a Strategic Framework and Overarching Implementation Plan for EbA (i.e. the EbA Strategy) in 2015. The Strategy is aimed at implementing a programme of activities that will enhance the resilience of ecosystems and

communities to adapt to the adverse effects of climate change as part of South Africa's overall climate change adaptation strategy in support of a long-term, just transition to a climate-resilient economy and society.

3.12 COMPONENT F: SAFETY AND SECURITY

This component includes traffic services (including law enforcement and licencing), disaster management and fire services. Safety and security are the responsibility of the Protection Services Department, of the Management Services Directorate.

The Department is committed to serving the needs of its diverse community and constantly strives to improve its standing within the community it serves and the profession itself. The strategic focus is to promote the safety and security of the Cape Agulhas Community by:

- Rendering an Administration function on Motor registration, Licensing and Fines
- Maintaining public order.
- Enforcing a 24/7 Municipal Policing function
- Protecting and securing the inhabitants and their property.
- Combating specific crime generators
- Enforce Animal control
- Improving traffic flow
- Facilitating the provision of affordable, safe, and sustainable transport systems
- Acting to reduce the effects of a disaster
- Implementing measures to reduce long-term risks associated with human activity or natural events.

3.12.1 TRAFFIC SERVICES, LICENSING AND LAW ENFORCEMENT

a) Introduction to traffic services and law enforcement

The Protection Services Division render a 24 - hour service 7 days a week through municipal policing of its area with Traffic and Law Enforcement services, which include the Peace Officers on Bikes Project. The purpose of these enforcement functions is to ensure the safety and security of everyone in the Cape Agulhas Municipal Area by working integrated with SAPS and the different Security Companies in all towns. All the enforcement functions are being operated outside under the watchful eye of the Protection Services Operational Centre where all cameras and complaints systems, email, NaTIS and Traffic Fines enquiries are monitored with radio control and telephonic communication between officers and the public is dealt with.

The objectives of the Department are:

- To have a high visibility of enforcement officers 24/7 in the area
- To reduce criminal activity
- To create a safe and secure municipal area under surveillance cameras 24/7
- To reduce the critical offence rates that lead to crashes.
- To secure all stray animals and control overpopulation
- To reduce crashes, fatalities, and serious injuries
- To inculcate safe road user behaviour and encourage voluntary compliance
- To create heightened awareness of road traffic safety issues
- To increase detection and prosecution of critical road traffic offences
- To harmonize and co-ordinate common operations of a high standard in the municipal area
- To maximize communications and public exposure on law enforcement issues

- To improve the image of the law enforcement fraternity.

The functions and programmes of the Department are:

▪ **24/7 Operational Control Room**

- Radio control function – two-way radio communication
- Surveillance Camera Monitoring for all towns (with number plate recognition function on criminal activity record)
- NaTIS Enquiry function – Assisting officers outside with correct identification of owners and vehicle info
- Assist with telephone complaints and information
- Record every hour all operational activities in the occurrence book for further reporting
- Work integrated with SAPS and All Security Companies within the municipal boundary
- Set off point of all alerts and arrange for emergency needs were needed
- Assist with social assistance arrangements and sharing of information from CAM Communication Department for issuing and loud hailing during emergency situations.

▪ **Traffic Control**

- Traffic Officers operate in a shift system to ensure that the National Road Traffic Act (NRTA) is enforce during the day and night-time
- Escorting of abnormal loads, funerals, VIP's, and other dignitaries
- Do visible traffic policing and writing of fines to Offenders
- Integrated Roadblocks is done weekly with all three SAPS stations Napier, Struisbaai and Bredasdorp
- Vehicle check points (VCP's) is done daily to ensure licensing of vehicles and drivers is in good standing
- Ensure road safety during events in area
- Attending accidents and traffic complaints
- Daily point duties at crossings and scholar patrol points
- Traffic safety education programs done with Schools, Government EPWP projects, SANParks, Eskom, Telkom and other private companies on road safety and vehicle safety
- Operate speed enforcement equipment.

▪ **Law Enforcement**

- Do visible policing on a 24 - hour basis 7 days a week
- Attend to complaints regarding hawkers, and by-law offences
- Protection of the Municipality's councillors, employees, and properties
- Ensure crime prevention by detecting and combating crime generators
- Ensure that community announcements are done, and information received from CAM Communication Department is issued in the form of pamphlets or loud hailing
- Promote law and order in municipal area.
- Work closely with the SAPS and other enforcement entities in all towns during the day and night to curb illegal activities
- Give assistance to community during disaster situations
- Enforce the gathering act – Crowd control function during Civil Unrest situations Disperse prohibited gatherings
- Combat land invasion by regular patrols and inspection on municipal Commonage
- Inspection regarding business and hawkers' licenses
- Integrated visits to shebeens and drug houses

- Stop and search alerted vehicles, monitors on camera systems to arrest and confiscate illegal amounts of alcohol, drugs, and abalone
 - Monitor and patrol 24/7 coastal towns during holiday seasons and long weekends
 - Identify and report on all road defects/ damage and vandalism found on municipal and private owned properties in the area
 - Do bicycle patrols in Hotspot Areas of the CBD and in coastal towns
 - Writing Section 341 fines for none moving offences on vehicles
 - Issue J534 for all Municipal By-Law offences
 - Prevention of crime and enforcing of regulation at Blue Flag Beaches
 - Monitor restrictions on Water abuse and wastage
 - Reaction to illegal dumping and environmental degradation
 - Act on Public violence and public nuisances
 - Act on drunk or under the influence of alcohol or drugs
- **Peace Officers on Bikes Project**
- We run a three-year EPWP Project under the wing of Law Enforcement called Peace Officers on Bikes. These officers are patrolling the area on bicycles and have a visible police function. They also provide direction to foreigners and holiday makers who visit our area.
The project is funded for the training and first year of deployment for skills transfer of each officer by the Department of Community Safety. This project gives unemployed youth who matriculated an opportunity to skills and work experience in the field of the enforcement environment. We received 30 bicycles from the Provincial Department of Community Safety and 13 officers received training at Chrysalis Academy for thirteen Peace Officers funded by Department of Community Safety
- **Law Enforcement: Animal Control Unit**
- Attend to complaints regarding animal control
 - Educate the community about the safekeeping and caring for animals
 - Operate the CAM Dog Kennel with stray dogs within a 7-day caring plan
 - Assist community members with sick animals who cannot afford medical care for their pets
 - Assist with euthanizing of dogs and cats where needed
 - Ensure that dogs and cats population growth is under control.
 - Weekly campaigning animal health visits in Bredasdorp and surrounding towns
 - Assist upcoming farmers with livestock to comply with regulations
 - Do regular inspections on fencing, managing livestock and lease agreement functions at all municipal property where upcoming farmers operate.
 - Assist with training programs from DAFF and work integrated with AACL and other NGO's.
 - The Protection Services Division have annually 4 planned sterilization campaigns with AACL and other NGO's
 - The Animal Control unit have biannual educational programs with local Vets were the importance of sterilization is prioritised. Huge prizes and funds for the programs is sponsored by the local Bredasdorp Animal Clinic.
- **Administration: Licensing, Fines and Systems**
- **Licensing**

- Motor Vehicle Registration and Licensing Function
- Vehicle licensing is a function of the Department of Transport and Public Works, but the Municipality renders this service as an agency for the Department.
- Registering new, used or build-up vehicles (Different types of registration: Estates, home- build, build-up, and imported vehicles)
- Do payments on license fees and RTMC fees for every vehicle registered and licensed.

- **Learners- & Drivers Licensing Function**
 - Manage Licensing Booking System for Learners and Driver's license Tests:
 - Learners Licenses – Codes 1,2 and 3
 - K53 Drivers Licenses – Codes A, A1, B, EB, C, C1 and EC
 - Do payments on learners and driver's license test application on NaTIS System
 - Renewal or replacement of Drivers License Cards
 - Renewal of Professional Driver's License Permits (PRDP)
 - Issue Learners Licenses - Passed their test
 - Issue Drivers Licenses - Passed their K53 Test
 - Record learners and driver's license test failed
 - Issue temporary drivers' licenses

- **Roadworthiness Function**
 - Payment on NaTIS for application of VTS
 - Recording of vehicle roadworthy test results on NaTIS
 - Vehicle Fitness Testing Grade A - Test All classes of vehicles
 - Issue discontinue notices – Vehicles found with more than six defects
 - Re- testing within 14 days of original test date
 - Pass - issue Roadworthy Certificate
 - Fail - Chassis defects
 - All transactions done must be done on NaTIS and manual testing
 - Vehicle fitness for scholar transport vehicles

- **Traffic Fines**
 - Managing traffic fines by processing it on internal systems, which ensure that all processes are followed
 - Payment of Traffic Fines
 - Adjudication of traffic speed fines
 - Court process (Printing of Court Roll / Register)
 - Update court register
 - NaTIS Block on outstanding Warrants of Traffic Fines
 - Issuing and maintaining of warrants of arrest
 - Handling of fines representation
 - Give feedback on outcome to offenders

- **Public Transport Function**
 - Receive request for comments from the Transportation Board
 - Provide direction on operation licence applications

- Inspection of identification marks of vehicles
- Assist Western Cape Education Department with vehicle fitness for scholar transport vehicles
- Public Transport Route identification for Public Transport Routes – awarding of Route Permits on the issue of operating licenses.

▪ **Service delivery highlights for 2019/20**

▪ Licensing

- The opening of the NaTIS Licensing Satellite Office in Struisbaai where the processing of vehicle license renewals, payments and enquiries can be executed.

▪ Law enforcement

- Peace Officers on Bikes Project
- The floor of the Roadworthy Pit area was upgraded and reinforced.

▪ Animal Control

- Six sterilization projects were conducted in the CAM area for cats and dogs in co-operation with local municipality, AACL and Enviro Vet.
- The Bredasdorp Animal Clinic sponsored biannually for the educational programs for the community with the focus the importance of sterilization of cats and dogs. The local Vet also sponsor prizes for competitions around the program to make it more interesting for the animal lovers.
- A total of 96 animals was sterilized.

▪ **Service delivery challenges for 2019/20**

▪ Safety and Security Challenges

- The department need to render a 24/7 service to ensure that the safety experiences challenges during the festive season period December /January with overcrowded beach areas such as Duiker Street, Nostra beachfront and parking areas with day campers. More law enforcement officers are needed during the holiday season to assist with the large numbers of holidaymakers and vehicles within our coastal towns.

▪ Licensing Section Challenges

- Funds is available to improve the waiting area in the Licensing section. The Learners Class will be transformed into the new waiting room and the Learners Class will move to the back of the Office.

▪ Law enforcement - Animal Control

- A fully functional pound is needed for all types of animals.
- Staff shortages

b) Service statistics

TABLE 133 TRAFFIC SERVICES AND LAW ENFORCEMENT AVAILABILITY

DETAIL	2018/19	2019/20
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Number of Traffic and Law Enforcement Officers in the field on an average day	27	32
Number of Traffic and Law Enforcement Officers on duty on an average day	34	36
Number of EPWP Law Enforcement Officers in the field on an average day	23	23
Number of K53 Examiners of Drivers Licenses and Examiners of Vehicles on duty on an average day	4	4

TABLE 134 TRAFFIC SERVICES AND LAW ENFORCEMENT SERVICE STATISTICS

SERVICE	DESCRIPTION	2018/19	2019/20
Traffic	Number of road traffic accidents during the year	412	224
	Fines issued for traffic offenses	47249	22349
	R-value of fines	18 101 900	4430050
	Roadblocks held	169	112 (COVID 19 Fix Roadblocks 24/7)
	Special Functions – Escorts	119	49 (COVID 19)
Law enforcement	Awareness initiatives on public safety	9	2
	Number of by-law infringements attended to	135	760
	Animals impounded	29	31
	Number of Animals handled	1700	1609
Licensing	Motor vehicle licenses processed and registration	18497	12339
	Learner driver licenses processed and issued	2021	271861
	Driver licenses processed	3217	2112
	Driver licenses issued	2719	2719

c) Human resources

TABLE135 EMPLOYEES: TRAFFIC AND LAW ENFORCEMENT

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	1	2	2	0	0%
4 to 8	3	0	0	0	-
9 to 13	22	22	20	2	9%
14 to 18	1	1	1	0	0%
TOTAL	27	25	23	2	8%

d) Financial performance: Capital expenditure

TABLE136 CAPITAL EXPENDITURE: TRAFFIC AND LAW ENFORCEMENT AND LICENCING

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
Replacement LDV (Environmental Protection)	265000	-44000	221000	211 651	-4%
Vehicles x1 Sedan Replacement (Traffic/Law Enforcement)	200000	54500	254500	254 287	0%
Computer Equipment: Tower Two Way Radios - PC board (Insurance)	0	0	0	65 710	-
Office Equipment: Note Counter	5000	-800	4200	4 160	-1%
Hydraulic Play Detector Plates	130000	-130000	0	0	-
Community Asset: Testing Station Renovation (Vehicle)	35000	-35000	0	0	-
Buildings - Renovation of reception area (Entrance)	100000	-100000	0	0	-
TOTAL	735000	-255300	479700	535 808	12%

3.12.2 DISASTER MANAGEMENT

a) Introduction to disaster management

Disaster management is a continuous integrated, multi-sectored and disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery, and rehabilitation (Disaster Management Act. No. 57 of 2002). Disaster Management is co-ordinated by the Protection Services Department, which is linked to the Overberg Disaster Management Centre.

The Municipality review its Disaster Management Plan annually and report to the Provincial and National Disaster Management Centres on the activities occurring during the 2019/20 financial year, the following was reported:

- A total of seventeen informal settlement structures was burned down during the 2019/20 financial year.
- Most of the fires occurred in the Zwelitsha Informal Settlement area in Bredasdorp. All three Informal Settlement areas Struisbaai North (Ou Kamp), Napier Informal area and Bredasdorp (Zwelitsha / Polla Park) suffered the loss of their structures, household items, food, and clothing due to fires.
- All the affected households were assisted through the Cape Agulhas Municipalities Disaster Management function where social assistance in the form of food and clothing to the amount of R1000.00 was provided to them and where needed structure material as a starter kit to rebuild their structure again.

TABLE 137 HOUSE FIRES

DATE	TOWN	TYPE OF HOUSE	NUMBER AFFECTED
04/07/2019	NAPIER	STRUCTURE	1
27/07/2019	BREDASDORP	STRUCTURE	1
25/08/2019	NAPIER	STRUCTURE	1
07/09/2019	BREDASDORP	STRUCTURE	1
22/09/2019	BREDASDORP	STRUCTURE	1
02/11/2019	BREDASDORP	STRUCTURE	1
15/12/2019	BREDASDORP	STRUCTURE	1
17/12/2019	BREDASDORP	STRUCTURE	1
23/12/2019	BREDASDORP	STRUCTURE	1
27/01/2020	BREDASDORP	STRUCTURE	1

DATE	TOWN	TYPE OF HOUSE	NUMBER AFFECTED
13/02/2020	BREDASDORP	STRUCTURE	5
27/06/2020	STRUISBAAI NORTH	STRUCTURE	1
TOTAL			16

Rain /Flooding problems

During September 2019, December 2019 and February 2020 very cold weather conditions occurs with strong Gail force winds and heavy rain. Warnings was received by Province and District Disaster Management Centres which was loud hailed and shared via Facebook and website by the Local Municipality prior to the storm for preparation. Black plastic was issued to 248 owners of structures to cover leaking roofs and 139 blankets were given to affected residents in formal and informal areas. Two Wendy houses was blown over on different occasions due to strong wind during the year. Soup kitchens were operated in the affected areas and at schools to provide a warm meal to those in need.

COVID19 Lockdown

During March 2020 the Corona virus, later renamed COVID 19, a respiratory illness like flu symptoms (cough, fever, fatigue & aching body, or muscles pain) was contracted in South Africa. The effect of this virus regarding the more commonly flu, can become severe and cause viral pneumonia (difficulty breathing). The virus is spread through touching an infected surface or object and can enter via the nose, mouth, and eyes.

The President of South Africa therefore declared a nation-wide lock down in South Africa on Monday 23 March 2020. *The nation-wide lockdown will be enacted in terms of the Disaster Management Act and will entail the following:*

- *From midnight on Thursday 26 March until midnight on Thursday 16 April, all South Africans had to stay at home in a total lockdown situation Level 5.*
- *The categories of people who will be exempted from this lockdown are the following: health workers in the public and private sectors, emergency personnel, those in security services – such as the police, traffic officers, military medical personnel, soldiers – and other persons necessary for our response to the pandemic.*

Cape Agulhas Municipal Disaster Management had to improvise and play a coordinating role to the Declared National Disaster and put the necessary actions in place to ensure control and respond to the emergency.

- Activate the JOC (Joint Operations Centre)
- Establish the needs of community and command and control
- Monitor safety
- Ensure communication through different electronic media platforms
- Establish locations where roads can be closed off with static roadblocks with 24/7 shifts for access control to the municipal area (pro-active identification)

- Activate relevant role players on a 24/7 shift system (call on all enforcement services (Security companies, SAPS, Provincial Traffic) to assist CAM Traffic and Law Enforcement)
- Liaise with Human Development with planning on feeding projects when needed – CAM issue 3100 food parcels to household in need during May 2020 and the various Soup Kitchens sponsored by CAM in the different towns feed 17220 people per week in total and currently proceed with feeding.
- 24/7 JOC Officers - Admin Staff (Record keeping, radio control, monitor cameras and assist with information from Natis System)
- Ensure that health standards are adhered to and that social problems are identified
- Avoid over-crowding within Hotspots (social distancing and wearing of masks)

The Lockdown was on Level 3 as of 30 June 2020 and CAM Disaster Manager report daily on the Disaster Management Regulations and the virus situation at hand to the Overberg District Disaster Management Centre.

b) Service statistics

TABLE 138 SOCIAL ASSISTANCE PROVISION STATISTICS

SOCIAL ASSISTANCE DESCRIPTION	2018/19	2019/20
Total number of families assisted during disasters / incidents	76	275
Number of people receiving social assistance	14	27
Number of people receiving assistance with accommodation	3	5
Number people receiving assistance with structure material after fires	19	12
Number people receiving assistance with plastic sheeting to mitigate leaking structures	57	248

3.12.3 FIRE SERVICES

a) Introduction to fire services

Cape Agulhas Municipality renders the Fire Service through a shared service agreement with the Overberg District Municipality (ODM), which obligates them to:

- Prevent the outbreak or spread of a fire;
- Fight and extinguish fires;
- Protect life or property against a fire or other threatening danger;
- Rescue life or property from a fire or other danger.

ODM’s objectives in terms of fire services are to:

- Respond promptly to incidents and disasters;

- Ensure that fire fighters comply with the Occupational Health and Safety Act on the provision of personnel protective equipment at all times.
- Do public participation programmes by means of Safety Road Shows, Radio talk shows, development of a website etc.;
- Ensure the establishment of a community fire safety forum;
- Ensure that the community is trained and informed regarding fire safety;
- Make fire safety information available to public.

3.13 COMPONENT G: SPORT AND RECREATION

This component deals with sport and recreation, which also includes community parks, sports facilities, community halls and resorts, which are collectively managed by the Public Services Department of the Management Services Directorate.

a) Introduction to sport and recreation

The Municipal Area currently has 20 parks with playground equipment, as well as a community park in every ward. There are also sports grounds / fields and community halls in every ward as well as campsites / resorts in Bredasdorp, Arniston, Struisbaai and L'Agulhas. Provision for maintenance and upgrading are budgeted for annually in terms of the maintenance plan but is limited to available funds.

- **Service delivery challenges for 2019/20**
 - Vandalism and theft at all municipal buildings
 - Security is a challenge at all municipal buildings

b) Service statistics

TABLE139 SPORT AND RECREATION SERVICE STATISTICS

Type of service	2017/18	2018/19	2019/20
Community parks			
Number of parks with play park equipment	20	21	21
Number of wards with community parks	6	6	6
Camp sites/Resorts			
Number of visitors per annum	99 000	101 000	75 000
R-value collected from visitation and/or accommodation fees	R6 966 651.69	R6 766 721.99	R6 887 000.00
Sport Grounds / Fields			
Number of wards with sport fields	6	6	6
Number of sport associations utilizing sport fields	10	10	11
Community halls			
Number of wards with community halls	6	6	6
Number of sport associations utilizing community halls	10	11	1
R-value collected from rental of sport halls	R158 621.47	R138 281,57	R160 700.00

c) Human resources

TABLE 140 EMPLOYEES: SPORT AND RECREATION

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	9	8	8	0	0%
4 to 8	29	28	28	0	0%
9 to 13	15	17	17	0	0%
14 to 18	1	1	1	0	0%
TOTAL	54	54	54	0	0%

d) Financial performance: Capital expenditure

TABLE 141 CAPITAL EXPENDITURE: SPORT AND RECREATION

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
MS382 Chainsaw	12000	-6000	6000	5473.91	-9%
Playpark - Public Open spaces	300000	-42000	258000	257175	0%
3 x FS450 Bush cutter & Grass cutter	175300	-40000	135300	131544.27	-3%
1 x Bush cutter (Insurance Claim)	0	0	0	8783.43	#DIV/0!
Beautification of entrance to towns	300000	-300000	0	0	#DIV/0!
Sport facility - Waenhuiskrans	249531	0	249531	240384.71	-4%
Upgrading Hockey Field Nets	30000	-4000	26000	25560	-2%
Construction Soccer Field (Napier)	1200000	-700000	500000	489044.37	-2%
200 Seater Wooden Pavilion - Struisbaai	150000	-25000	125000	125000	0%
TOTAL	2416831	-1117000	1299831	1282965.69	98.70%

3.14 COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes Executive and Council, Municipal Managers Office and Financial and ICT Services

3.14.1 EXECUTIVE AND COUNCIL**a) Introduction to Executive and Council**

The Executive and Council comprises the Municipal Council support staff as well as the Office of the Municipal Manager, which includes the Strategic Planning and Administration, Human Resource and Organisational Development and Socio-economic Divisions as well as the Internal Audit Unit. The activities of these divisions are detailed under Governance (Chapter 2) and Organisational performance (Chapter 4).

b) Human resources**TABLE 142 EMPLOYEES: EXECUTIVE AND COUNCIL**

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	6	6	6	0	0%
9 to 13	13	12	11	1	8%
14 to 18	3	4	4	0	0%
TOTAL	22	22	21	1	5%

c) Financial performance: Capital expenditure**TABLE 143 CAPITAL EXPENDITURE: EXECUTIVE AND COUNCIL**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
CUPBOARD	3300	-400	2900	2900	0%
Desk	1000	-300	700	700	0%
Table (x2)	2500	-100	2400	2400	0%
Chairs	0	2400	2400	2400	0%
Laminating Machine (A3)	3000	-2000	1000	805.91	-19%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
TOTAL	9800	-400	9400	9205.91	-2%

3.14.1.1 COUNCIL ADMINISTRATION

a) Introduction to Council administration

The Administration Department is responsible for Property Administration, Record keeping and Archiving as well as Committee Services

▪ Property management

The Department manages municipal owned immovable property, excluding social/low cost housing properties. This entails the management of the processes associated with the sale, buying and leasing of municipal immovable property as well as the administration of the valuation appeal board. The activities of this unit are key to the financial viability of the Municipality. During the year under review, the municipality sold a few properties by tender and public auctions.

New lease agreements were concluded for several properties and further leases agreements were extended. Council is renting two buildings that are used as offices.

The Valuation Appeal Board was appointed by the Minister of Local Government in terms of the Municipal Property Rates Act, No 6 of 2004, for the period 1 March 2018 to 28 February 2022. One member died during time of overview and a new member will be appointed by the Minister in the next period of oversight.

▪ Record keeping and archiving

All records in CAM are kept in line with the Provincial Archives and records services of the Western Cape Act, 2005 (Act 3 of 2005). A full audit was completed by National and Provincial Archives where they look at current file plan, Record Management Policy and Procedure manual, Records Control Schedules, Electronic Record Management Systems (Collaborator). They further approve the Systematic Disposal Program, the Control Register for the Management of Records, the protection of damaged records and the records storage areas. Council have about 489 linear meters of storage areas. The Audit findings where **“Transformational – at a level 5.** (The levels are: LEVEL 1 – Start-up level, LEVEL 2-Developmental stage, LEVEL 3-minimally compliant, LEVEL 4 Compliant, and LEVEL 5- Transformational.)

▪ Committee services

All agendas and Minutes for Council, Mayoral Committee and Portfolio Committees were distributed in the pre-determined time. Council adheres to the approved Year Planner with some deviations due to Covid 19. Many meetings were held virtually due to the national lockdown. Additional information in respect of meetings will appear in Chapter 2 of the Annual Report.

3.14.1.2 HUMAN RESOURCE AND ORGANISATIONAL DEVELOPMENT SERVICES

a) Introduction to Human Resource and Organisational Development Services

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 activities of this section are detailed under Organisational Performance (Chapter 4).

▪ Organisational development highlights for 2019/20

- Finalisation of the Organisational Productivity Assessment: Employee Utilisation
- Upskilling of the Semiskilled & Unskilled Labour through the Recognition of Prior Learning (RPL) to create a skill pull within the organisation for succession.
- Increasing utilisation of the Anene Booysen Skills Centre through partnerships with private business and other Government departments.
- Implementation of the Online Employee Support Service –ESS
- Full Integration of biometric time and attendance linked to the electronic payroll system –PAYDAY
- Fully functioning top management structure through innovation, attraction of scarce & critical skills and employment strategies.
- Between 2014 and 2019 we appointed 55 EPWP workers on permanent basis through our recruitment and selection processes.
- Timeous management of unsatisfactory behaviour led to sound labour relations in the workplace.

• Organisational development challenges for 2019/20

- Employment Equity targets are compromised due to scarcity of experienced candidates locally on core skills needed locally.
- Managing Performance, training of Managers, Middle and Junior Management completed and assessed and deemed compliant, upskilling of management on softer skills continues.
- Attracting and retaining Disabled workers a challenge in the area although in this financial year we attracted a Junior Management level disabled employee in the skilled technical Occupational Level achieved.
- In Occupational Health Safety we are still experiencing human behavioural challenges, more so during covid19 period.

b) Human resources

TABLE 144 EMPLOYEES: HUMAN RESOURCES

JOB LEVEL	POSTS 2018/90	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	3	3	3	0	0%
9 to 13	14	14	14	0	0%

14 to 18	1	1	0	1	100%
TOTAL	18	18	17	1	6%

c) Financial performance: Capital expenditure

TABLE 145 CAPITAL EXPENDITURE: HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
Big Capacity Urn	2500	-1400	1100	1065.65	-3%
White Board	1500	-250	1250	1235	-1%
TOTAL	4000	-1650	2350	2300.65	-2%

3.14.2 FINANCIAL SERVICES

a) Introduction to financial services

The Cape Agulhas Municipality remains committed to fulfil its Constitutional Mandate by providing basic services to all the people in its community within the municipality’s financial and administrative capacity in a sustainable manner. Full details of the Municipality’s financial performance will appear in Chapter 5 of the Annual Report

b) Human resources

TABLE 146 EMPLOYEES: FINANCE

JOB LEVEL	POSTS 2018/90	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	13	12	11	1	8%
9 to 13	29	29	29	0	0%
14 to 18	4	4	4	0	0%
TOTAL	46	45	44	1	2%

c) Financial performance: Capital expenditure

TABLE 147 CAPITAL EXPENDITURE: FINANCE

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
Steel cabinet 4 drawers (X2)	4000	250	4250	4200	-1%
Office Chairs (x2)	18000	-1750	16250	15800	-3%
Heavy Duty high back chair	0	2400	2400	2400	0%
TOTAL	22000	900	22900	22400	-2%

3.14.3 INFORMATION COMMUNICATION TECHNOLOGY

a) Introduction to Information Communication Technology

The start of the Financial year was as eventful as the end for the ICT Division.

In the Annual report of 2018 / 2019, we mentioned that the Council of Cape Agulhas Municipality, approved a Smart City Strategy, a 20-year strategy, to contribute getting citizens involved in the working of the Municipality. This took up quite some time of this division and ensured that the eventfulness as mentioned above, kept us on our toes, but we will elaborate on this later in this section.

As mentioned in the previous year a lot of focus was on security and protection of data and access thereto. This did not change in the 2019 / 2020 year and taking these fundamentals forward we started focusing on not only protecting our internal and edge endpoints, but realized we also need to focus on the users accessing these resources.

We started with Cyber Security Awareness training in order to capacitate our Municipal Officials utilizing ICT resources on a daily basis, to become cognizant of the cyber risk not only internal to the organization but also to them personally when utilizing such services at home. This program ran over a period of 12 months where users got trained, tested and subjected to real life experiences in order to make them aware of cyber risks and the impact thereof.

In the beginning of the book year we started out in the region of 200 000 security threats blocked from external sources and by December 2019 we reached the most attempts of about 8.5 million for a single month. Although there may be various reasons for these attempts and looking at National and International trends these attempts, and their timelines do correlate. By the end of the 2019 /2020 we were down to just over the 200 000 again, which can mainly be contributed to Officials not working from the office but mostly from home. This then again brings additional challenges to the Municipality.

In March 2020, the ICT Steering Committee approved the roll out and implementation of Microsoft 365 for Cape Agulhas Municipality as well as the roadmap to move to a Microsoft Azure hosted environment. At that stage, the Municipality already had various means of completing their tasks when away from the office and although this way of work brings additional risks to the organization, the users utilizing these services were very limited and easy to control.

By the time Covid-19 lockdown started we were already prepared to ensure the basic functions, from an ICT perspective, could continue, but as time went on and more Officials needed to work from home additional challenges and risks arose.

Timelines had to be pushed forward and within a weekend all officials required to work from home, were able to access information and communicate with the public and other officials.

The additional risk previously mentioned were addressed with utmost care with existing solutions in place and the strengthening of these solutions is already underway and expected to be completed within the first month of the new financial year. The bulk of the work of the migration to Microsoft 365 were completed by the end of June 2020 and is expected to be finalized early in the new financial book year.

In addition to the Microsoft 365 implementation, the ICT Division worked closely with the Strategic Services and Communication Department to enable the Public to join Council meetings virtually. This was achieved by creating a YouTube channel, Cape Agulhas Municipality Live, streaming the live Council meeting, held virtually with Microsoft Teams.

In addition to that with the cooperation of the Town planning and Building Control departments enable the public to now submit building plans and Town planning applications electronically. <https://ovvio.capeagulhas.gov.za/ovvio>.

From 1 July 2020 the Protection of Personal Information Act or better known as the POPI act came into effect. This means that we now only have 1 year to ensure we comply to all aspects of this regulation in the Municipality and although the focus areas in the previous years were in part in preparation for this readiness, we now need to ensure that all the right boxes are ticked. One need to consider that this is not only the task of ICT, but we will play a vital role in ensuring we not only comply but add actual value to the Municipality.

Smart City Initiative

SMART THINKING, SMART PRACTICES AND SMART MEASUREMENT

The primary goal of this long-term project is to ensure adequate infrastructure is available to reach the goals of the Municipality as set out in the approved IDP. This includes the availing of Wi-Fi as well as CCTV cameras in the Municipal Area, as well as ensuring that the approved initiatives of the ICT Strategy are achieved through Smart thinking, Smart practices, and Smart measurement.

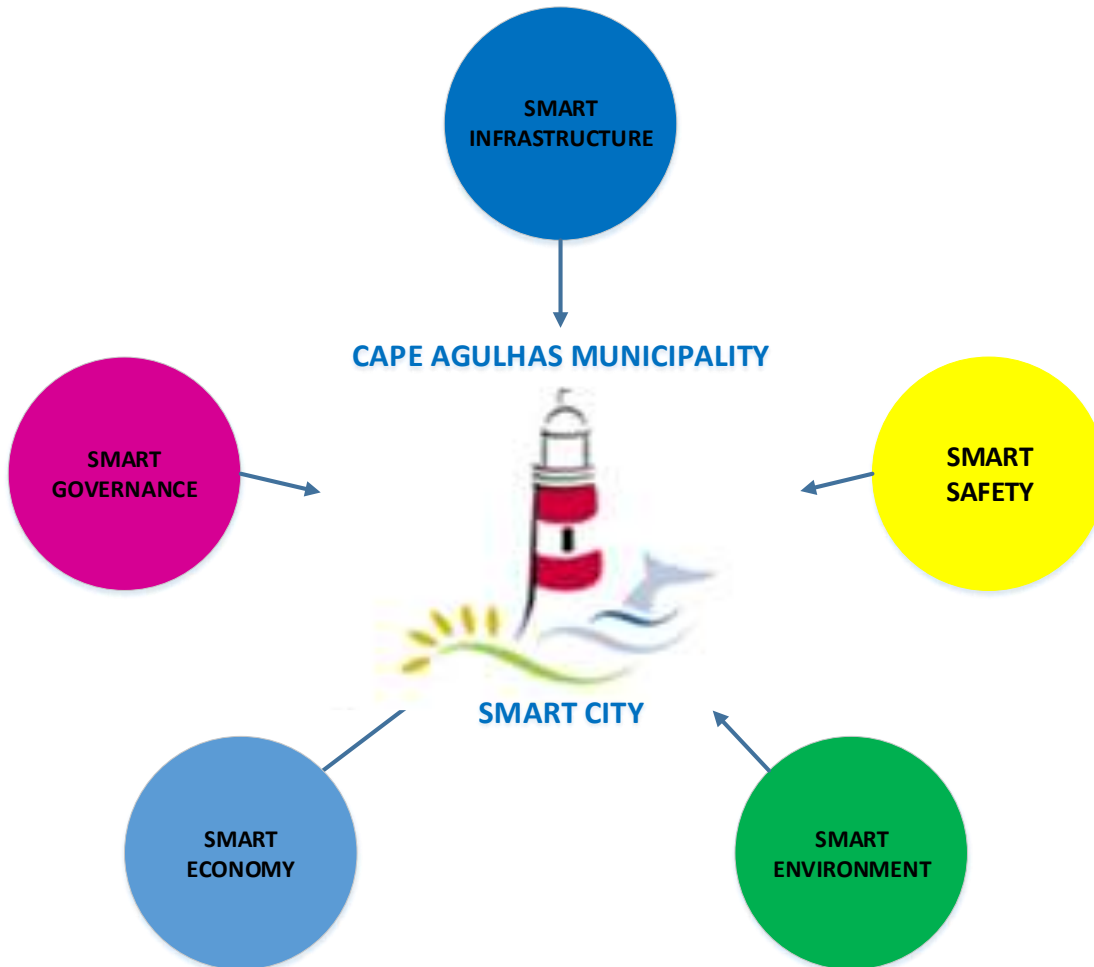
The impact of such a journey must be measured in terms of its feasibility, and therefore all possibilities and opportunities related to implementation have to be considered as well as the possible risks and benefits that can derive therefrom.

Expected outcomes to achieve through this process are to ensure that better services are available to the communities we serve, as well as potential investors who want to invest in our Municipal Area. We also want to improve the management and utilization of our resources to the point where we always have a holistic view of all occurrences in our area.

Furthermore, we wish to create an environment where the Municipality can engage with its citizens and government so that information can be shared across Departments, as well as back and forth between citizens and the Municipality. This will make the whole system more effective, efficient, and more sustainable in order to enable us to achieve our vision of: Together in excellence!

We identified the following five initiatives that are key to the Cape Agulhas Smart City:

FIGURE 15 SMART CITY INITIATIVES



During September 2018 we submitted our Smart City Business plan to the Western Cape Provincial departments. In 2019 we re-submitted a more focused Business plan for funding related to the first phase which included the establishment of network infrastructure, deployment of a CCTV Video Management Solutions (VMS) and public Wi-Fi hotspots. The public Wi-Fi has a direct link to section 7.4.2 A and the CCTV (VMS) to section 7.2 A of the approved Smart City Strategy

We received R 1 070 000 from this business plan and an additional R 900 000 from the FMG grant were allocated towards this project.

Specifications were drafted and a successful bidder was appointed in June 2019.

In the first 6 months of the 2019 / 2020 book year we spend the first grant of R 1 070 000 on the implementation of the VMS and Wi-Fi solution.

Although the estimated budget for the Smart City Project in the 2020 / 2021 book year were R 3 500 000, Council only approved R 2000 000 due to other fundamental projects, so we will be adjusting our implementation plan accordingly to make provision for the reduced funding.

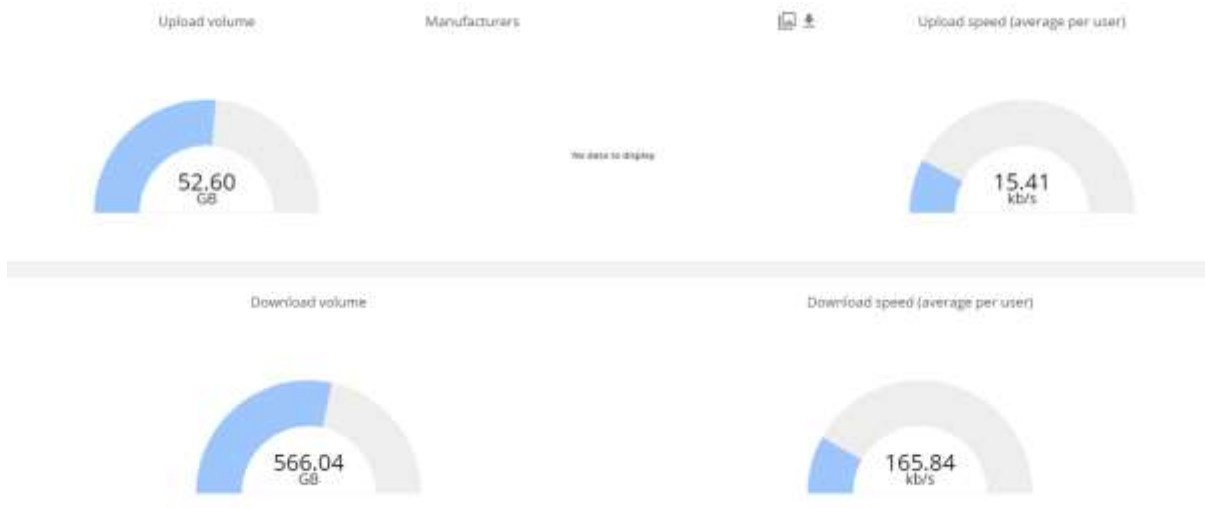
Public Wi-Fi and CCTV cameras

The first phase of the Smart City project has been completed. 38 Cameras with 52 views and 12 Access Points is now installed and functioning.

The Access Points are very active in the first 20 days and results thereof is as follows.

FIGURE 16 WIFI USERS





11 of the Wi-Fi sites went live, with Elim being the only town without a Wi-Fi hotspot due to availability of Eskom power at the proposed site at the new Elim library. Currently all Wi-Fi sites are disconnected to encourage social distancing and are expected to be turned on with Elim Library once Lockdownlevels becomes more relaxed.

The first 3 months and before the lockdown came into effect the public transferred just over 8.1 TB of data of which 7.4 TB were downloaded data. If one were to quantify this in terms of apparent cell phone data sales at a conservative R 115 per GB it equates to **R 931 500**.

Although these hotspots are still limited and only one per ward is available, at this stage 3 356 user till date utilized this service.

The sites identified for the first phase of the Smart City project is as follows:

TABLE 148 SMART CITY INSTALLATION SITES

SITE / TOWN	DEVICE	QTY	WARD	TOWN
ARNISTON LIBRARY	AP	1	6	ARNISTON
CHECKERS SHOPPING CENTRE	AP	1	4	BREDASDORP
ANINE BOOYSEN SKILL CENTRE	AP	1	3	BREDASDORP
NUWERUS BREDASDORP LIBRARY	AP	1	2	BREDASDORP
LESEDI PLAY SCHOOL	AP	1	3	BREDASDORP
ELIM LIBRARY	AP	1	1	ELIM
KLIPDALE LIBRARY	AP	1	2	KLIPDALE
L'AGULHAS RESORT	AP	1	5	L'AGULHAS

SITE / TOWN	DEVICE	QTY	WARD	TOWN
NUWERUS LIBRARY	AP	1	1	NAPIER
C/O ADAM & JOSEPH STREET	AP	1	1	NAPIER
PROTEM LIBRARY	AP	1	4	PROTEM
STRUISBAAI LIBRARY	AP	1	5	STRUISBAAI
ARNISTON	CAMERA	3	6	ARNISTON
BREDASDORP	CAMERA	10	4	BREDASDORP
BREDASDORP	CAMERA	3	3	BREDASDORP
BREDASDORP	CAMERA	3	2	BREDASDORP
ELIM	CAMERA	6	1	ELIM
KLIPDALE	CAMERA	2	2	KLIPDALE
NAPIER	CAMERA	6	1	NAPIER
PROTEM	CAMERA	2	4	PROTEM
RURAL AREA	CAMERA	3	4	BREDASDORP
<ul style="list-style-type: none"> - AP = Access Point / Wi-Fi - Camera is the sites where mostly LPR (License plate recognition) cameras are installed. 				

The LPR camera system went live on 27 March 2020 and added great value during the first level of lockdown.

Within the first week the Officials at the Joint Operation Centre (JOC) identified a few suspect vehicles, statistics were readily available to Management in order to determine the amount of vehicles moving around in our Municipal area and the Elim entrance to our Municipal area could be monitored even though we did not have enough officials to protect that entrance.

Operations centre (ODM)

Cape Agulhas Municipality and the Overberg District Municipality came to an agreement for the management of Service requests after hours as well as the monitoring of the Video Management System, as they already have a functional 24/7 operation Centre.

By the end this financial year they are already fully functional in terms of the video monitoring and the implementation of the Cape Agulhas Municipality after hours support centre at this centre is expected to be completed early in the 2020/2020/21 financial year.

Backbone networks

These above-named sites require a lot of planning and encompasses a lot of elements to make this work, one aspect thereof is connectivity. During the first phase of implementation we established two network types to act as a backbone to bring together the various technologies currently in use and those we envision for the future.

The first was either a wired (fibre) or wireless **TCP/IP** based network with enough bandwidth to accommodate initiatives like the cameras and Public Wi-Fi. This also enabled a lot of other opportunities, like youth development, access to information, training, and economic development.

With the establishment of the Cape Agulhas Youth Council one of the challenges was that they were situated in various towns in the Municipal area and it was not always from a time and financial perspective, possible to meet.

With the implementation of the public Wi-Fi and other Wi-Fi hotspots at Municipal buildings they are now able to contact and meet with each other on open platforms such as Microsoft Teams, Zoom or Google hangouts.

The second network type we established was a **LPWAN** based network. The intent of this network is to enable smart devices, such as IOT (Internet of Things) enabled devices (sensors, gateways etc.) that require low bandwidth but longer ranges. The first 3 gateways were successfully deployed and implemented, and we now cover Suiderstrand, L'Agulhas, Struisbaai and Bredasdorp with this network. Napier, Arniston, Klipdale and Protea is earmarked in the next phases and will be utilized for projects such as Infrastructure management and control, the Struisbaai Boreholes and Ground water intervention, Air quality monitoring and other IOT related projects that were identified during the formulation of the Smart City Strategy.

Struisbaai Boreholes / Ground water intervention project

This project has a direct link to section 7.1.2 B & C of the Smart City Strategy.

Engagements related to the monitoring of the Boreholes in Struisbaai is underway after Mr. S. Roach of the Infrastructure Department with the support of his Director, Mr A. Jacobs were successful in their application for additional funds.

This is pre-empt our plans, whereby the appointed service provider need to engage with all department in order to assist us with creating a roadmap for the Smart City implementations, with all the relevant considerations taken into account as identified before and during this process.

This project consists of various components and is the first project falling in the IOT space, but ultimately the intent is to work towards a single management approach for water in Cape Agulhas Municipality.

The first phase in the 2019 / 2020 book year is focusing on the boreholes and reservoirs of Struisbaai, L'Agulhas and Suiderstrand. After the completion of this phase we will be able to measure the water level of each borehole and reservoir as well as the waterflow through each meter at these sites. In addition to this thresholds and notifications will also be configured to ensure Officials can act on issues as they may arise. This is part of managing the groundwater of the Cape Agulhas Municipal area and will be extended to the other towns in the coming book year.

One of the key deliverables in this and similar projects is to provide information either by means of reporting or in the form of a dashboard where the public can follow the water levels in Cape Agulhas Municipality and in doing so, not only be more transparent, but also getting citizens involved in taking responsibility in using this scarce resource responsibly.

The first phase includes the following sites:

TABLE 149 BOREHOLE / RESERVOIR MONITORING SITES

	Diameter mm	Sensor Gateway 4	Flow Meter	Flow Sensor	Pressure Based Level Sensor	Water level sensor	VSD	Conduit
Boreholes								
SB1	100	1	1	1	1			1
SB2	100	1	1	1	1			
SB3	100	1	1	1	1			
SB4	80	1	1	1	1			
SB6	80	1	1	1	1			
SB8	80	1	1	1	1			
SSTR2	75	1	1	1	1			1
SSTR3	75	1	1	1	1			
LA1	110	1	1	1	1		1	1
LA2	110	1	1	1	1			
Reservoirs								
SB1	250	1	1	1		1		
SB2	250	1	1	1		1		
SSTR	160	1	1	1		1		
LA1	160	1	1	1		1		
LA2	160	1	1	1		1		
LA10: 1 Meg	160	1	1	1		1		

This project is a multi-year project and we already started planning to roll out further to the other towns in the following book years. We will however still submit business plans to keep as closely as possible to the implementation plan for the coming book year.

Air quality Monitoring

This project, identified in the development of the Smart City strategy, section 7.2.2, also previews how by working together the Municipality can achieve not only the goals as set in the IDP, but also monitor and safeguard against environmental threats, whilst breaking down overarching limitations as may have been experienced in the past.

As previously mentioned, and the same as the case of the borehole projects, the singular LPWAN network, implemented for IOT solutions can be utilized here again.

This project is once again an Infrastructure Department initiative, whereby they with the assistance of Western Cape Province, scoped specifications for Portable Air quality Monitor that can be placed all over the Cape Agulhas Municipal area.

The initiative is driven by Mr F. Du Toit from the Building Department with the support of his Director, Mr A Jacobs.

The next phase will be to identify hotspots and place additional or permanent monitoring devices with various functionalities at these sites.

Public Engagement Application (APP)

This App is linked to section 7.4.1 of the Smart City Strategy.

The need for a customer services app was identified some time ago, and the Municipality successfully applied to be part of a Provincial Customer Service App project. This project was subsequently terminated by the Province. This necessitated that we start investigating the development of our own app, as part of the bigger Smart City Strategy.

Although there was initially no urgency, the need for such an app has escalated dramatically with the declaration of a National State of Emergency due to the Covid-19 pandemic. We need to find new and innovative technological ways to communicate with our community. Legislated prohibitions on gatherings and social contact mean that ward committee and community meetings (specifically IDP and Budget meetings can no longer be held in the conventional way, thus limiting the community's participation in local government matters). It is furthermore essential that we create additional platforms to inform the community of service- related issues, Covid related issues and other municipal matters. Furthermore, we need to enable our community to be able to communicate with us, without physically entering our premises.

Engagements in the development of the App started at the end of this current book year and is expected to be concluded by the end of 2020.

One need to consider that a lot of legislative, user and technical integration requirements need to be taken into account when developing an App and we strive to be as inclusive as we can to associate with all demographics in our Municipal area.

Conclusion

As one may derive, the Smart City Project can be a very challenging in its implementation and encompasses a lot of aspects both relating to the internal operations of the Municipality and to services rendered to communities.

Therefore, the ICT Division with the inputs and support of Management, strive to meet the goals of the Municipality by not only supporting officials, systems and infrastructure in order to deliver services to Communities, but also add value to the IDP and public requests during IDP engagements. But still doing so in a responsible and secure manner to contribute to the sustainability of Cape Agulhas Municipality.

▪ Service delivery highlights for 2019/20

- Cyber Security Awareness Training
- CCTV - Video Management System
- Public Wi-Fi in each Ward

- Ground water intervention project (IOT component)
- Air Quality Management (IOT component)
- Microsoft 365 implementation
- Citizen engagement Applications (APP)

▪ **Service delivery challenges for 2019/20**

- Network and cyber threats took a lot of time and management
- Availability of enough human resources to meet goals as set in ICT and Smart City Strategies
- Hardware availability for remote working

b) Human resources

TABLE150 EMPLOYEES: ICT

JOB LEVEL	POSTS 2018/19	POSTS 2019/20	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	0	0	0	0	0%
9 to 13	4	4	4	0	0%
14 to 18	1	1	1	0	0%
TOTAL	5	5	5	0	0%

c) Financial performance: Capital expenditure

TABLE 151 CAPITAL EXPENDITURE: ICT

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
New PC's	45000	120000	165000	R164 205	0%
UPS small (Offices)	30000	-24140	5860	R5 856	0%
Rack mount UPS	15000	12550	27550	R27 550	0%
Smart city project	1550000	-1550000	0	R0	-
Smart city project	900000	480000	1380000	R1 379 949	0%
Smart city project (Grant)	0	1070000	1070000	R1 069 955	0%
Projectors x3	21000	0	21000	R20 316	-3%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET	FULL YEAR TOTAL BUDGET	ACTUAL SPENT	VARIANCE TO FULL YEAR TOTAL
External HDD	10500	-1980	8520	R8 520	0%
Switch Cabinet (x2)	7500	-3330	4170	R4 167	0%
Two Way Radios	29000	0	29000	R27 862	-4%
Small Tools	2000	-1500	500	R468	-6%
Replacement Laptops	45000	192300	237300	R238 785	1%
TOTAL	2655000	293900	2948900	R2 947 633	0%

3.15 COMPONENT I: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES 2019/20**TABLE 152 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES PER KPA****3.15.1 NATIONAL KPA 1: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
Implement 85% of the RBAP for 2020/21 by 30 June {(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	85.00%
Spend 95% of the budget allocated for the implementation of the SMART CITY Concept by 30 June	% of the financial years project budget spent	95.00%
Revise the Human Settlement Plan, which includes the provision of serviced erven and submit to Council by 30 June	Revised Human Settlement Plan submitted to Council	1
95% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/Number of water samples tested) x100}	% of water samples compliant	95.00%
65% average compliance of the Bredasdorp WWTW water quality to SANS 241 for the financial year	% average compliance of the quarterly wastewater test results	56.25%
Spend 95% of the available budget for the upgrade of the Bredasdorp WWTW by 30 June	% of project budget spent	95

3.15.2 NATIONAL KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
The percentage of the municipality's personnel budget actually spent on implementing its Workplace Skills Plan by 30 June in terms of the WSDL Act. {(Actual amount spent on training/total personnel budget) x100}	% of the personnel budget spent on training	1.00%

Number of people from employment equity target groups employed in vacancies on the three highest levels of management in compliance with a municipality's approved employment equity plan for the financial year	Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management	1
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3.15.3 NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
Create FTE's through government expenditure with the EPWP by 30 June	Number of FTE's created	100
Host an economic development summit to promote the Cape Agulhas Municipal Area by 30 March	Number of Economic Development summits held	1
Obtain full Blue Flag status for Duiker Street Beach Struisbaai by 30 December	Number of beaches for which full blue flag status is achieved.	1

3.15.4 NATIONAL KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
The percentage of the municipality's capital budget actually spent on capital projects by 30 June $\{(Actual\ amount\ spent\ on\ projects / Total\ amount\ budgeted\ for\ capital\ projects) \times 100\}$	% of the municipal capital budget spent	95.00%
Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue	% Debt to Revenue	15.00%
Financial viability measured in terms of the outstanding service debtors as at 30 June (Total outstanding service debtors/ revenue received for services) (Target is maximum))	% Service debtors to revenue	10.00%
Financial viability measured in terms of the available cash to cover fixed operating	Cost coverage	1.5

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
expenditure as at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding		
Achieve a debtor's payment percentage of at least 90% by 30 June {(Gross Debtors opening Balance + Billed Revenue - Gross Debtors closing Balance - Bad Debts Written Off)/Billed Revenue) x 100}	% debtors payment ratio achieved	90.00%
Spend 95% of the total approved management services capital budget by 30 June	% of management services budget spent	95.00%
95% of the roads and storm water capital budget spent by 30 June {(Actual expenditure divided by the total approved roads and stormwater capital budget) x 100}	% of roads and storm water capital budget spent	95.00%
95% of the approved refuse removal capital budget spent by 30 June {(Actual expenditure divided by the total approved refuse removal capital budget) x 100}	% of refuse removal capital budget spent	95.00%
95% of the approved water capital budget spent by 30 June {(Actual expenditure divided by the total approved water capital budget) x 100}	% of water capital budget spent	95.00%
Limit unaccounted for water to less than 15% by 30 June {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl. free basic water) / Number of Kilolitres Water Purchased or Purified /100}	% unaccounted water	15.00%
Limit unaccounted for electricity to less than 6.5% by 30 June {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl. Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) X 100}	% unaccounted electricity	8.00%

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
95% of the electricity capital budget spent by 30 June {(Actual expenditure divided by the total approved capital budget) x 100}	% of electricity capital budget spent	95.00%

3.15.5 NATIONAL KPA5: BASIC SERVICE DELIVERY

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network and billed for the service as 30 June	Number of formal residential properties which are billed for water	8 805
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	Number of formal residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	8 904
Number of formal residential properties connected to the municipal wastewater sanitation/sewerage network for sewerage service (inclusive of septic tanks), irrespective of the number of water closets (toilets) and billed for the service as at 30 June	Number of residential properties which are billed for sewerage	8 982
Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June	Number of formal residential properties which are billed for refuse removal	8 960
Provide 6kl free basic water per month to all formal households during the financial year	Number of formal Households receiving free basic water	8 805
Provide 50 kwh free basic electricity per month to registered indigent / poor households in terms of the equitable share requirements during the financial year	Number of registered indigent / poor households receiving free basic electricity in terms of Councils indigent policy	3 001
Provide free basic sanitation and refuse to registered indigent / poor households in terms of the equitable share requirements during the financial year	Number of registered indigent / poor households receiving free basic sanitation and refuse in terms of Councils indigent policy	3 001

KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
Host a youth summit for the youth of the Cape Agulhas Municipal Area by 30 March	Number of youth summits held	1
Submit quarterly reports to the Management Services Portfolio Committee on the activities of the Community Police Forums in all towns	Number of reports submitted	1
Spent 95% of the available budget (grant) for the implementation of the RSEP/ VPUU Programme by 30 June	% of grant allocation for financial year spent	95.00%

CHAPTER 4: ORGANISATIONAL PERFORMANCE

This Chapter aligns to the National Key Performance Areas (KPA's) of ***Municipal Transformation and Organisational Development*** as contained in the Local Government: Municipal Planning and Performance Management Regulations of 2001 read together with Section 43 of the MSA.

4.1 INTRODUCTION

This Chapter provides an overview of the Municipality's performance in terms of the National Key Performance Indicator of Municipal Transformation and Organisational Development as contained in the Local Government: Municipal Planning and Performance Management Regulations of 2001 read together with Section 43 of the MSA.

One of the most significant factors affecting organisational performance in the year under review was the Covid-19 pandemic and the state of disaster that was declared in response thereto with its myriad of regulations.

The Municipality's Fraud and Risk Management Committee (FARMCO) assessed the risks associated with Business Continuity as part of Cape Agulhas Municipality's Risk Register and Risk Actions that is constantly monitored and updated. This assisted us in preparing for COVID 19 Lockdown in the second half of the 2019/2020 financial year.

Preparation for Covid-19 lockdown started in March as an emergency preparedness. The current Local Government Essential Services Agreement, which is specifically an agreement meant for Strikes and Unrest was immediately evoked and adjusted to deploy adequate staff capacity needed during the lockdown period as per Covid-19 regulations. The agreement was temporarily changed to meet the needs of the Lockdown as prescribed in the regulations. More than 50% of staff worked from home and most were available if needed as the lockdown levels were relaxed and amended by the President of South Africa Mr Cyril Ramaphosa.

Preparations for compilations of COVID-19 Risks Assessments, Policies, Standard Operating Procedures, Personal Protective Clothing for the frontline staff immediately were sourced and supplied prioritised to the first responder employees. The Occupational Health and Safety Report below will give more detail on the Covid- 19 impact.

▪ Organisational development highlights for 2019/2020

- Finalisation of the Organisational Productivity Assessment: Employee Utilisation
- Upskilling of Semiskilled and unskilled Labour through the Recognition of Prior Learning (RPL) to create a skill pool within the organisation for succession.
- Increasing utilisation of Anene Booysen Skills Centre through partnerships with private business and other Government departments.
- Implementation of the Online Employee Support Service –ESS
- Full Integration of biometric time and attendance linked to the electronic payroll system –PAYDAY
- A fully functioning top management structure achieved through innovation, attraction of scarce and critical skills and employment strategies.
- From 2014 until 2019 we have appointed 55 EPWP workers on permanent bases through our recruitment and selection processes.
- Timeous management of unsatisfactory behaviour has led to sound labour relations in the workplace.

- **Organisational development challenges for 2019/20**

- Employment equity targets are compromised due to scarcity of experienced local candidates with core skills.
- Managing performance, training of managers, middle and junior management completed and assessed and are deemed compliant but upskilling of management on softer skills continues.
- Attracting and retaining disabled workers is a challenge in the area although in this financial year we attracted a junior management level disabled employee in the skilled technical occupational level achieved.
- In Occupational Health Safety we are still experiencing human behavioural challenges, more so during Covid-19 pandemic.

4.2 THE MUNICIPAL WORKFORCE

The Cape Agulhas Municipality currently employs 346 people (excluding the Municipal Manager and 3 Directors) with these positions included it is 350. Non-permanent employees are excluded. Our employees 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 strategic human resource development and human resource administration.

- **Organisational Structure**

The 2017/2018 Organisational Structure was approved by Council on 22 June 2018. The design of the Macro Structure was then amended to respond to the needs of the Community and also to respond to the financial sustainability of Council as committed to in Long Term Financial Plan and the Cape Agulhas Municipality Integrated Development Plan. Further amendments to the structure which were only internal movements, without financial implications, were approved by Council on 29 October 2018. In departments where more capacity was needed, the Municipality utilised Job creation programmes, whereby work opportunities were offered to the unemployed. Some of these opportunities resulted in full-time opportunities, as the organisation fills vacant positions due to attrition or employees exiting the organisation for various reasons.

- **Job Evaluation -Tuned Assessment of Skills & Knowledge (TASK)**

Job evaluation or grading systems are used by many organisations to measure jobs according to their content and establish the comparative worth between jobs. The Employment Equity Act section 21, EEA9 Occupational Levels guides organisations on "fair and equal pay for equal work of the same value". The table below takes into consideration all types of grading systems that might be used to determine employee pay.

The South African Local Government Bargaining Council on National and Provincial level, together with the South African Local Government Association (SALGA) and Labour agreed that the Tuned Assessment of Skills and Knowledge (TASK) is the sole job evaluation tool to determine pay scales at the Municipality.

Since the completion of the Cape Agulhas Municipality's TASK implementation in 2015/16 financial year. There has been minimal job evaluation appeals and objections due the Organisational Re-engineering that took place in 2014/2015 which was fully funded by the Provincial Department of Local Government. This project was implemented to ensure that the organisational structure is designed, approved and implemented through an informed decision-making process. The structure is a living document and responds to the capacity needs of the organisation for service delivery purposes and stability for business continuity.

In 2019/2020 Cape Agulhas Municipality and the SALGA Western Cape Provincial Audit Committee completed 18 Final Outcome Reports on processing Job descriptions for re-evaluation due to various reasons, such as additional functions,

removal of functions and newly created position on the structure, it is very important that this takes place to determine the grading of the position, irrespective of the incumbent.

TABLE 153 OCCUPATIONAL CATEGORIES , TASK LEVELS AND DESCRIPTIONS

OCCUPATIONAL LEVELS	TASK LEVELS	DESCRIPTION
Top Management/ Executives	23-26	Controls the functional integration of the business. Determines the overall strategy and objectives of the business. Directs the company into the future. The nature of the work and focus is long-term. Sign-off on policy or strategy.
Senior Management	18-22	Knowledge of entire business area/BU/company or group. Provide inputs for/formulation of the overall Organisational strategy. Translates the overall strategy into business plans for BU/Functional Unit, thereby operationalising organisational strategy. Implements and manages business plan, goals and objectives and ensures the achievement of overall key Organisational/BU/Functional outputs. Manages the development of innovation and change
Professionally Qualified & experienced specialists/mid-management	14-18	Professional knowledge of sub-discipline or discipline. Provide input in the formulation of Organisational/Functional Unit business plans. Formulate and implement departmental/team plans that will support the BU business plans. Optimisation of resources (finances, people, material, information, and technology) to achieve given objectives in most productive and cost-effective way.
Skilled Technical & Academically Qualified/ Junior Management/ Supervisors/ Foremen/ Superintendents	9-13	Applies broad knowledge of products, techniques, and processes. Evaluates procedures and applies previous experience. A good solution can usually be found. Determines own priorities. What must be done is stipulated; but may require initiative in terms of how it should be done
Semi-Skilled & discretionary decision-making	4-8	Accountable for direct product, process or service quality. Incremental improvement of existing processes and procedures according to clear guidelines. Choosing of correct action on the basis of set standards, training procedures and past experience
Unskilled & defined decision-making	1-3	Steps to accomplish work or processes are clearly defined and understood. Tasks are sometimes repetitive and uncomplicated, and the work cycle is short

▪ **The Productivity Assessment**

This project was initiated by Cape Agulhas Municipality and co-funded by the Western Cape Department of Local Government. Productivity South Africa, a government agency, conducted the assessments in 2019. The project focused specifically on Protection Services, where there was a need to assess the utilisation of our workforce and how best to provide adequate capacity in areas that might be overburdened due to staff shortages, work overload or employee idleness. Council accepted the results, which were utilised to review Job descriptions so that appropriate functions could be deployed to appropriate positions in affected departments. Hence the need for staff movements in certain departments. Productivity study outcomes were implemented and is an ongoing project within the administration of the Municipality which also ensures that employees are paid fairly according to, Occupational Levels EEA9 in terms of Section 21 of the Employment Equity Act, as amended.

A transfer of Skills Workshop was facilitated by Productivity South Africa to impart the skills needed to conduct productivity assessments internally to Managers and Senior Managers. Currently Senior Management and Middle Managers are sufficiently skilled and knowledgeable to conduct the productivity assessments at their Departments.

4.2.1 EMPLOYMENT EQUITY

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

Cape Agulhas Municipality developed an Employment Equity Plan for the period 2017 – 2020 which was approved on 27 September 2018. The time frame of this plan was reduced from five years to three years, from the 1 October 2017 till 30 September 2020. This was done to have an opportunity to revisit the plan to meet our targets and also respond if there are any changes in legislation. The new plan has specific racial and gender targets and goals for this period, to ensure equity and representation within the Municipality. During 2019/2020 the Municipality took a knock in losing scarce and critical skills in top positions. FARMCO identified a lack of succession planning as a business continuity risk and resulted in the development of a Succession Plan Policy through consultation with Labour, which was later approved by Council in the 2019/20 financial year. The policy is being implemented and upskilling and mentoring of a pool of identified employees is underway through focused or targeted training and development plans for our employees.

a) Employment Equity targets

The Organizational Structure made provision for the occupational level of two African males in the Senior Management Category. A vacancy occurred which required an African Male, due to the scarcity and proximity of Cape Agulhas we could not attract targeted candidates. A colored male from the previously disadvantaged group was appointed. Cape Agulhas Municipality still needs to reach the target at this level. The approved Employment Equity Plan 2017-2020 makes provision for targets by racial classification for the Top Three Levels of Management:

TABLE 154 PROGRESS REPORT I.T.O NUMERICAL GOALS FOR ALL EMPLOYEES, INCLUDING PEOPLE WITH DISABILITIES (OCCUPATIONAL LEVELS, RACE, GENDER AND FOREIGN NATIONALS) 2017-2020

OCCUPATIONAL LEVELS	MALE				FEMALE				TOTAL PERMANENT	VACANCIES	TOTAL POSTS
	A	C	I	W	A	C	I	W			
Top Management	1	5	0	4	1	3	0	0	14	5	14
Goals: 2017 to 2018					1					1	
Achieved		1			0						1
Goals: 2018 to 2019	2									2	
Achieved	0										0
Goals: 2019 to 2020					1	1				2	
Achieved					0	0					0
Balance	2				2	1					4
Senior Management	0	2	0	1	1	0	0	1	5	1	5
Goals: 2017 to 2018											
Goals: 2018 to 2019						1				1	
Achieved						0					0
Goals: 2019 to 2020											
Achieved											
Balance						1					1
Professionally qualified	1	8	0	10	3	3	0	1	26	13	26
Goals: 2017 to 2018	2				1	1		1		5	
Achieved	0				0			0			0
Goals: 2018 to 2019	1				1	1		1		4	
Achieved	0				0	0		0			0
Goals: 2019 to 2020	1	1			1	1				4	
Achieved		1			0	0					1
Balance	4	0			3	3		2			12
Skilled technical	5	40	0	6	6	36	0	14	107	12	107
Goals: 2017 to 2018	2					1				3	
Achieved	0					1					0
Disabled 2017 to 2018				1						1	
Achieved Disability Overachieved				1							2
		-4									
Goals: 2018 to 2019	2					1				3	
Achieved	0					1					0
Disabled 2018 to 2019	1									1	

OCCUPATIONAL LEVELS	MALE				FEMALE				TOTAL PERMANENT	VACANCIES	TOTAL POSTS
Achieved Disability		1									
Goals: 2019 to 2020					1					1	
Achieved	1	-1									
Disabled 2019 to 2020					1					1	
Foreign Nationals 2017 to 2020	1				1					2	
Achieved						-1					
Balance	5	0	0	0	3	0	0				9
Semi-skilled	12	64	0	4	3	25	0	1	109	17	109
Goals: 2017 to 2018			0		2	5				7	
Achieved		1									
Goals: 2018 to 2019	3	1	1		2					6	
Achieved	1	-									
Goals: 2019 to 2020	2				2	2				4	
Achieved	1										
Balance	3	0	1		6	3					16
Unskilled	20	51	0		5	21	0	0	97	19	97
Goals: 2017 to 2018	2	2		1	2	2				9	
Achieved	2	2			0						
Goals: 2018 to 2019	1				2	2				5	
Achieved	1				1	2					
Goals: 2019 to 2020	1	2		1	2					5	
Achieved	1	-3									
		-3									
Balance	0	0		2	5	2					10
Total Permanent	39	171	0	26	20	102	0	17	375	67	*375

* Employment Equity Plan 2017-2020. Figures reflect workforce inclusive of Councillors as at 1 July 2020

4.2.2 VACANCY RATE

The approved organogram for the Municipality had 362 funded posts of which 346 posts were filled as 30 June 2020. The Department of the Public Service and Administration states that the public vacancy rate should be below 10%. The vacancy rate of Cape Agulhas Municipality is stable and remains within the acceptable norm. The vacancy rate of 4,42% for the 2019/20 financial year is therefore an acceptable norm.

In terms of the organizational effectiveness, Cape Agulhas Municipality strives to ensure that employees are upskilled and utilized effectively for career development through our Recruitment and Selection strategies to reach our Employment Equity goals, targets and objectives.

TABLE155 ANNUAL VACANCY RATE

PER POST LEVEL	2017/18		2018/2019		2019/2020	
POST LEVEL	FILLED	VACANT	FILLED	VACANT	FILLED	VACANT
MM & MSA section 57 & 56 (Top Management)	4	0	3	1	4	0
Senior Management	3	0	3	0	2	1
Professionally qualified and experienced specialists and middle management	27	1	26	2	23	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	120	5	120	7	135	4
Semi-skilled and discretionary decision making	105	3	98	5	123	6
Unskilled and defined decision making	88	6	99	2	63	4
TOTAL	347	15	347	17	346	16

TABLE 156 VACANCY RATE PER DEPARTMENT

PER FUNCTIONAL LEVEL	2017/18		2018/19		2019/2020	
FUNCTIONAL AREA	FILLED	VACANT	FILLED	VACANT	FILLED	VACANT
Office of the Municipal Manager	48	5	47	4	46	3
Financial Services	50	2	50	2	50	1
Management Services	98	4	97	3	97	4
Infrastructure Services	151	4	153	8	153	8
TOTAL	347	15	347	17	346	16

TABLE 157 VACANCY RATE FROM MONTH TO MONTH

MONTH	TOTAL FUNDED POSTS	FILLED POSTS	VACANCIES	% VACANCY RATE
July 2019	361	344	17	4.71
August 2019	361	345	16	4.17
September 2019	361	344	17	4.71
October 2019	361	344	17	4.71
November 2019	361	346	15	4.16
December 2019	361	348	13	3.6
January 2020	361	347	14	3.88
February 2020	361	348	13	3.60
March 2020	361	347	14	3.88
April 2020	362	346	16	4.42
May 2020	362	346	16	4.42
June 2020	362	346	16	4.42

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

TABLE158 VACANCY RATE HIGHEST LEVELS OF MANAGEMENT

SALARY LEVEL	NUMBER OF CURRENT CRITICAL VACANCIES	NUMBER TOTAL POSTS AS PER ORGANOGRAM	VACANCY JOB TITLE	% VACANCIES (AS A PROPORTION OF TOTAL POSTS PER CATEGORY)
Municipal Manager	0	1	n/a	n/a
Chief Financial Officer	0	1	n/a	n/a
Other Section 57 Managers	0	2	n/a	0%
Senior management	1	3	Divisional Head HR &OD	0.28%

TOTAL	1	7		1.97%
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4.2.3 STAFF TURNOVER RATE

A high staff turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. A low turnover rate is indicative of a stable employment environment.

The staff turnover rate has increased from 2018/19 to 2019/20. Turnover is primarily due medical boarding, resignations due to better prospects, personal reasons and retirements. As a result, we are using strategies like staff progression and upskilling to close those gaps. We are now focusing on using our local skills pool to create stability within the Municipality.

The table below indicates the staff turnover rate over the last two years:

TABLE 159: TURNOVER RATE

FINANCIAL YEAR	TOTAL NUMBER OF STAFF AT THE END OF EACH FINANCIAL YEAR	NEW APPOINTMENTS	NUMBER OF TERMINATIONS DURING THE YEAR	STAFF TURNOVER RATE
2017/18	347	7	11	3.17%
2018/19	347	14	14	4.00%
2019/20	346	12	16	4.62%

4.2.4 EXPANDED PUBLIC WORKS PROGRAMME AND COMMUNITY WORK PROGRAMME

Cape Agulhas Municipality continues to implement the Expanded Public Works Programme (EPWP) and support and accommodate the Community Works Programme (CWP). The Community Work Programme is a government wide programme which requires the formation of partnership to support its implementation. The aim is to improve the quality of work and the outcomes of the programme within the Cape Agulhas Municipal area. CWP gave a variety of training interventions through the programme for their beneficiaries. They also had a few success stories of beneficiaries that were appointed permanently at organizations and that exited the programme, and also created employment through the Coastal Management Programme.

In 2019/20, 46 EPWP Projects were implemented. The table below provides a breakdown of the Municipality's targets and actual achievements.

TABLE 160 JOB OPPORTUNITIES CREATED THROUGH EPWP

DESCRIPTION	TARGET	ACTUAL ACHIEVED	ACHIEVEMENT %
Job Opportunities	543	619	114%
Full time Equivalents	99	164	166%

Cape Agulhas Municipality was allocated a grant of R1 740 000.00 for the 2019/20 financial year. The Extended Public Works Program issued a District annual performance report in which the Municipality over - performed in terms of the Full Time Equivalent (FTE)with a percentage of 166% and Work Opportunities (WO) with a percentage of 114%. Cape Agulhas Municipality are commended for the respective full-time equivalent performances. 10 EPWP beneficiaries were appointed permanently within 2019/2020 financial year.

Over a five-year period, Cape Agulhas Municipality aims to create **2849** job opportunities. Cape Agulhas was selected as the Top Performing EPWP Programmed for the 2019/2020 financial year and created meaningful job opportunities. Although CAM cannot employ everybody, we have together with participating departments contributed.

4.3 MANAGING THE MUNICIPAL WORKFORCE

The success or failure of a municipality depends on the quality of its political leadership, sound governance of its finances, the strength of its institutions and the calibre of staff working for the municipality.

4.3.1 OCCUPATIONAL HEALTH AND SAFETY ACT 1993 OF 85 AND COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASE ACT 130 OF 1993

Cape Agulhas Municipality is committed to ensuring the health, safety and welfare of all staff members, mandataries (agents, contractors or subcontractors) and visitors in its working environment. All staff of the Municipality are required to observe safe work practices and prevention of accidents and occupational illness as a collective and individual responsibility. They must also comply with the regulations and conditions set out in the Occupational Health and Safety Act 85 of 1993 (OHS Act) and associated legislation. Managers have a duty to provide and maintain, as far as is reasonably practicable, a working environment that is safe and without risk to health.

Cape Agulhas Municipality carries out risk management activities to ensure that risks relating to working procedures and practices are identified, and that adequate controls and mitigating measures are put in place where medical surveillance is being applied to assess monitors individuals for adverse health effects and determines the effectiveness of exposure prevention strategies. Employees working at heights such as on Cherry Pickers, undergo medical evaluation and Hepatitis B is administered CAM employees such as those working at sewerage plants.

The Directors of Infrastructure, Management service and Finance, or his/her designee, is responsible for:

- Ensuring that health and safety specifications are in place, for any construction or maintenance work. Providing these to mandataries, who are appointed to perform such work for the Municipality as stated in the Construction Regulations 4. Submission of health and safety plan.
- Initiating employees' legal appointment letters in terms of the OHS Act. Section 16.2, 17, 19,

4.3.1.1 COVID 19 PANDEMIC

The Minister of Employment and Labour, acting in terms of Regulation 10 (8) of the Regulations issued by the Minister of Cooperative Governance and Traditional Affairs in terms of section 27 (2) of the Disaster Management Act, 2002 (Act No. 57 of 2002) in terms of Regulation 10 (8) of the Regulations issued by the Minister of Cooperative Governance and Traditional Affairs in terms of section 27 (2) of the Disaster Management Act, 2002 (Act No. 57 of 2002) has determined that it is necessary to adopt and implement occupational health and safety measures to (reduce and eliminate) the escalation of COVID-19 infections in workplaces as set out in the Schedule.

TABLE 161 CONFIRMED COVID 19 CASES

DEPARTMENT	NUMBER	HOSPITALISE CASES	RECOVERY CASES	DEATHS
Management services	2	The employees were not admitted.	Recovered	-
Finance department	1	The employee was not admitted.	Recovered	-

Electro technical department	1	The employee was not admitted	Recovered	-
Infrastructure department	1	The employee was not admitted	Recovered	-

▪ **Screening of workers / visitors**

All the workers/visitors and interviewers are being screened using the thermometer and the screening forms every morning. Health and safety representatives completed and submitted screening forms to Human Resource Department monthly for record keeping.

▪ **Decontamination of vehicles and equipment**

All municipal vehicles were fumigated regularly and as well as the tools and heavy equipment before leaving the stores. All vehicles and offices were provided with hand sanitisers and surface cleaning sanitisers.

4.3.1.2 INJURIES

Under common law an employee who can prove that the employer did not act in the same manner as the “reasonable man” would have, will be entitled to claim damages from the employer based on delict. However, section 35 of the Compensation for Occupation for Occupational Injuries and Diseases Act (COIDA) has altered the common law position.

Section 35 prevents an employee who has been injured on duty to claim damages from the employer. Although currently an amendment was made whereby the employee can now claim from the compensation commissioner. COIDA actually makes it easier for employees as they do not have to prove, *inter alia*, that the employer acted negligently (in other words not as a reasonable man) in order to claim compensation. The employee will however only be entitled to a fixed amount of compensation. All injuries and incidents must in terms of OHS Act be reported immediately or as soon as practically possible for assessment, recording or possible investigation.

If a member of the public gets injured within the premises of Cape Agulhas Municipality that person is not allowed to claim from COIDA but can claim from the employer’s liability insurance funds.

Health and safety induction sessions are conducted on a monthly basis, especially with new entrants “toolbox talks” safety team meetings before resumption of daily duties, contributed positively to a drastic reduction of injuries on duty (IOD). The Covid 19 lockdown also contributed to a reduction as most of the workforce were working from home

TABLE 162: INJURIES ON DUTY

DIRECTORATES	2017/18	2018/19	2019/20
Office of the Municipal Manager	5	2	5
Financial Services	0	3	3
Management Services	10	9	6

Infrastructure Services	33	28	19
TOTAL	48	42	33

The following table distinguishes between minor and major injuries for 2019/20. A major injury is an injury that has the potential to cause prolonged disability or death. A minor injury is an injury that is not serious and can be managed by a nurse or a first aider.

TABLE 163 INJURIES ON DUTY

DIRECTORATES	MINOR INJURIES	MAJOR INJURIES.
Office of the Municipal Manager	5	0
Financial Services	3	0
Management Services	6	0
Infrastructure Services	19	0
TOTAL	33	0

The total rand value of injuries on duty for 2019/20 is R112 706.32 (the employer is in a process of claiming some of these funds from COIDA) . This can be attributed to the IOD sick leave the employee is entitled to when injured. In addition to this, there are employees who still suffer from conditions and are still under Dr's supervision due to previous injuries from the previous years.

4.3.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken. The total number of sick leave days taken during the **2019/20** financial year shows an overall **decrease**. The decrease can be attributed to Covid – 19 because most employees were in lockdown from the 27th of March 2020 until 30 June 2020. Most of our employees worked remotely and the management of sick leave became a priority.

The electronic leave management system (Employee Self Service) with the managing of sick leave, as leave is accounted for in areas where it was previously difficult to obtain supporting documentation for leave reconciliations. This has enabled us to identify trends and improve leave management. Leave is flagged by Human Resources department and is managed at Directorate and Departmental level. It is the responsibility of the Manager and Supervisor to manage leave and sick leave as per Leave Policy approved by Council and the Basic of Conditions Act.

TABLE 164 SICK LEAVE

DEPARTMENT	2017/18	2018/19	2019/20
Office of the Municipal Manager	338.81	507	372.44

Financial Services	258.50	326	309.25
Management Services	912.09	1079	814.08
Infrastructure Services	1008.25	931	735.62
TOTAL	2517.65	2843	2231.39

4.3.3 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 2019/20. We only had 8 meetings out of a total of 10 scheduled for the financial year due to Covid-19 Pandemic and associated lockdown.

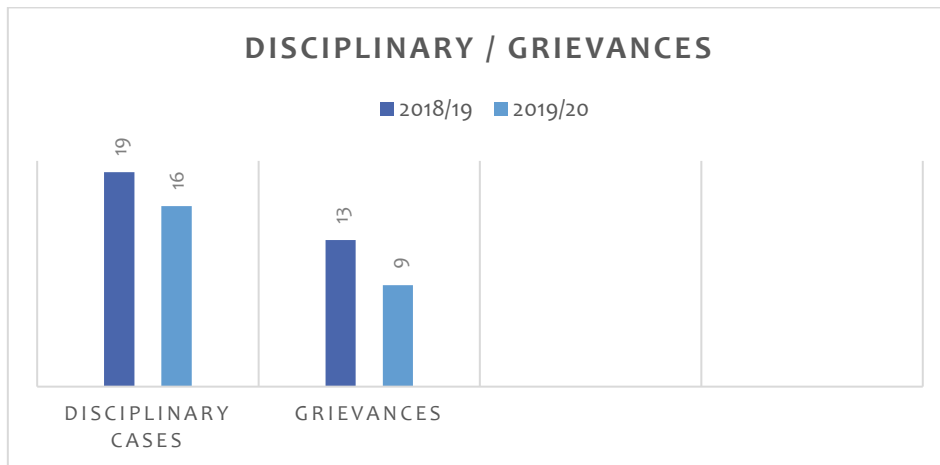
TABLE 165 LOCAL LABOUR FORUM

NAME OF REPRESENTATIVE	CAPACITY	MEETING DATES
D O'Neill	Municipal Manager	11 July 2019
H Van Biljon	Director Financial Services and ICT	14 August 2019
A Jacobs	Director Infrastructure	19 September 2019
Z Tonisi	Councillor	10 October 2019
D Burger	Councillor	7 November 2019
M October	Councillor	3 March 2020
F Xinela	SAMWU	19 March 2020
C Ahrendse	SAMWU	18 June 2020
R Jansen	SAMWU	
S Hendricks	SAMWU	
S Graaff	IMATU	
S Murtz	IMATU	
The Divisional Head: HR and Organisational Development, and The Labour Relations Specialist participate in all Labour Forum meetings and play advisory role.		

4.3.4 DISCIPLINARY CASES AND GRIEVANCES

There were cases that could have been resolved at managerial level because the primary objective when applying discipline is to find a workable solution to correct behaviour in the workplace and this is based upon Standard of Conduct in terms of ensuring that every employee is aware of the company code of conduct. Fair Application in the way that each misconduct is dealt with as well as the sanctioning that goes with it to apply discipline without prejudice, meaning that consideration will be given to all facts to apply a corrective approach rather than punitive.

FIGURE 17 DISCIPLINARY HEARINGS AND GRIEVANCES



Every employee has the right to appeal should he/she feel aggrieved about the outcome of a disciplinary hearing. Since the introduction of the new Labour Relations Act (LRA) of 1995 into South African Labour Legislation, the professional management of discipline at company level continues to be crucial. The general view that disciplinary policies should not be instruments of punishment but rather fair procedures to be implemented in correcting unsatisfactory employee behaviour continues to find wide acceptance.

4.3.5 HUMAN RESOURCE POLICIES AND PLANS

Discipline and its subsequent rules and procedures form an integral part of the employment relationship between employer and employee. However, in order for discipline to be effective and yield its desired results, it needs to be substantively and procedurally fair.

This means that proper rules and processes needs to be followed in the workplace to ensure that all organisational policies and legislative requirements are being adhered to. Substantive fairness relates to the reason for embarking on the disciplinary action, the cause for action. There must be a just and equitable reason for embarking on the disciplinary action, and this needs to comply with the organisation's policies as well as those promulgated in the labour legislation of the country. Procedural fairness relates to the correct process that needs to be followed during the disciplinary inquiry. This refers to the organisation's internal rules and processes that need to be followed step by step to ensure that employee rights are not being violated and to protect the organisation against claims of unfair labour practices and unfair dismissals.

Ensuring that both aspects of fairness are adhered to, is a difficult task for every manager or supervisor in an organisation. As these aspects must be adhered to, supervisors and managers alike, need to ensure that correct policies and procedures are followed in this respect. Leaders thus have an inherent responsibility towards the organisation in ensuring that their actions are appropriate within the context of disciplinary action, and that they always act in the best interest of the organisation.

TABLE 166: HUMAN RESOURCE POLICIES AND PLANS

POLICY	DATE APPROVED	SCHEDULED REVISION
Anti-Fraud and Corruption Policy	2019	2022
Anti-Fraud and Corruption Plan	2019	2022
Anti-Fraud Succession & Planning and Corruption Strategy	2019	2022
Code of Ethics	2019	2022
Succession & Planning	2019	2022
Fleet Management	2019	2022
Time and Attendance	2019	2022

4.3.6 EMPLOYEE PERFORMANCE REWARDS

In accordance with Regulation 805, a performance bonus, based on affordability, may be paid to an employee, after -

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

The evaluation of the performance of Section 57 managers forms the basis for rewarding outstanding performance. Section 57 managers are those individuals that are appointed by the municipality on a contract basis and who reports directly to the Municipal Manager of the municipality. The table below shows the total number of S57 managers that received performance rewards during the financial year in respect of the previous year’s performance after all performance evaluations were dealt with:

TABLE 167 PERFORMANCE REWARDS

RACE	GENDER	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES RECEIVED PERFORMANCE REWARDS	% EMPLOYEES RECEIVED PERFORMANCE REWARDS
African	Female	0	0	0
	Male	0	0	33.33

Asian	Female	0	0	0
	Male	0	0	0
Coloured	Female	0	0	0
	Male	2	2	33.3
White	Female	0	0	0
	Male	1	1	33.3
Disability	Female	0	0	0
	Male	0	0	0
TOTAL		3	3	100

4.4 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the Municipal Systems Act states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose, the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

The Municipality was able to implement its 2019/20 Workplace Skills Plan (WSP). Funding was received from the Local Government SETA and the Construction SETA in the form of learnerships and bursaries which were utilised for municipal employees and for unemployed youth of Cape Agulhas. The Local Government SETA also funded bursaries for Municipal employees to pursue local government related academic studies at all levels.

Cape Agulhas Municipality continues to capacitate employees and encourages job specific skills training and development on an extensively to deliver quality services to the community. The priority focus this financial year was on technical skills training, management development and project management. A Recognition for Prior Learning (RPL) Programme funded internally and externally in partnership with North Link TVET College commenced as follows:

TABLE 168 RPL PROGRAMME IN PARTNERSHIP WITH NORTHLINK COLLEGE

RECOGNITION OF PRIOR LEARNING	ROADS & STORM WATER	WATER & SANITATION SERVICES	SOLID WASTE	BUILDING CONTROL	MANAGEMENT SERVICES	ELECTRICAL SERVICES	OFFICE OF THE MM
Carpentry	N/A	N/A	N/A	N/A	2	N/A	N/A
Bricklaying	7	N/A	N/A		N/A	N/A	
Plumbing	2	14	2		1	N/A	
Electrical	N/A	N/A	3		N/A	6	

Artisan Apprenticeship: Plumbing	N/A	8	N/A	N/A	N/A	N/A	N/A
Project Management	1	1	N/A	1	4	N/A	5
NC: Water Waste Water Process Control NQF L3	N/A	4	N/A	N/A	N/A	N/A	N/A

TABLE 169 SENIOR AND MIDDLE MANAGEMENT DEVELOPMENT TRAINING

TRAINING INTERVENTION	DEPARTMENT	SNR AND MIDDLE MANAGEMENT	JUNIOR MANAGEMENT
Performance Management	Infrastructure Services	4 Males	6 Males
	Financial Services	5 Males	1 Male
	Management Services	1 Female	2 Female, 2 Males
	Office of the MM	3 Females, 4 Males	3 Females

The training and development drive is to ensure that our employees are adequately skilled and that there is a pool of skilled and semi-skilled workers internally. This was done through funding received from various Sector Education and Training Authorities (SETA's) namely the Local Government SETA and the Construction SETA and Internal Funding. The Anene Booysen Skills Centre opened opportunities for technical and administrative training to our officials in various disciplines in terms of both academic and skills training. The Municipality and other Government Department utilise the Skills Training to deliver Training for the Community and Government Employees.

4.4.1 SKILLS MATRIX

The table below indicates the number of employees that received training in the year under review:

TABLE 170 SKILLS MATRIX

MANAGEMENT LEVEL	GENDER	NUMBER OF EMPLOYEES IDENTIFIED FOR TRAINING AT START OF THE YEAR	NUMBER OF EMPLOYEES THAT RECEIVED TRAINING
Legislators	Female	0	2
	Male	0	2
MM and S57, snr Managers	Female	6	3
	Male	24	7
Professionals	Female	12	3
	Male	10	5
Technicians and Associate Professionals	Female	10	8
	Male	21	11
Clerical Support Workers	Female	31	9
	Male	7	2
Service and Sales Workers	Female	8	1
	Male	7	2
Skilled Agricultural, forestry, Fishery, Craft and related Trade workers	Female	2	0
	Male	4	3
Plant and Machine Operators and Assemblers	Female	0	1
	Male	41	13
Elementary Occupations	Female	6	1
	Male	24	7
Sub total	Female	75	26
	Male	138	50
Total		213	76

4.4.2 SKILLS DEVELOPMENT

The Skills Development Act (1998) and the MSA require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that, as Head of Administration, the Municipal Manager is responsible for the management, utilization, and training of staff.

The table below shows the occupational categories in terms of targeted and actual numbers of employees who received training:

TABLE 171 TRAINING PER OCCUPATIONAL CATEGORY

DEPARTMENT	TRAINING	INTERNAL / EXTERNAL	TOTAL	PURPOSE	SERVICE PROVIDER
Human resources	Project management NQF 4	Internal	17	Equip employees with project management skills	SESTO / SETA
Human resources	MMC NQF 5	Internal	40	Competency training	SPL / CAM
ICT	Cyber training	Internal	138	Ensuring cyber safety to employees	CAM / DFA Solutions
Dept. Social development	Department of social development	External	24	Equipping vulnerable women from disadvantaged backgrounds	DSD
Dept. Environmental affairs	Environmental affairs	External	80	Creating environmental awareness	Mobaraak / DEA
Tourism	Customer care	External	21	Training moral and ethics	G and D training solution
Tourism	Cell phone workshop	External	28	Innovative skills by using	Hartland broadcasting
Counsellor support	Data capturing	External	5	Ensuring better service delivery	
	Total		353		

TABLE 172 SKILLS DEVELOPMENT

OCCUPATIONAL CATEGORY	GENDER	EMPLOYEE COUNT	LEARNERSHIP			SKILLS			SHORT SKILLS			TOTAL		OTHER	
			ACTUAL PREVIOUS	TARGET	ACTUAL CURRENT	ACTUAL PREVIOUS	TARGET	ACTUAL CURRENT	ACTUAL PREVIOUS	TARGET	ACTUAL CURRENT	TOTAL TARGET	TOTAL ACTUAL	TOTAL TARGET	TOTAL CURRENT
Legislators	Female	4	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	7	0	0	0	0	0	0	0	0	0	0	0	0	0
MM and S57, Snr Managers	Female	7	0	0	0	4	7	7	0	3	0	6	7	12	0
	Male	29	1	1	1	24	27	6	1	15	1	24	8	2	0
Professionals	Female	16	0	1	0	8	6	2	1	2	1	12	3	11	21
	Male	13	2	3	3	7	8	3	1	1	0	10	6	1	14
Technicians and Associate Professionals	Female	18	1	1	4	8	8	3	0	1	0	10	7	19	11
	Male	28	2	0	3	12	12	12	0	2	0	21	15	15	4
Clerical Support and Workers	Female	33	1	3	1	10	13	22	1	5	0	31	23	3	7
	Male	9	0	0	0	4	2	2	0	0	0	7	2	0	3
Services and Sales	Female	12	0	0	1	0	6	0	0	3	0	8	1	17	0
	Male	8	3	0	0	1	5	1	0	2	0	7	1	18	0

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Skilled Agricultural, forestry, Fishery, Craft and related Trade workers	Female	2	0	0	0	0	0	0	0	2	0	2	0	16	0
	Male	8	0	0	0	4	0	3	0	1	0	4	3	21	0
Plant and Machine Operators and Assemblers	Female	4	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	64	2	9	2	10	11	17	0	18	0	41	19	0	0
Elementary	Female	27	4	0	0	10	1	1	0	2	0	6	1	26	11
	Male	74	12	1	0	30	5	11	0	26	0	24	11	43	7
TOTAL	Male	240	22	14	9	92	70	55	2	65	1	138	65	100	28
	Female	123	6	5	6	40	41	35	2	18	1	75	42	104	50
TOTAL		363	28	19	15	132	111	90	4	83	2	213	107	204	78

We have trained 42% of unemployed learners compared to 58% of Employed employees however a balance was created through the allocation of Bursaries through the SETA's.

Gender Mainstreaming in terms of skills development

The above tables illustrate how many employees have been given training opportunities, by gender. Out of the employees identified for training in 2019/20 financial year 35% were females and 65% were males. The above statistics show that more male employees than female employees received training opportunities.

To have a Gender Sensitive Training Budget we need to ensure that there is a balance in gender when planning for development of females and males. CAM will in the future need to focus on Gender Sensitive Training Budget.

TABLE 173 TRAINING IN TERMS OF GENDER

OCCUPATIONAL CATEGORY	GENDER	PERCENTAGE
Top Management	males	70%
	females	30%
Middle Management	males	30%
	females	70%
Lower Management	males	82%
	females	18%

There are more males in the Top- and Low-level echelons of the workforce. More females should be attracted when recruitment at the top management and lower management level. In terms of the above percentages of training more males were trained as a result of the number of males at top management and lower management level, however in the middle management level more females were trained.

4.4.3 MFMA COMPETENCIES

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

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcome-based NQF Level 6 qualification in Municipal Finance Management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until

30 September 2015 in terms of Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations.”

The programme is intended for municipal Accounting Officers, Chief Financial Officers, Senior Managers, Other Financial Officials; Heads of Supply Chain Management and Supply Chain Management Officials in adherence to the prescriptions of Sections 83, 107 and 119 of the Local Government: Municipal Finance Management Act 56 of 2003 and Municipal Regulations on Minimum Competency Levels (RSA, Government Gazette 29967, 2007) as amended (RSA, Government Gazette 41996, 2018)

Cape Agulhas Municipality’s newly appointed officials, interns and non-financial officers for the financial period under review completed the Municipal Minimum Competency.

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

TABLE 174 FINANCIAL COMPETENCY DEVELOPMENT PROGRESS REPORT

DESCRIPTION	A. TOTAL NUMBER OF OFFICIALS EMPLOYED BY MUNICIPALITY (REGULATION 14(4)(A) AND (C))	B. TOTAL NUMBER OF OFFICIALS EMPLOYED BY MUNICIPAL ENTITIES (REGULATION 14(4)(A) AND (C))	CONSOLIDATED: TOTAL OF A AND B	CONSOLIDATED: COMPETENCY ASSESSMENTS COMPLETED FOR A AND B (REGULATION 14(4)(B) AND (D))	CONSOLIDATED: TOTAL NUMBER OF OFFICIALS WHOSE PERFORMANCE AGREEMENTS COMPLY WITH REGULATION 16 (REGULATION 14(4)(F))	CONSOLIDATED: TOTAL NUMBER OF OFFICIALS THAT MEET PRESCRIBED COMPETENCY LEVELS (REGULATION 14(4)(E))
Financial Officials						
Accounting officer	1	0	1	1	1	1
Chief financial officer	1	0	1	1	1	1
Senior managers	3	0	3	3	3	3
Any other financial officials	46	0	46	40	na	40
Supply Chain Management Officials						

Heads of supply chain management units	1	0	1	1	na	1
Supply chain management senior managers	0	0	0	0	na	0

4.4.4 SKILLS DEVELOPMENT – BUDGET ALLOCATION

A personnel budget of R1 610 800.00 was allocated for the 2019/20 financial year of which R1 127 477,85 was spent on training. Mandatory Grants received during the 2019/20 financial year from the Local Government Seta were located towards the Municipalities internal training budget.

TABLE 175 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT

YEAR	TOTAL OPERATIONAL BUDGET	TOTAL SPENT	% SPENT
2018/19	*124 367 153	1 939 170	*1.56%
2019/20	139 510 700.00	1 127 477,85	0.81%

*Figure re-stated

4.5 MUNICIPAL WORKFORCE EXPENDITURE

The percentage personnel expenditure is essential to the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the Municipality is at the national norm of between 35 to 40%.

TABLE176 TOTAL PERSONNEL EXPENDITURE

FINANCIAL YEAR	TOTAL EXPENDITURE SALARY AND ALLOWANCES R'000	TOTAL OPERATING EXPENDITURE R'000	PERCENTAGE %
2018/19	125,207	316,923	39,50
2019/20	137,233	342,300	40,09

Below is a summary of councillor and staff benefits for the year under review. The increase in salary expenditure year-on-year is due to the filling of critical service delivery positions.

TABLE177 DETAIL OF PERSONNEL EXPENDITURE

FINANCIAL YEAR	2019/20			
	ACTUAL R'000	ORIGINAL BUDGET R'000	ADJUSTED BUDGET R'000	ACTUAL R'000
Councillors (Political Office Bearers plus Other)				
Salary	3,095	3,388	3,388	3,252
Pension contributions	538	639	639	558
Medical aid contributions	78	55	55	41
Motor vehicle allowance	1,242	1,193	1,193	1,291
Cell phone allowance	488	488	488	488
Other allowance				
Sub Total	5,441	5,764	5,764	5,630
% increase/ (decrease)	23.59%			

Key Personnel				
Basic salaries and wages	3,936	4,622	4,622	4,535
Pension and medical aid and UIF contributions	220	291	291	116
Motor vehicle allowance	204	192	192	252
Cell phone allowance	48	32	32	48
Housing allowance				
Performance bonus	274	398	398	352
Other benefits or allowances	215	40	40	264
Sub Total	4,897	5,575	5,575	5,567
% increase/ (decrease)	6.18%	13.86%		
Other Staff				
Basic salaries and wages	82,116	87,270	87,679	89,423
Pension and UIF contributions	13,099	14,752	14,752	14,276
Medical aid contributions	4,552	4,976	4,976	5,024
Motor vehicle allowance	5,672	5,781	5,781	4,485
Cell phone allowance	404	389	389	447
Housing allowance	1,074	1,154	1,154	1,032
Overtime	4,166	3,494	3,494	4,738
Performance bonus	0			
Other benefits or allowances	9,227	10,747	11,070	12,241
Sub Total	120,310	128,563	129,568	131,666
Total Municipality	125,207	134,138	135,143	137,233
Total managers and staff	130,648	139,902	140,907	142,863

CHAPTER 5: FINANCIAL PERFORMANCE

5.1 INTRODUCTION

The Cape Agulhas municipality's financial position for the 2019/20 financial year remained sound despite the Covid-19 pandemic and related challenges which had a negative impact on projected revenue and cash resources in the last quarter of the financial year.

Despite this, the Municipality remains focused and committed to achieving the objectives of its Long-Term Financial Plan by constantly striving to improve its financial position through the application of good governance and sound financial management, whilst providing affordable, quality and sustainable services in line with its legislative mandate.

The financial profile of the Municipality still reflects an adequate level of sustainability, which is underpinned by its strong liquidity position and relatively low debt burden. The operating performance showed a decline, mainly because of pressure on its revenue base due to the Covid - 19 lockdown regulations as well as the poor country wide economic outlook.

Cash and investments decreased in comparison with the previous financial year because of the lower than anticipated debt collection rate. Covid- 19 had a significant impact on consumers ability to make timeous payments.

It is essential that the Municipality not relinquish its pressure on debt collection, and continue to keep the collection rate at the historical minimum level of 95% or higher to counter the negative effects of the lockdown regulations. Notwithstanding the lower than anticipated results, the Municipality continues with its effort to improve the liquidity profile of the municipality by maintaining a credit score of A which is done by managing credit risk factors such as collection levels, liquidity levels and operational management. Our focus remains the curtailment of operational expenditure, building up of liquidity and the building of a cash backed capital replacement reserve (CRR) to cater for future asset replacement expenses and new developments.

The key risk remains the national economic and revenue outlook which has deteriorated over the past few years. Policy uncertainty and deterioration in the finances of state-owned entities such as Eskom also directly influence the Municipality's tariff determination for electricity usage. These factors, together with the drastic increase in unemployment because of the Covid-19 pandemic will continue to exert pressure on Municipal revenue generation and collection levels, hence a very conservative approach is required for future revenue projections.

Although expenditure has been growing at a slower pace than revenue over the past few years it is imperative for the Municipality to pay attention to its employee related costs as the second biggest cost driver, and to continue its improved efforts to limit non-priority spending and implementation of stringent cost-containment measures.

The following paragraphs provide an overview of the Municipality's financial performance for the year under review:

//

(i) OPERATING RESULTS

Council has achieved an operating surplus of R28,36 million. These positive results can mainly be attributed to higher than anticipated interest earned on external investment, contributed assets not foreseen for the financial year under review and savings which partially realized due to the impact of Covid-19 which caused a deviation from the normal expenditure trends. Variances in operating grants and transfers can mainly be attributed to the housing grant's accounting treatment based on an agency basis.

The operating results for the year ended 30 June 2020 are as follows:

TABLE 178 FINANCIAL OVERVIEW 2019/20

DETAILS	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL
Income			
Grants - Operational	98,669,913	101,477,757	44,938,863
Grants - Capital	12,941,087	19,767,087	21,167,388
Taxes, Levies and tariffs	247,291,200	253,267,400	253,694,514
Other	35,553,600	36,659,500	51,584,661
Sub Total	394,455,800	411,171,744	371,385,426
<u>Less:</u> Expenditure	394,334,518	393,755,509	343,022,367
Net Total*	121,282	17,416,235	28,363,059

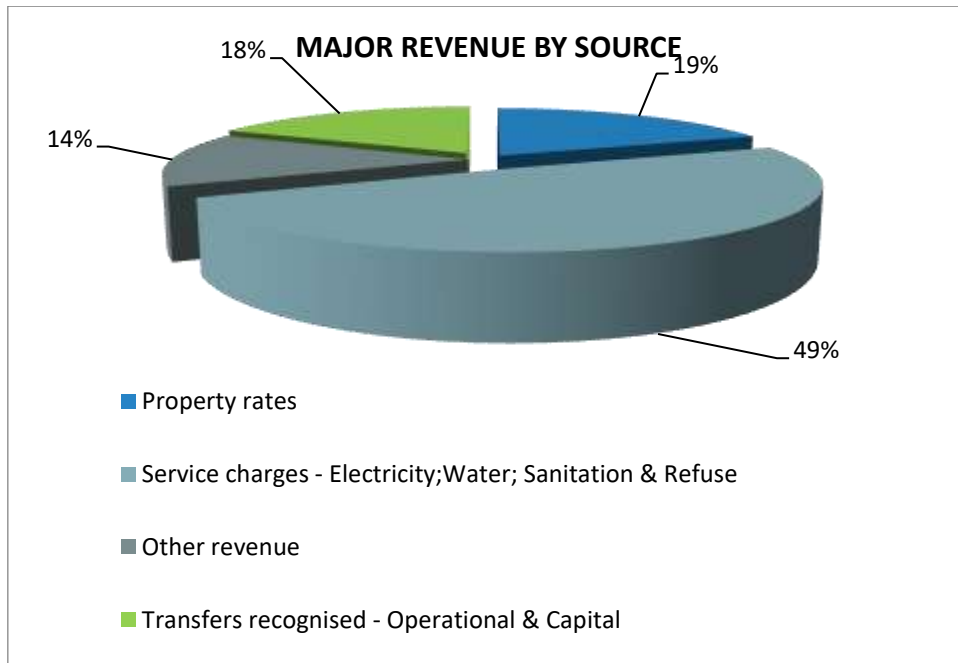
Council's performance against its budget, must be seen in the context of conservative budgeting practices and the application of strict expenditure control measures that are aligned with the Municipality's budget and virement policy.

(ii) OPERATING REVENUE

The major revenue streams that supported the programmes and activities of the municipality were:

- Property Rates
- Service Charges (Electricity, Water, Sanitation and Refuse)
- Grants and Subsidies (Operating and Capital)
- Other Revenue: Rental of facilities, interest earned, agency services, fines and other income.

FIGURE 18 MAJOR REVENUE BY SOURCE



The main sources of revenue (68%) are from property rates and service charges (Own Funding) whilst 18% is received from grants and subsidies in terms of the Division of Revenue Act (DoRA) as well as contributed assets. Conditional grant allocations from Government and other sources are only recognized as revenue to the extent that there has been compliance with the conditions associated with such amounts received.

(iii) OPERATING EXPENDITURE

The following graph indicates the main categories of expenditure for the year under review:

FIGURE 19 MAJOR EXPENDITURE BY TYPE

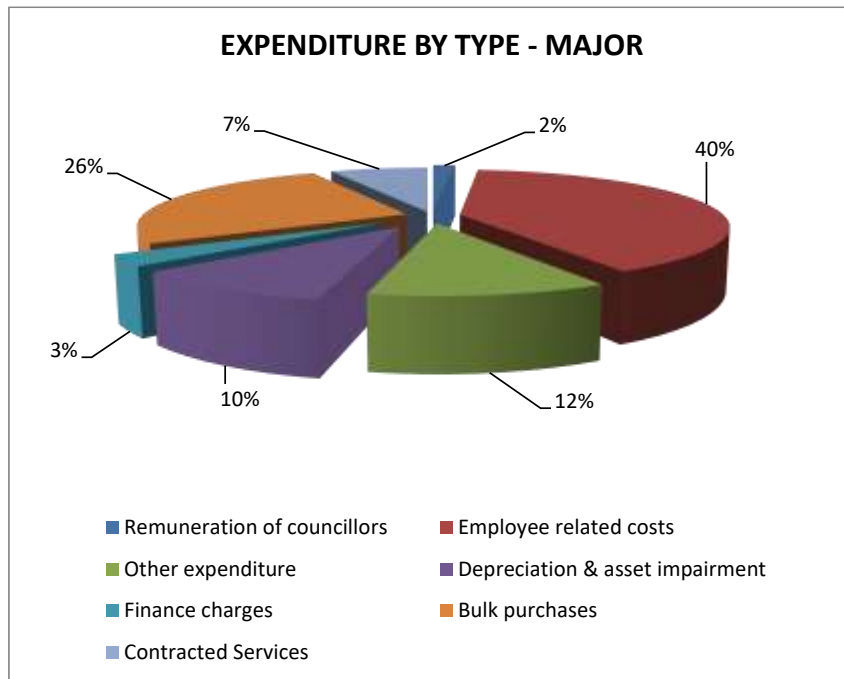


TABLE 179 OPERATING RATIOS

DETAIL	%
Employee Cost (Excl. Councillor Remuneration)	40,15%
Bulk Purchases	26,04%
Contracted Services	7,17%
Finance Charges	3,17%
Depreciation & Debt Impairment	10,22%

The Municipality’s employee cost ratio of 40.91% (Excl. councillors remuneration) is the biggest cost driver and is considered high compared to the municipal norm of 25%-40% set by National Treasury. It has been identified as one of the key challenges in terms of the Long Term Financial Plan and the Municipality is in process of addressing this to ensure future financial sustainability.

The depreciation / debt impairment decreased by R3,61 million compared to the previous financial year, mainly due to the negative impact of Covid -19 whereby the revenue from traffic fines decreased significantly by 8,93 million in comparison to the previous year.

(iv) APPROPRIATIONS (ACCUMULATED SURPLUS / DEFICIT)

Appropriations for the year amount to a net inflow of R28,363 million which can mainly be attributed to:

▪ Net Surplus for the year	R 28 363 059
▪ Transfer to Capital Replacement Reserve	(R14 169 472)
▪ Property, Plant and Equipment purchased	R 14 169 472

(v) CAPITAL EXPENDITURE

Actual expenditure incurred on fixed assets represents an efficiency rate of 99,45% compared to the previous financial year's percentage at 107,14%.

(vi) CONDITIONAL GOVERNMENT GRANTS

Except for the Finance Management Support Grant, Community Development Workers (CDW) grant and DEDAT grant for the LED Containers, all other conditional grants were dealt with in compliance with DoRA and showed a 100% expenditure rate for the financial year under review. A roll over for unspent conditional grants to the amount of R291,975 was applied for.

Unspent grants reflected at financial year end were fully cash backed as defined in the municipality's accounting policy.

(vii) EXTERNAL BORROWINGS

The Municipality has external loans to the total amount of R26,79 million from ABSA Bank and Nedbank as at the end of 30 June 2020.

Some financial ratios relevant to external borrowings are:

	<u>2018/19</u>	<u>2019/20</u>
Interest Bearing Debt to Own Revenue (Excluding Grants)	11,06%	8.78%

Although the ratio for external gearing remained low at 8,78% compared to the norm of 45% set by National Treasury, the potential for Cape Agulhas' to borrow remains limited to the order of 30% due to the current cash position of the municipality. However, the Municipality is in a strong position to provide assurance that sufficient revenue will be generated to repay its liabilities and have put measures in place in terms of the Long-Term Financial Plan to improve the cash position of the Municipality over the past five financial years.

(viii) CASH AND INVESTMENTS

The Municipality's cash and investments amount to R73,04 million and reflect a decrease of R10,697 million compared to the previous financial year mainly as a result of the impact of Covid-19 on the Municipality's revenue and cash generation.

The Municipality currently has adequate cash available to cover its operating requirements with a cash coverage of at least three months of the average operational expenditure as per National Treasury best practice guidelines. At the moment the ratio reflects close to three months with a ratio of 2,89. However it remains a risk to sustain this position over the medium to long term period in terms of the Long- Term Financial Plan with specific measures on how to keep improving the Municipality's cash position.

(ix) OUTSTANDING RECEIVABLES

The total nett outstanding receivables increased by R9.81 million compared to the previous financial year. This was mainly influenced by the effect of the Covid-19 pandemic on the last quarter.

The reported debtor payment ratio reflects slightly less than the National Treasury norm of 95% at 94,85% for the financial year under review. The Municipality must in terms of its Long Term Financial Plan remain at a debt collection rate above 97% to remain financially viable. The Municipality is in process of rolling out a process to improve the effectiveness of debt collection and credit control aligned to the approved Revenue Enhancement strategy.

(x) OUTSTANDING PAYABLES

Increase of outstanding payables to the amount of R2,98 million compares to the previous financial year.

Some financial ratios relevant to payables are:

<u>Creditors Management</u>	<u>2018/19</u>	<u>2019/20</u>
Creditor's system efficiency	100%	100%

A trademark of the Municipality is its commitment and ability to fully settle its creditors' accounts within the required terms of 30 days or as per applicable legislative requirement. This statement is supported by the constant 100% payment levels to creditors.

(xi) RATIO ANALYSIS / BENCHMARKS

Financial viability and sustainability is one of the key performance areas of the Municipality as contained in the IDP. In order to ensure that the Municipality maintains a healthy financial position, appropriate financial ratios / benchmarks are used to assist with the assessment of its its financial wealth.

<u>Liquidity</u>	<u>2018/19</u>	<u>2019/20</u>
Liquidity - Current Ratio	2,03: 1	1,89: 1

The liquidity ratio decreased from 2.03 in 2019 to 1.89 in 2020. Although this is still above the minimum National Treasury norm of 1.5:1, a target of at least 2:1 should be maintained to provide a healthy buffer to absorb unforeseen challenges and obstacles as well as to minimize the effect thereof on the local economy. (Long Term Financial Plan Strategy ratio target remains at 2,00:1).

(xii) **CONCLUSION**

According to the key financial indicators the Municipality still managed to sustain a healthy financial position despite the challenges posed by the Covid-19 pandemic. In most instances the financial ratio indicators still reflect positive. The decrease in the debtor's collection rate as well as the constant increase in employee related expenditure which is the biggest cost driver remains a concern for immediate action to ensure the long-term financial sustainability of the Municipality.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality.

5.2 FINANCIAL SUMMARY

The table below provides a summary of the financial performance of the Municipality for the 2019/20 financial year:

TABLE 180 SUMMARY OF FINANCIAL PERFORMANCE

DESCRIPTION	2018/19	2019/20			2019/20 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET
	R'ooo				%	
Property rates	66 107	69 193	69 193	71 198	2,82%	2,82%
Service charges	166 007	175 709	182 163	182 496	3,72%	0,18%
Investment revenue	5 169	2 446	3 201	6 283	61,07%	49,06%
Transfers recognised - operational	41 189	92 670	101 478	44 939	-106,21%	-125,81%
Other own revenue	59 510	35 497	35 370	45 302	21,64%	21,92%
Total Revenue (excluding capital transfers and contributions)	337 981	375 515	391 405	350 218	-7,22%	-11,76%
Employee costs	125 208	136 900	138 821	137 734	0,61%	-0,79%
Remuneration of councillors	5 441	5 764	5 764	5 632	-2,34%	-2,34%
Debt Impairment	23 471	11 267	11 267	19 861	43,27%	43,27%
Depreciation & asset impairment	13 605	11 025	11 025	15 203	27,48%	27,48%
Finance charges	10 705	12 860	11 066	10 855	-18,47%	-1,95%
Materials and bulk purchases	76 761	88 404	84 394	89 331	1,04%	5,53%
Transfers and grants	35 719	99 337	105 540	35 878	-176,88%	-194,17%
Other expenditure	25 763	28 777	25 877	28 530	-0,87%	9,30%
Total Expenditure	316 672	394 335	393 756	343 022	-14,96%	-14,79%
Surplus/(Deficit)	21 309	-18 820	-2 351	7 196	361,54%	132,67%
Transfers recognised - capital	20 682	18 941	19 767	19 120	0,94%	-3,38%
Contributions recognised - capital & contributed assets	0	0	0	2 047	100,00%	100,00%
Surplus/(Deficit) after capital transfers & contributions	41 991	121	17 416	28 363	99,57%	38,60%
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	20 682	12 941	19 767	19 120	32,32%	-3,38%
Public contributions & donations	0	0	0	2 047	100,00%	100,00%

Borrowing	6 623	19 988	9 649	7 709	-159,28%	-25,16%
Internally generated funds	9 646	14 279	13 867	14 169	-0,77%	2,13%
Total sources of capital funds	36 952	47 209	43 283	43 046	-9,67%	-0,55%
Financial position						
Total current assets	120 273	66 089	109 888	119 663	44,77%	8,17%
Total non-current assets	450 236	488 722	452 627	475 169	-2,85%	4,74%
Total current liabilities	58 345	56 176	64 522	62 444	10,04%	-3,33%
Total non-current liabilities	118 645	160 960	92 425	110 505	-45,66%	16,36%
Community wealth/Equity	393 520	337 676	405 568	421 883	19,96%	3,87%
Cash flows						
Net cash from (used) operating	55 515	12 172	23 365	31 056	60,81%	24,77%
Net cash from (used) investing	-33 228	-42 201	-38 275	-36 122	-16,83%	-5,96%
Net cash from (used) financing	13 683	11 820	-5 122	-5 632	309,88%	9,05%
Cash/cash equivalents at the year end	83 739	22 192	63 706	73 041	69,62%	12,78%
Cash backing/surplus reconciliation						
Cash and investments available	83 739	22 192	63 706	73 041	69,62%	12,78%
Application of cash and investments						
Balance - surplus (shortfall)	25 443	147	17 108	20 670	99,29%	17,23%
Asset management						
Asset register summary (WDV)	450 051	488 525	452 451	475 009	-2,85%	4,75%
Depreciation & asset impairment	13 605	11 025	11 025	15 203	27,48%	27,48%
Renewal of Existing Assets	14 313	35 376	31 227	29 366	-20,47%	-6,34%
Repairs and Maintenance	56 290	69 226	64 567	56 952	-21,55%	-13,37%
Free services						
Cost of Free Basic Services provided	8 008	10 141	10 141	10 854	6,57%	6,57%
Revenue cost of free services provided	10 335	9 692	9 692	15 015	35,45%	35,45%
Households below minimum service level						
Water:	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-
Energy:	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-

The table below shows a summary of performance against budgets for the 2019/20 financial year:

TABLE 181 PERFORMANCE AGAINST BUDGETS

FINANCIAL YEAR	REVENUE				OPERATING EXPENDITURE			
	BUDGET	ACTUAL	DIFF.	%	BUDGET	ACTUAL	DIFF.	%
	(R'000)				(R'000)			
2018/19	358 815	358 664	-151	-0,04%	359 452	316 672	-42 779	-13,51%
2019/20	411 172	371 385	-39 786	-10,71%	393 756	343 022	-50 733	-14,79%

5.2.1 REVENUE COLLECTION BY VOTE

The table below indicates the revenue collection performance by vote for the 2019/20 financial year:

TABLE 182 REVENUE BY VOTE

VOTE DESCRIPTION	2018/19		2019/20		2019/20 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUST- MENTS BUDGET
	R'ooo			%		
Executive and Council	32 619	34 903	37 575	38 176	8,57%	1,58%
Financial Services & ICT	97 338	82 867	85 048	103 287	19,77%	17,66%
Management Services	36 068	78 926	84 750	25 032	-215,30%	-238,57%
Engineering Services	192 639	197 760	203 799	204 891	3,48%	0,53%
Total Revenue by Vote	358 664	394 456	411 172	371 385	-6,21%	-10,71%

5.2.2 REVENUE COLLECTION BY SOURCE

The table below indicates the revenue collection performance by source for the 2019/20 financial year:

TABLE 183 REVENUE BY SOURCE

DESCRIPTION	2018/19		2019/20		2019/20 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUST- MENTS BUDGET
	R'ooo			%		
Property rates	66 107	69 193	69 193	71 198	2,82%	2,82%
Property rates - penalties & collection charges	0	0	0	0	#DIV/o!	#DIV/o!
Service Charges - electricity revenue	111 168	120 786	126 232	123 684	2,34%	-2,06%
Service Charges - water revenue	26 812	28 204	28 204	28 129	-0,27%	-0,27%
Service Charges - sanitation revenue	11 979	11 310	11 840	13 136	13,90%	9,86%
Service Charges - refuse revenue	18 681	17 798	17 798	19 864	10,40%	10,40%
Service Charges - other	0	0	0	0	#DIV/o!	#DIV/o!
Rental of facilities and equipment	1 742	1 961	1 961	2 330	15,84%	15,84%
Interest earned - external investments	5 169	2 446	3 201	6 283	61,07%	49,06%
Interest earned - outstanding debtors	2 382	1 719	1 719	1 381	-24,45%	-24,45%
Dividends received	0	0	0	0	#DIV/o!	#DIV/o!
Fines, Penalties and Forfeits	17 909	11 640	11 590	8 836	-31,73%	-31,16%

Licences and permits	10	67	67	9	-609,91%	-609,91%
Agency services	3 290	2 917	2 917	2 708	-7,69%	-7,69%
Transfers recognised - operational	41 189	92 670	101 478	44 939	-106,21%	-125,81%
Other revenue	26 171	9 805	10 206	22 666	56,74%	54,97%
Gains on disposal of Properties	5 374	5 000	5 000	5 054	1,07%	1,07%
Total Revenue (excluding capital transfers and contributions)	337 981	375 515	391 405	350 218	-7,22%	-11,76%

5.2.3 OPERATIONAL SERVICES PERFORMANCE

The table below indicates the operational services performance for the 2019/20 financial year:

TABLE 187 OPERATIONAL SERVICES PERFORMANCE

DESCRIPTION	2018/19		2019/20		2019/20 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'ooo				%	
Operating Cost						
Water Management	20 371	20 186	19 963	22 389	9,84%	10,83%
Wastewater Management	12 107	11 878	12 144	12 453	4,62%	2,49%
Energy Sources	89 606	111 310	101 111	103 946	-7,08%	2,73%
Waste Management	18 831	20 690	18 593	20 669	-0,10%	10,04%
Housing	2 017	53 050	58 419	2 541	-1987,94%	-2199,24%
Component A: sub-total	142 931	217 114	210 230	161 998	-34,02%	-29,77%
Roads and Stormwater	15 563	15 482	15 514	17 541	11,74%	11,55%
Component B: sub-total	15 563	15 482	15 514	17 541	11,74%	11,55%
Planning and Development	8 562	12 179	12 167	10 107	-20,50%	-20,39%
Local Economic Development	609	1 778	1 880	1 172	-51,63%	-60,34%
Component C: sub-total	9 171	13 956	14 047	11 279	-23,74%	-24,54%
Libraries	7 209	5 740	5 961	6 251	8,18%	4,64%
Social services & community development	4 069	3 448	3 385	5 025	31,39%	32,64%
Component D: sub-total	11 278	9 188	9 346	11 277	18,52%	17,12%
Environmental Protection (pollution control, biodiversity, landscape, open spaces, parks, and coastal protection)	1 256	1 082	1 229	1 330	18,64%	7,58%
Component E: sub-total	1 256	1 082	1 229	1 330	18,64%	7,58%
Traffic & licensing	26 100	20 067	20 456	21 553	6,89%	5,09%
Fire Services and Disaster Management	0	0	0	0	-	-

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Component F: sub-total	26 100	20 067	20 456	21 553	6,89%	5,09%
Holiday Resorts and Campsites	7 664	7 141	7 220	7 368	3,08%	2,01%
Swimming Pools, Stadiums and Sport Ground	4 960	5 257	5 304	5 016	-4,80%	-5,75%
Community halls, facilities, Thusong centres	4 530	5 315	5 330	4 961	-7,13%	-7,43%
Component G: sub-total	17 153	17 712	17 854	17 345	-2,12%	-2,93%
Financial Services	56 658	59 117	62 679	60 375	2,08%	-3,82%
Office of the MM	2 873	3 830	3 905	2 655	-44,25%	-47,09%
Administration	21 547	25 026	27 012	27 037	7,44%	0,09%
Internal Audit	1 317	1 349	1 557	1 278	-5,56%	-21,84%
Shared Services	90	333	183	46	-631,78%	-302,55%
HR	10 734	10 077	9 743	9 311	-8,23%	-4,64%
Component H: sub-total	93 220	99 733	105 079	100 701	0,96%	-4,35%
Total Expenditure	316 672	394 335	393 756	343 022	-14,96%	-14,79%

5.3 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

5.3.1 WATER SERVICES

TABLE 188 FINANCIAL PERFORMANCE: WATER SERVICES

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	26 842	28 207	28 207	28 201	-0,02%
Expenditure:					
Employees	10 642	11 294	11 294	11 244	-0,44%
Other	9 729	8 892	8 669	11 145	20,21%
Total Operational Expenditure	20 371	20 186	19 963	22 389	9,84%
Net Operational (Service)	6 471	8 021	8 244	5 812	-38,01%

5.3.2 WASTE WATER (SANITATION)

TABLE 189 FINANCIAL PERFORMANCE: WASTE WATER (SANITATION) SERVICES

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	11 979	11 335	11 850	13 136	13,71%
Expenditure:					
Employees	6 048	6 194	6 194	5 742	-7,88%
Other	6 059	5 684	5 949	6 711	15,31%
Total Operational Expenditure	12 107	11 878	12 144	12 453	4,62%
Net Operational (Service)	-128	-543	-294	683	179,60%

5.3.3 ELECTRICITY

TABLE 190 FINANCIAL PERFORMANCE: ELECTRICITY

DESCRIPTION	2018/19	2019/20
-------------	---------	---------

	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	111 662	120 860	127 147	124 586	2,99%
Expenditure:					
Employees	7 437	8 734	8 734	7 936	-10,05%
Other	82 169	102 576	92 377	96 010	-6,84%
Total Operational Expenditure	89 606	111 310	101 111	103 946	-7,08%
Net Operational (Service)	22 056	9 551	26 035	20 640	53,73%

5.3.4 WASTE MANAGEMENT

TABLE 191 FINANCIAL PERFORMANCE: WASTE MANAGEMENT

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	19 555	17 798	17 798	19 864	10,40%
Expenditure:					
Employees	6 062	6 518	6 518	6 597	1,20%
Other	12 769	14 172	12 075	14 072	-0,71%
Total Operational Expenditure	18 831	20 690	18 593	20 669	-0,10%
Net Operational (Service)	724	-2 892	-795	-805	-259,20%

5.3.5 ROADS AND STORMWATER

TABLE 184 FINANCIAL PERFORMANCE: ROADS AND STORMWATER

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	0	0	0	0	#DIV/o!
Expenditure:					

Employees	8 275	9 680	9 680	10 725	9,74%
Other	7 288	5 802	5 835	6 817	14,88%
Total Operational Expenditure	15 563	15 482	15 514	17 541	11,74%
Net Operational (Service)	-15 563	-15 482	-15 514	-17 541	11,74%

5.3.6 LIBRARIES

TABLE 193 FINANCIAL PERFORMANCE: LIBRARIES

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	6 927	6 086	6 086	6 067	-0,32%
Expenditure:					
Employees	5 551	5 174	5 174	5 847	11,51%
Other	1 658	566	787	404	-40,05%
Total Operational Expenditure	7 209	5 740	5 961	6 251	8,18%
Net Operational (Service)	-282	346	125	-184	287,85%

5.3.7 ENVIRONMENTAL PROTECTION

TABLE 194 FINANCIAL PERFORMANCE: ENVIRONMENTAL PROTECTION

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	0	0	0	0	#DIV/0!
Expenditure:					
Employees	755	650	650	871	25,41%
Other	501	432	579	459	5,79%
Total Operational Expenditure	1 256	1 082	1 229	1 330	18,64%
Net Operational (Service)	-1 256	-1 082	-1 229	-1 330	18,64%

5.3.8 SOCIAL SERVICES AND COMMUNITY DEVELOPMENT

TABLE 195 FINANCIAL PERFORMANCE: SOCIAL SERVICES AND COMMUNITY DEVELOPMENT

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	672	514	1 026	174	-194,75%
Expenditure:					
Employees	2 717	2 195	2 195	3 875	43,35%
Other	1 352	1 253	1 190	1 151	-8,90%
Total Operational Expenditure	4 069	3 448	3 385	5 025	31,39%
Net Operational (Service)	-3 397	-2 934	-2 359	-4 851	39,52%

5.3.9 TRAFFIC AND LAW ENFORCEMENT

TABLE 196 PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	21 001	14 572	14 572	11 482	-26,91%
Expenditure:					
Employees	9 904	10 381	10 381	10 292	-0,87%
Other	16 196	9 686	10 075	11 261	13,99%
Total Operational Expenditure	26 100	20 067	20 456	21 553	6,89%
Net Operational (Service)	-5 098	-5 495	-5 884	-10 071	45,43%

5.3.10 HOLIDAY RESORTS AND CAMPSITES

TABLE 197 FINANCIAL PERFORMANCE: HOLIDAY RESORTS AND CAMPSITES

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	7 022	7 069	7 279	6 713	-5,30%
Expenditure:					
Employees	5 690	4 828	4 828	5 584	13,53%

Other	1 973	2 313	2 391	1 784	-29,64%
Total Operational Expenditure	7 664	7 141	7 220	7 368	3,08%
Net Operational (Service)	-642	-72	60	-654	89,04%

5.3.11 SWIMMING POOLS AND SPORT GROUNDS

TABLE 198 FINANCIAL PERFORMANCE: SWIMMING POOLS AND SPORT GROUNDS

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	245	259	259	242	-7,02%
Expenditure:					
Employees	3 962	4 309	4 309	4 163	-3,51%
Other	998	948	995	853	-11,08%
Total Operational Expenditure	4 960	5 257	5 304	5 016	-4,80%
Net Operational (Service)	-4 715	-4 997	-5 045	-4 774	-4,68%

5.3.12 COMMUNITY FACILITIES AND THUSONG CENTRES

TABLE 199 FINANCIAL PERFORMANCE: COMMUNITY FACILITIES AND THUSONG CENTRES

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	309	237	267	313	24,13%
Expenditure:					
Employees	3 016	3 723	3 723	3 516	-5,89%
Other	1 514	1 592	1 607	1 445	-10,15%
Total Operational Expenditure	4 530	5 315	5 330	4 961	-7,13%
Net Operational (Service)	-4 220	-5 077	-5 062	-4 648	-9,24%

5.3.13 OFFICE OF THE MUNICIPAL MANAGER

TABLE 200 FINANCIAL PERFORMANCE: OFFICE OF THE MUNICIPAL MANAGER

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	0	0	0	0	#DIV/o!
Expenditure:					
Employees	2 469	3 243	3 243	2 329	-39,23%
Other	404	586	662	325	-80,21%
Total Operational Expenditure	2 873	3 830	3 905	2 655	-44,25%
Net Operational (Service)	-2 873	-3 830	-3 905	-2 655	-44,25%

5.3.14 ADMINISTRATION

TABLE 201 FINANCIAL PERFORMANCE: ADMINISTRATION

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET

	R'ooo				%
Total Operational Revenue	30 730	33 837	34 065	35 149	3,73%
Expenditure:					
Employees	9 573	11 462	11 462	12 025	4,68%
Other	11 974	13 564	15 550	15 012	9,65%
Total Operational Expenditure	21 547	25 026	27 012	27 037	7,44%
Net Operational (Service)	9 184	8 811	7 053	8 112	-8,61%

5.3.15 HUMAN RESOURCES

TABLE 202 FINANCIAL PERFORMANCE: HUMAN RESOURCES

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				
Total Operational Revenue	1 476	360	658	1 338	73,10%
Expenditure:					
Employees	6 517	7 438	7 438	7 009	-6,12%
Other	4 217	2 640	2 306	2 302	-14,65%
Total Operational Expenditure	10 734	10 077	9 743	9 311	-8,23%
Net Operational (Service)	-9 259	-9 717	-9 085	-7 973	-21,88%

5.3.16 FINANCIAL SERVICES

TABLE 203 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				
Total Operational Revenue	97 088	81 317	83 478	100 287	18,92%
Expenditure:					
Employees	25 993	28 600	28 600	28 529	-0,25%
Other	30 665	30 517	34 079	31 846	4,17%
Total Operational Expenditure	56 658	59 117	62 679	60 375	2,08%
Net Operational (Service)	40 430	22 199	20 799	39 912	44,38%

5.3.17 HOUSING

TABLE 185 FINANCIAL PERFORMANCE: HOUSING

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	81	50 702	56 286	172	-29377,91%
Expenditure:					
Employees	1 838	2 305	2 305	2 429	5,09%
Other	179	50 745	56 114	112	-45156,27%
Total Operational Expenditure	2 017	53 050	58 419	2 541	-1987,94%
Net Operational (Service)	-1 935	-2 348	-2 133	-2 369	0,86%

5.3.18 PLANNING

TABLE 205 FINANCIAL PERFORMANCE: PLANNING

DESCRIPTION	2018/19	2019/20			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	2 391	2 360	2 403	2 493	5,34%
Expenditure:					
Employees	7 534	7 721	7 721	7 282	-6,04%
Other	1 028	4 458	4 446	2 825	-57,79%
Total Operational Expenditure	8 562	12 179	12 167	10 107	-20,50%
Net Operational (Service)	-6 171	-9 819	-9 765	-7 614	-28,96%

5.4 GRANTS

5.4.1 GRANT PERFORMANCE

The Municipality receives grants from the National and Provincial Governments during the 2018/19 financial year for infrastructure development and other projects.

TABLE 206 GRANT PERFORMANCE

DESCRIPTION	2018/19		2019/20		2019/20 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	BUDGET	ADJUSTMENTS BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'000				%	
Operating Transfers and Grants						
National Government:	33 396	41 362	38 050	36 691	-0,13	-0,04
Equitable Share	27 606	29 908	29 908	29 908	0,00	0,00
Financial Management Grant (FMG)	1 300	0	1 550	1 550	1,00	0,00
Municipal Systems Improvement Grant (MSIG)	0	1 800	1 800	0	#DIV/o!	#DIV/o!
Municipal Infrastructure Grant (MIG)	1 363	1 914	1 914	1 878	-0,02	-0,02
Expanded Public Works Program (EPWP)	1 141	1 740	1 740	1 740	0,00	0,00
National Electrification Programme (INEP)	174	0	0	0	#DIV/o!	#DIV/o!
Energy Efficiency and Demand-side (EEDM)	219	6 000	840	840	-6,14	0,00
Skills Development Fund and SETA Bursaries	1 594	0	0	477	1,00	1,00
Disaster Relief (COVID 19)	0	0	298	298	1,00	0,00
Provincial Government:	8 722	57 308	63 362	7 425	-6,72	-7,53
Library Grant	6 838	6 003	6 003	6 003	0,00	0,00
RSEP Grant	270	345	345	340	-0,01	-0,01
Housing Grants	0	50 530	56 114	0	#DIV/o!	#DIV/o!
DEAT PROJECTS	0	0	0	166	1,00	1,00
CDW Grant	0	0	112	112	1,00	0,00
Financial Management Support Grant (FMSG)	1 614	330	710	710	0,54	0,00
Drought Support Grant	0	0	0	31	1,00	1,00
Department of Cultural Affairs and Sport	0	0	0	0	#DIV/o!	#DIV/o!
Thusong Centre	0	100	0	0	#DIV/o!	#DIV/o!
Proclaimed Road Subsidy	0	0	78	62	1,00	-0,25
DPLG Support grant	0	0	0	0	#DIV/o!	#DIV/o!
Humanitarian Relief (COVID 19)	0	0	0	0	#DIV/o!	#DIV/o!
Total Operating Transfers and Grants	42 118	98 670	101 412	44 116	-1,24	-1,30

5.4.2 CONDITIONAL GRANTS

The performance in the spending of conditional grants is summarised as follows:

TABLE 207 CONDITIONAL GRANTS

DESCRIPTION	2018/19		2019/20		2019/20 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	BUDGET	ADJUSTMENTS BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'000				%	
Operating Transfers and Grants						
National Government:	33 187	35 362	38 050	36 895	0,04	-0,03
Equitable Share	27 606	29 908	29 908	29 908	0,00	0,00
Financial Management Grant (FMG)	1 300	0	1 550	1 550	1,00	0,00
Municipal Systems Improvement Grant (MSIG)	0	1 800	1 800	0	#DIV/o!	#DIV/o!
Municipal Infrastructure Grant (MIG)	1 363	1 914	1 914	1 878	-0,02	-0,02
Expanded Public Works Program (EPWP)	1 141	1 740	1 740	1 740	0,00	0,00
National Electrification Programme (INEP)	174	0	0	0	#DIV/o!	#DIV/o!
Energy Efficiency and Demand-side (EEDM)	219	0	840	840	1,00	0,00
Skills Development Fund and SETA Bursaries	1 385	0	0	680	1,00	1,00
Disaster Relief (COVID 19)	0	0	298	298	1,00	0,00
Provincial Government:	8 002	57 308	63 428	8 044	-6,12	-6,89
Library Grant	6 838	6 003	6 003	6 003	0,00	0,00
RSEP Grant	125	345	388	485	0,29	0,20
Housing Grants	0	50 530	56 114	0	#DIV/o!	#DIV/o!
DEAT PROJECTS	0	0	0	166	1,00	1,00
CDW Grant	0	0	112	20	1,00	-4,48
Financial Management Support Grant (FMSG)	735	330	233	776	0,57	0,70
Drought Support Grant	0	0	0	31	1,00	1,00
Department of Cultural Affairs and Sport	53	0	0	0	#DIV/o!	#DIV/o!
Thusong Centre	0	100	0	0	#DIV/o!	#DIV/o!

Proclaimed Road Subsidy	0	0	78	62	1,00	-0,25
DPLG Support grant	250	0	0	0	#DIV/0!	#DIV/0!
Humanitarian Relief (COVID 19)	0	0	500	500	1,00	0,00
Total Operating Transfers and Grants	41 189	92 670	101 478	44 939	-1,06	-1,26

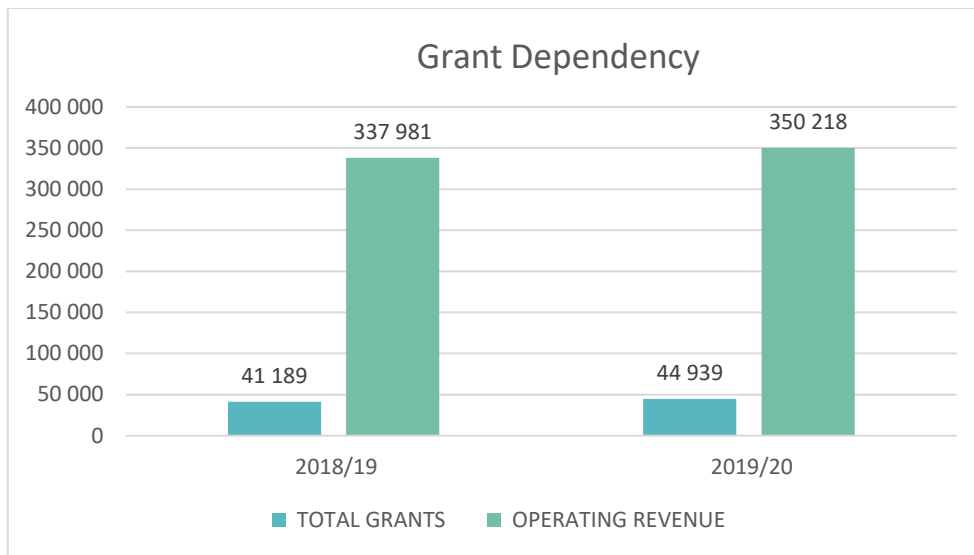
5.4.3 LEVEL OF RELIANCE ON GRANTS & SUBSIDIES

TABLE 208 RELIANCE ON GRANTS

FINANCIAL YEAR	TOTAL GRANTS	TOTAL	PERCENTAGE
	AND SUBSIDIES	OPERATING REVENUE	
	R'000		
2018/19	41 189	337 981	12,19%
2019/20	44 939	350 218	12,83%

The following graph indicates the Municipality’s grants and subsidies received compared to operating revenue for the last two financial years.

FIGURE 20 GRANTS AND SUBSIDIES RECEIVED COMPARED TO THE TOTAL OPERATING REVENUE



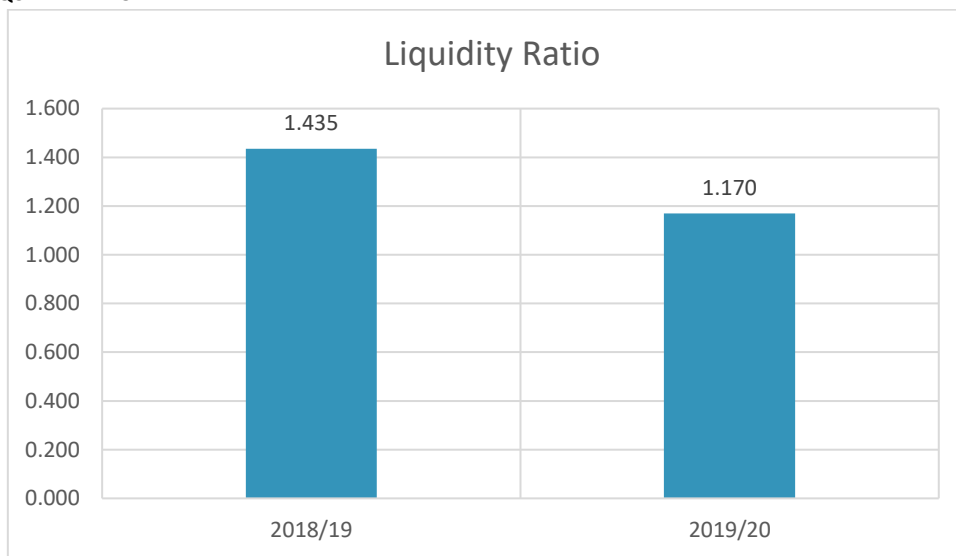
5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.5.1 LIQUIDITY RATIO

TABLE 186 LIQUIDITY FINANCIAL RATIO

DESCRIPTION	2018/19	2019/20
	AUDITED OUTCOME	AUDITED OUTCOME
Current Ratio	2,061	1,916
Current Ratio adjusted for aged debtors	1,624	1,401
Liquidity Ratio	1,435	1,170

FIGURE 21 LIQUIDITY RATIO



5.5.2 NATIONAL FINANCIAL VIABILITY INDICATORS

TABLE 187 NATIONAL FINANCIAL VIABILITY KPI's

KPA & INDICATOR	2017/18	2018/19	2019/20
Debt coverage ((Total operating revenue-operating grants received): debt service payments due within the year) (Higher is better)	49,12	32,76	36,05
Service debtors to revenue – (Total outstanding service debtors: revenue received for services) (Lower is better)	23,42%	23,52%	26,43%
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure) (Higher is better)	1,77	2,69	2,25

FIGURE 22 COST COVERAGE

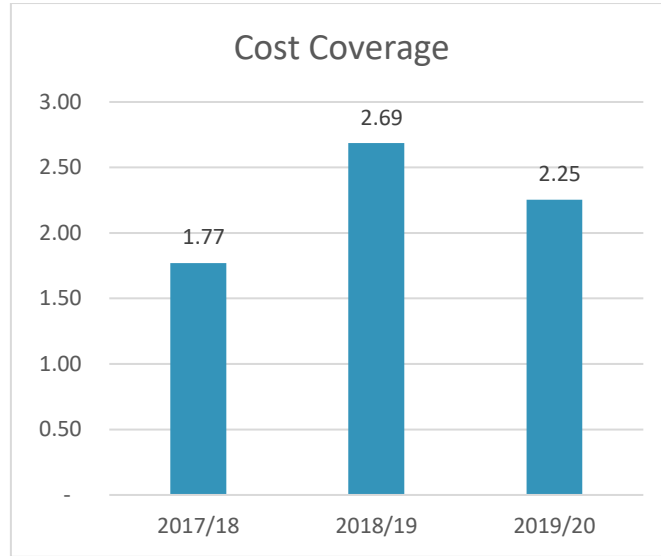


FIGURE 23 OUTSTANDING SERVICE DEBTORS

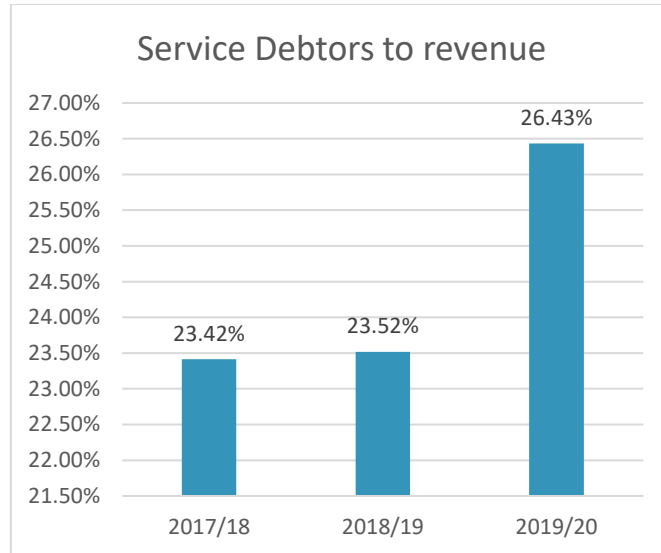
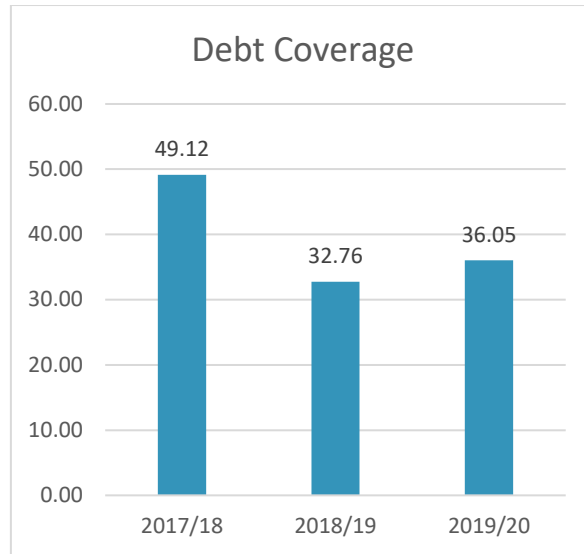


FIGURE 24 DEBT COVERAGE

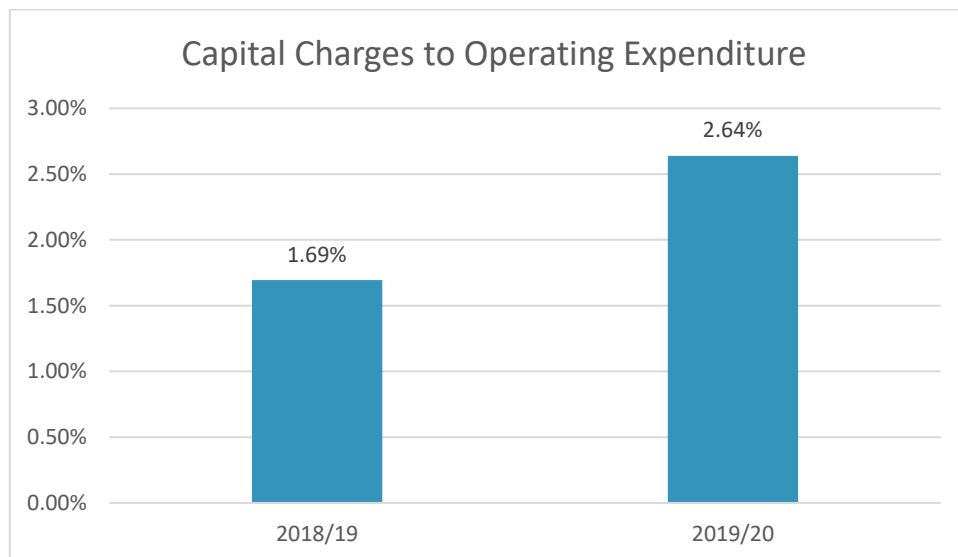


5.5.3 BORROWING MANAGEMENT

TABLE 188 BORROWING MANAGEMENT

DESCRIPTION	BASIS OF CALCULATION	2018/19	2019/20
		AUDITED OUTCOME	AUDITED OUTCOME
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1,69%	2,64%

FIGURE 25 BORROWING MANAGEMENT

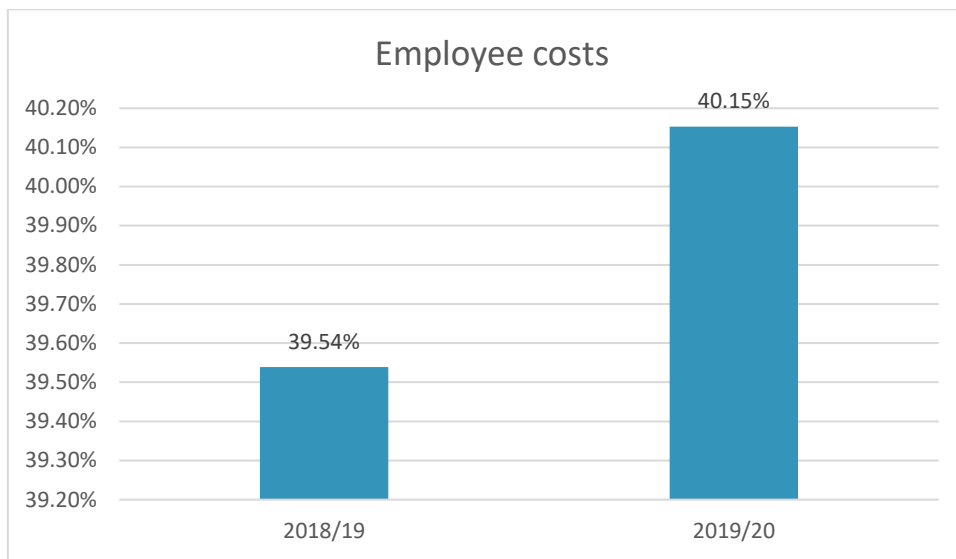


5.5.4 EMPLOYEE COSTS

TABLE 189 EMPLOYEE COSTS

DESCRIPTION	BASIS OF CALCULATION	2018/19	2019/20
		AUDITED OUTCOME	AUDITED OUTCOME
Employee costs	Employee costs/ (Total Expenditures)	39,54%	40,15%

FIGURE 26 EMPLOYEE COSTS



COMPONENT B: SPENDING AGAINST CAPITAL BUDGET**5.6 TREATMENT OF THREE LARGEST ASSETS**

TABLE 190 TREATMENT OF THREE LARGEST ASSETS

Asset 1		
Name	Roads and Stormwater	
Description	Stormwater Pipeline - Area F	
Asset Type	Infrastructure	
Key Staff Involved	Manager: Roads & Stormwater	
Staff Responsibilities	Management of stormwater network	
Asset Value as at 30 June 2020	2018/19 R million	2019/20 R million
	725	Project completed in 2018/19 financial year
Capital Implications	None	
Future Purpose of Asset	Basic service delivery	
Describe Key Issues	RDP housing projects – Infrastructure requirements	
Policies in Place to Manage Asset	Infrastructure plan	
Asset 2		
Name	Energy Efficiency Demand management Project	
Description	DORA EEDM project	
Asset Type	infrastructure	
Key Staff Involved	Manager: Electrical services	
Staff Responsibilities	Management of electricity projects and related grant funding	
Asset Value as at 30 June 2020	2018/19 R million	2019/20 R million
	4 781	5 237
Capital Implications	None	
Future Purpose of Asset	Basic service delivery	

Describe Key Issues	Provide energy efficient resources and environmentally friendly energy solutions	
Policies in Place to Manage Asset	Infrastructure plan	
Asset 3		
Name	Roads Project	
Description	Upgrading of RDP roads in Bredasdorp	
Asset Type	Roads Project	
Key Staff Involved	Manager Roads	
Staff Responsibilities	Management of roads projects as well as grant funding conditions	
Asset Value as at 30 June 2020	2018/19 R million	2019/20 R million
	3 411	3 400
Capital Implications	None	
Future Purpose of Asset	Roads infrastructure	
Describe Key Issues	Roads that needs to be identified and prioritisation of most critical roads	
Policies in Place to Manage Asset	Roads maintenance infrastructure plan	

5.7 SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the 2019/20 financial year:

TABLE 191 CAPITAL EXPENDITURE BY FUNDING SOURCE

DETAILS	2018/19	2019/20				
	AUDITED OUTCOME	ORIGINAL BUDGET (OB)	ADJUSTMENT BUDGET	ACTUAL	ADJUSTMENT TO OB VARIANCE	ACTUAL TO OB VARIANCE
SOURCE OF FINANCE						
DESCRIPTION	R'ooo				%	
External loans	5 728	19 988	9 649	7 709	40,63%	-107,16%
Public contributions and donations	0	130	75	2 047	100,00%	-73,33%
Grants and subsidies	20 682	11 391	19 767	19 120	-4,63%	42,37%
Own funding	12 348	15 699	13 792	14 169	10,47%	-13,83%
Total	38 759	47 209	43 283	43 046	10,45%	-9,07%
Percentage of finance						
External loans	14,78%	42,34%	22,29%	17,91%	33,70%	-89,93%
Public contributions and donations	0,00%	0,28%	0,17%	4,76%	100,00%	-58,92%
Grants and subsidies	53,36%	24,13%	45,67%	44,42%	-16,84%	47,17%
Own funding	31,86%	33,25%	31,86%	32,92%	0,02%	-4,36%
Capital expenditure						
Description	R'ooo				%	
Water and sanitation	2 351	18 667	11 577	10 704	79,69%	-61,24%
Electricity	9 351	5 838	10 821	10 766	13,58%	46,05%
Housing	4	5	3	3	-22,58%	-45,16%
Roads and storm water	15 284	11 036	7 926	7 246	-92,84%	-39,24%
Other	11 769	11 663	12 957	10 921	9,16%	9,98%
Total	38 759	47 209	43 283	39 641	10,45%	-9,07%
Percentage of expenditure						
Water and sanitation	6,07%	39,54%	26,75%	27,00%	77,32%	-47,83%
Electricity	24,13%	12,37%	25,00%	27,16%	3,50%	50,53%
Housing	0,01%	0,01%	0,01%	0,01%	-36,89%	-33,09%
Roads and storm water	39,43%	23,38%	18,31%	18,28%	-115,35%	-27,66%
Other	30,37%	24,71%	29,93%	27,55%	-1,44%	17,47%

5.8 CAPITAL SPENDING ON THE LARGEST PROJECTS

The tables below show the Municipality’s capital spending on its five largest projects.

TABLE 192 CAPITAL SPENDING ON LARGEST PROJECTS

2019/20		ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL EXPENDITURE	ORIGINAL VARIANCE	ADJUSTMENT VARIANCE
Name of Project - A	Electricity project - DORA funded	5 161	–	5 237	(76)	-
Objective of Project	Basic service delivery					
Delays	0					
Future Challenges	None					
Anticipated citizen benefits	Basic service delivery					
Name of Project - B	Bredasdorp RDP upgrade Roads	3 720	-	3 400	320	-
Objective of Project	Basic service delivery					
Delays	0					
Future Challenges	None					
Anticipated citizen benefits	Basic service delivery					
Name of Project - C	Rehabilitation Water treatment Works - Bredasdorp	14 122	5 122	5 486	(364)	-
Objective of Project	Basic service delivery					
Delays	Two-year project					
Future Challenges	None					

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Anticipated citizen benefits	Basic service delivery					
Name of Project - D	Wheelie Bins (Roll out)	700	-	699	1	-
Objective of Project	Basic service delivery					
Delays	0					
Future Challenges	None					
Anticipated citizen benefits	Basic service delivery					
Name of Project - E	LED Construction (Buildings/ Kiosk)	1 000	1 800	1 708	92	-
Objective of Project	SMME development / Job Creation					
Delays	0					
Future Challenges	None					
Anticipated citizen benefits	Social contribution - job creation / SMME development					

5.9 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Although there are currently no serious backlogs in the municipal area, the continuous influx of people in our area to the informal settlements are putting a burden on the service delivery of the Municipality which might be regarded as a risk due a possible increase in future backlogs.

5.9.1 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

The grant is intended to provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.

TABLE 193 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2019/20 ON SERVICE BACKLOGS					
DETAILS	BUDGET	ADJUSTMENTS	ACTUAL	VARIANCE	
		BUDGET		BUDGET	ADJUSTMENTS
	R'000			%	%
Infrastructure - Roads	3 720	3 720	3 400	-9,39%	-9,39%
Infrastructure - Sanitation	5 122	5 122	5 486	6,63%	6,63%
Outdoor Facilities	250	250	240	-3,80%	-3,80%
Total	9 091	9 091	9 127	0,39%	0,39%

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS**5.10 CASH FLOW**

The following table shows the Municipality's Cash flow from operating activities for the 2018/19 financial year.

TABLE 194 CASH FLOW

DESCRIPTION	2018/19	2019/20		
	AUDITED OUTCOME	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL
	R'000			
Cash flow from operating activities				
Receipts				
Property rates	63 449	67 809	65 445	70 120
Service charges	159 305	174 536	174 104	170 184
Other revenue	22 740	17 854	18 175	15 067
Government - operating	42 118	98 670	101 412	44 116
Government - capital	20 423	12 441	19 116	19 164
Interest	7 551	4 130	4 826	7 664
Payments				
Suppliers and employees	-257 634	-358 379	-353 787	-288 713
Finance charges	-1 856	-2 864	-3 356	-3 091
Transfers and Grants	-581	-2 026	-2 571	-3 455
Net cash from/(used) operating activities	55 515	12 172	23 365	31 056
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	5 410	5 000	5 000	5 074
Decrease (increase) other non-current receivables	-1 392	7	8	-639
Payments				
Capital assets	-37 246	-47 209	-43 283	-40 556
Net cash from/(used) investing activities	-33 228	-42 201	-38 275	-36 122
Cash flows from financing activities				
Receipts				
Borrowing long term/refinancing	17 000	16 779	0	0
Payments				
Repayment of borrowing	-3 506	-5 200	-5 404	-5 963
Increase in Consumer Deposits	189	241	282	331
Net cash from/(used) financing activities	13 683	11 820	-5 122	-5 632

Net increase/ (decrease) in cash held	35 971	-18 210	-20 033	-10 698
Cash/cash equivalents at the year begin:	47 768	40 402	83 739	83 739
Cash/cash equivalents at the year-end:	83 739	22 192	63 706	73 041

5.11 GROSS OUTSTANDING DEBTORS PER SERVICE

TABLE 195 GROSS OUTSTANDING DEBTORS PER SERVICE

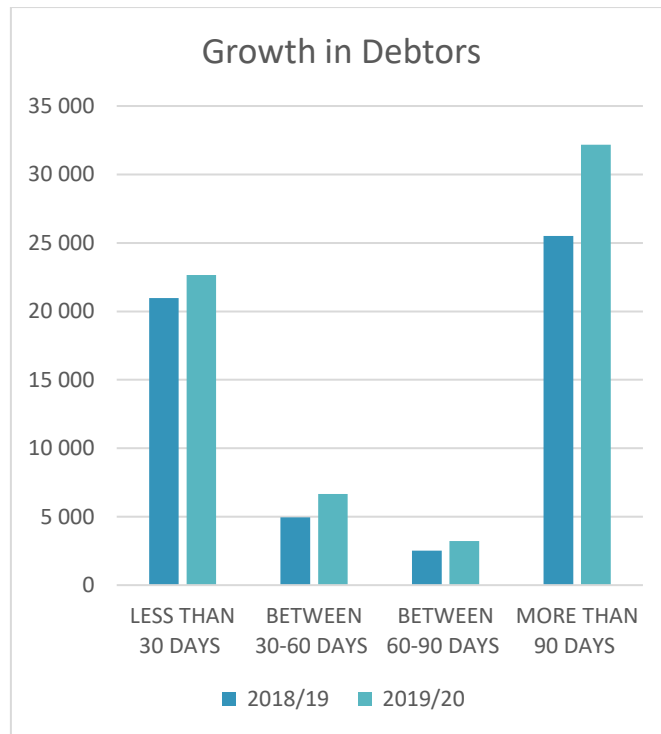
FINANCIAL YEAR	RATES	TRADING SERVICES	ECONOMIC SERVICES	HOUSING RENTALS	OTHER	TOTAL
		(ELECTRICITY AND WATER)	(SANITATION AND REFUSE)			
(R'ooo)						
2018/19	12 331	23 080	9 040	0	9 485	53 936
2019/20	12 672	27 839	11 727	0	12 469	64 708
Difference	342	4 759	2 687	0	2 984	10 771
% growth year on year	2,77%	20,62%	29,72%	0,00%	31,46%	19,97%

5.12 TOTAL DEBTORS AGE ANALYSIS

TABLE 196 SERVICE DEBTOR AGE ANALYSIS

FINANCIAL YEAR	LESS THAN 30 DAYS	BETWEEN 30-60 DAYS	BETWEEN 60-90 DAYS	MORE THAN 90 DAYS	TOTAL
	(R'ooo)				
2018/19	20 965	4 955	2 511	25 506	53 936
2019/20	22 650	6 661	3 230	32 167	64 708
Difference	1 685	1 707	718	6 661	10 771
% growth year on year	8,04%	34,44%	28,60%	26,12%	19,97%

FIGURE 27 SERVICE DEBTORS AGE ANALYSIS



5.13 BORROWING AND INVESTMENTS

Infrastructure needs to be replaced and therefore borrowings for periods of 15 years are taken up to lessen the impact on consumers.

5.13.1 ACTUAL BORROWINGS

TABLE 197 ACTUAL BORROWINGS

INSTRUMENT	2018/19	2019/20
	R'000	
Long-Term Loans (annuity/reducing balance)	26 790	20 763
Total	26 790	20 763

5.13.2 INVESTMENTS

TABLE 198 INVESTMENTS

INVESTMENT TYPE	2018/19	2019/20
	R'000	

Deposits - Bank	83 739	73 041
Total	83 739	73 041

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SUPPLY CHAIN MANAGEMENT

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.

No Councillors are members of any committee handling the supply chain processes. The supply chain officials received ongoing training and have completed the prescribed MFMA Competency Regulations. Provincial Treasury quarterly working forum meetings are attended regularly in order to promote the professional development of SCM practitioners within the municipalities in the Western Cape and create a culture of cohesion between municipalities and the Directorate: Local Government Supply Chain Management.

5.15 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance ensures that municipal accounts are comparable and more informative for the municipality. It also ensures that the municipality is more accountable to its citizens and other stakeholders. GRAP was fully implemented in the Municipality in the 2010/11 financial year and the financial statements of 2018/19 are fully GRAP compliant.

5.16 SOUTHERNMOST DEVELOPMENT AGENCY (PTY) LTD

During 2012, the Council took a decision to establish a Local Development Agency (Southernmost Development Agency (Pty) Ltd) to assist the Municipality in the establishment and implementation of local economic development projects. This entity was duly established, and the Board of Directors appointed from October 2012. However, during the process of establishment and the development phase, it was found that the establishment and running of the entity will create additional expenses for the Municipality which cannot be afforded due to its very strict budget. After various meetings with all role-players and considering all possible options, the Council resolved on 28 May 2013 to liquidate and deregister the agency. We are in process of de-registering the agency.

CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

6.2 AUDITOR-GENERAL REPORT 2018/19

TABLE 199 AG REPORT ON FINANCIAL PERFORMANCE 2018/19

Auditor-General Report on Financial Performance 2018/19	
Audit Report Status:	Unqualified with no other matters
Non-Compliance Issues	Remedial Action Taken
Although it was an unqualified opinion with no matters, there were some findings during the audit which required changes to the annual financial statements.	<p>The items were corrected during the audit and the necessary changes made and submitted to the auditors during the audit</p> <p>The findings will also be taken up in an action plan to address the root cause of the corrections. The progress on the implementation of the corrective measures will be reported to Council on a monthly basis as well as the Audit Committee on a quarterly basis.</p>

TABLE 200 AG REPORT ON SERVICE DELIVERY PERFORMANCE 2018/19

Auditor-General Report on Service Delivery Performance: 2018/19	
Audit Report Status:	Unqualified with no other matters
Non-Compliance Issues	Remedial Action Taken
There were some findings regarding the accuracy of the reported achievement of objectives found during the audit which required changes to the performance report (which forms part of the Municipality's annual report)	<ul style="list-style-type: none"> The corrections were made during the audit and submitted to the auditors. The findings will also be taken up in an action plan to address the root cause of the corrections. The progress on the implementation of the corrective measures will be reported to Council on a monthly basis and the Audit Committee on an annual basis.

6.2 AUDITOR-GENERAL REPORT 2019/20

TABLE 201 AG REPORT ON FINANCIAL PERFORMANCE 2019/20

Auditor-General Report on Financial Performance 2019/20	
Audit Report Status:	Unqualified with no other matters
Non-Compliance Issues	Remedial Action Taken
There were various findings around compliance and internal control at some departments and, where required, the financial statements has been updated accordingly	<p>The items were corrected during the audit and the necessary changes made and submitted to the auditors during the audit</p> <p>The findings will also be taken up in an action plan to address the root cause of the corrections. The progress on the implementation of the corrective measures will be reported to Council on a monthly basis as well as the Audit Committee on a quarterly basis</p>

TABLE 202 AG REPORT ON SERVICE DELIVERY PERFORMANCE 2019/20

Auditor-General Report on Service Delivery Performance: 2019/20	
Audit Report Status:	Unqualified with no other matters
Non-Compliance Issues	Remedial Action Taken
There were some findings regarding the accuracy of the reported achievement of objectives found during the audit which required changes to the performance report (which forms part of the Municipality's annual report)	<ul style="list-style-type: none"> • The corrections were made during the audit and submitted to the auditors. • The findings will also be taken up in an action plan to address the root cause of the corrections. The progress on the implementation of the corrective measures will be reported to Council on a monthly basis and the Audit Committee on a quarterly basis.

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