

2022/23

# ANNUAL REPORT



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

31 January 2024

Resolution <sup>1</sup>/2024

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## FOREWORDS

### MAYORS FOREWORD



It is with great pleasure and a sense of accomplishment that I present to you the annual report for Cape Agulhas Municipality for the 2022/23 financial year. This report encapsulates our progress, achievements, and the collective efforts undertaken by our community over the past year.

The year was my Council's first full year of office following the November 2021 local government elections. We continued to build on the solid foundation laid by the preceding Council and adopted the Integrated Development Plan of our predecessor with amendments for the period 2022/23 – 2026/27.

The amendment of the IDP was done in collaboration with the community who played a key role by participating in the public participation structures and platforms that we have such as ward committees, IDP meetings quarterly feedback meetings and budget imbizo's.

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

Some of our success stories for the year under review are:

- Full blue flag status for Duiker Street Beach in Struisbaai.
- The refurbishment of the Bredasdorp water treatment works at a cost of R 2 601 707,84
- The final phase of the road upgrading project in Zwelitsha low-cost housing area of Bredasdorp was completed at a cost of R3 500 000,00.
- A further 1 kilometre of the Suiderstrand Road was upgraded to a paved surface at a cost of R3 987 004,42.
- Construction on the first phase of the deferred ownership / FLISP Pilot Project for the middle-income group was completed.
- A debt collection rate of 97.48% was achieved despite the negative economic outlook.
- The Municipality successfully launched the Local Drug Action Committee (LDAC) to address substance abuse in our community
- Phase 3 of the Anene Booysen Urban Park Development was completed which included a skate park and a security container that will be leased to a community organisation as part of the Regional Socio Economic Programme.
- The Municipality scooped a bronze award in the prestigious Western Cape Service Excellence awards.

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

In conclusion, I would like to extend my heartfelt gratitude to our councillors, municipal officials, community members, ward committee members and other stakeholders for their dedication and hard work. Your tireless efforts have been instrumental in achieving our milestones and enabling us to serve the best interests of our community.

As we move forward, let us continue to work together, united in our quest for renewed hope through innovation.

Thank you for your ongoing support and commitment to our shared goals.

**ALDERMAN PAUL SWART**  
**EXECUTIVE MAYOR**



## MUNICIPAL MANAGERS FOREWORD



This Annual Report reflects on the performance of the Cape Agulhas Municipality for the period 1 July 2022 to 30 June 2023.

Cape Agulhas is the southernmost municipality in Africa. We are committed to fulfilling our constitutional powers and functions and providing a high standard of service delivery despite limited financial and human resources.

Despite the constraints, we have performed well and maintained a sustainable municipality that renders good quality services, promotes economic development, and maintains stringent governance and financial management controls. We are leaders in terms of service delivery and received multiple accolades including the achievement of a bronze award in the prestigious Western Cape Service Excellence awards.

The Municipality received an unqualified audit with no matters for 2022/23, our tenth consecutive clean audit. We pride ourselves on ensuring clean governance and develop an audit action plan after each audit to implement the recommendations on the audit by the Auditor General. These recommendations assist the Municipality to strengthen controls and ensure positive audit outcomes in ensuing years.

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. The Municipality is an active participant in the Joint District and Metro Approach (JDMA) which is a geographical and team based, citizen focused approach with a Single District Plan to facilitate developmental initiatives and government services to the people. The approach is a collaboration between National, Provincial and Local (Metropolitan, District and Local) Government, private sector, and other stakeholders. I would like to thank all Provincial and National Departments for their ongoing support.

The Municipality's financial position for the 2022/23 financial year remained stable despite the impact of the downward economy. The Municipality is committed to creating financial sustainability through implementation of its long-term financial plan.

The financial profile of the municipality reflects an adequate level of sustainability underpinned by its positive liquidity position, maintaining a credit score of A, and relatively low debt burden. The Community Wealth (Capital Replacement Reserve and unappropriated surplus) has increased from approximately R439,13 million to R 490, 56 million for the financial year under review. One of the biggest threats to the financial viability of the municipality is the continuous high stage loadshedding that has a significant effect on our operational expenditure. The costs of maintaining and running generators to maintain services is exorbitant, and our income is also affected by reduced electricity sales. Employee related costs remain the biggest cost driver and we continuously strive to only fill legally required and critical service delivery positions.

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 Section 56 (Directors) management team underwent changes. The Director Infrastructure position was vacant from 1 September 2022 to 28 February 2023 and the Director Management Services position was vacant from 1 March 2023 to 30 June 2023. The recruitment and selection process was concluded by financial year end.

In conclusion, I would 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 2022/23 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 2022 to 30 June 2023, 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 the Municipality are set out in Schedules 4B and 5B of the Constitution, and the Municipality must perform these functions in a manner that enables it to achieve its Constitutional objectives.

On 31 May 2022, the Municipal Council adopted the IDP of its predecessor with amendments for the period 2022/23 – 2026/27. (Resolution 97/2022).

#### 1.2.1 VISION, MISSION AND VALUES

The vision, mission and values of the Cape Agulhas Municipality as contained in the 2022/23 – 2026/27 IDP are as follows:

##### VISION

“Together for excellence

Saam vir uitnemendheid

Sisonke siyagqwesa”

##### MISSION

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

##### VALUES

Fairness

Integrity

Accountability and responsibility

Transparency

Innovativeness

Responsiveness

**1.2.2 GEOGRAPHIC AREA**

Cape Agulhas Municipality is the southernmost municipality in Africa and falls within the Overberg District of the Western Cape. The Municipality is geographically diverse and comprises an area of 2 411 km<sup>2</sup>. It includes 9 urban settlements namely Bredasdorp which is the administrative seat, Napier, Struisbaai, Arniston / Waenhuiskrans, L’Agulhas, Klipdale, Protem 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.

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 several 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 chuckies. 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.

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### 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. The Municipality was demarcated into six wards for the 2021 Municipal election.

**FIGURE 1: MAP OF CAPE AGULHAS MUNICIPALITY AND WARD DELIMITATION 2021**



**TABLE 1 WARD DELIMITATION DESCRIPTION 2022**

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

5	Suiderstrand, L'Agulhas, Struisbaai
6	Arniston and Surrounding Farms, Moddervlei, Van Der Stelskraal, Overberg Test Range, Part of Bredasdorp (Selfbou and Bergsig area)

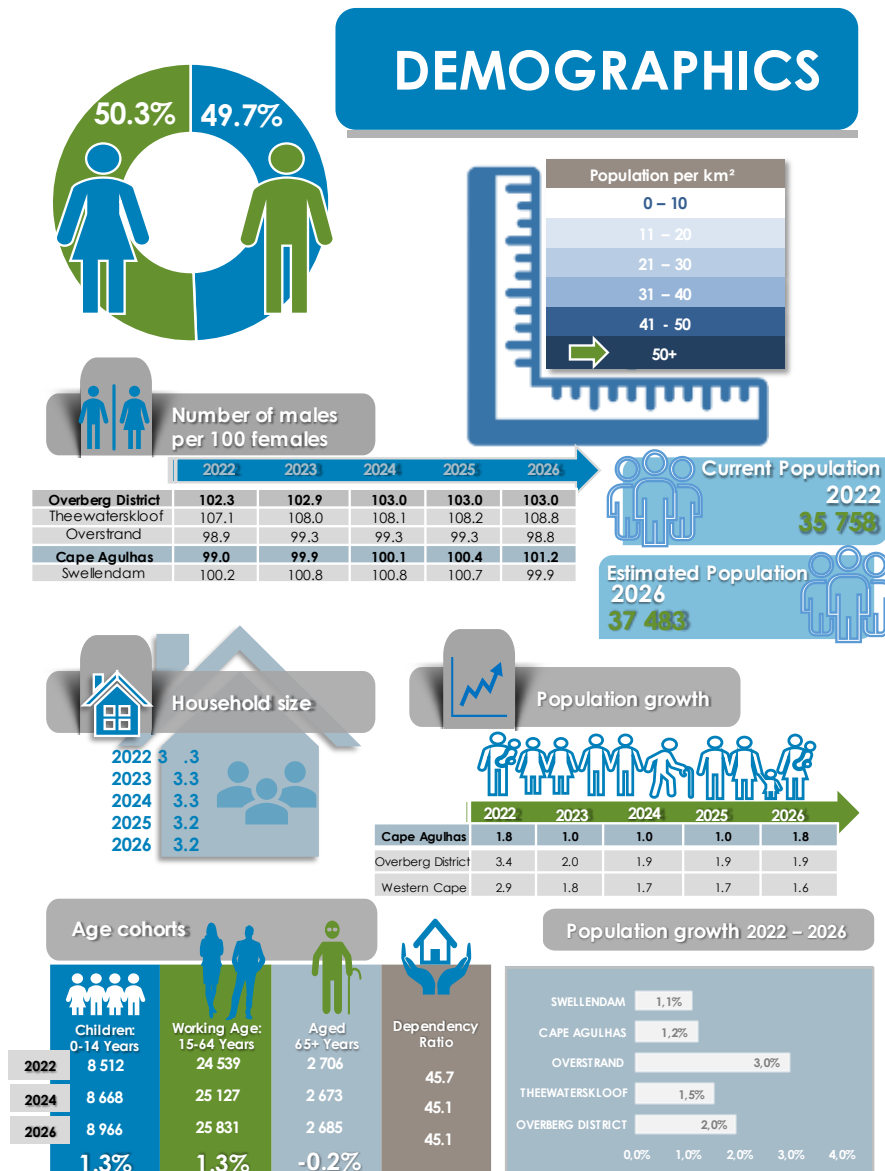


1.2 DEMOGRAPHIC, SOCIO ECONOMIC AND ENVIRONMENTAL OVERVIEW

1.2.1 DEMOGRAPHIC OVERVIEW

The following figure provides a demographic overview of Cape Agulhas Municipality.

FIGURE 2 DEMOGRAPHIC OVERVIEW 2022



Source: Western Cape Provincial Government SEP Socio Economic Profile 2022



**a) Population**

It is estimated that in 2022, 4.3 per cent of the Western Cape’s population resides in the Overberg District municipal area. The population of the District area totals 310 253 persons in 2022 and is estimated to be 335 236 persons by 2026. Cape Agulhas remains the municipality with the smallest population in the Overberg District with only 35 758 people in 2022. This total is expected to grow to 37 483 by 2026, equating to an average annual growth rate of 1.2 per cent for the period, one of the slower growing areas in the region, compared to average annual District growth of 2.0 per cent for period.

**Sex ratio**

The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that as of 2022, there are more males than females in the Overberg District municipal area with a ratio of 49.4 per cent (females) to 50.6 per cent (males). The reverse is true for the Cape Agulhas area, with slightly more females than male with a ratio of 50.3 to 49.7 in 2022. This however changes over time, with a sex ratio of 101.2 in 2026, meaning that for every 100 women there are 101.2 men. This could be attributed to various factors such as the potential inflow of working males to the municipal area or an increase in female mortality rates.

**Age cohorts**

Between 2022 and 2026, the highest projected population growth is recorded for the children (0-14 years) and working age population (15-65 years), both projected to grow at an annual average rate of 1.3 per cent. The aged age cohort (65+ years) is predicted decline at an average annual rate of 0.2 per cent over the same period. These predicted growth rates will lead to a decline in the dependency ratio, from 45.7 in 2022 to 44.4 in 2026.

**Household size**

Household size refers to the number of people per household. Within the Cape Agulhas area, the average size of households is expected to drop marginally from 3.3 people per household in 2022 to 3.2 in 2026. Contributing factors include but are not limited to cultural patterns surrounding intergenerational co-residence, divorce, as well as socioeconomic factors that shape trends in employment, education and housing markets.

**Population density**

Population density is the measurement of the number of people that make up a population in a defined area. Factors affecting population density include economic, social, connectivity/location and accessibility factors. These figures improve responsiveness to rapid urbanization and assists municipalities with planning and budgeting for effective service delivery and combatting environmental risks. In 2022, the population density of the Overberg District area was 25 persons per square kilometre. In order of highest to lowest, the various local municipal areas within the Overberg District compare as follows:

Overstrand	65 people/km <sup>2</sup>
Theewaterskloof	38 people/km <sup>2</sup>
Cape Agulhas	10 people/km <sup>2</sup>
Swellendam	10 people/km <sup>2</sup>

### 1.2.2 HOUSEHOLDS

**TABLE 2 HOUSEHOLD SIZES 2022-2026**

2022	2023	2024	2025	2026
3.3	3.3	3.3	3.2	3.2

Source: Socio-Economic Profile 2022

The Municipality is required to provide basic services to its community. Basic services are a package of services necessary for human well-being and typically include water, sanitation, electricity, and waste management. The Municipality is granted an equitable share which it receives from government in terms of the Division of Revenue Act (DORA) for the provision of free basic services to households who cannot afford to pay for their services. The following table shows the trends in respect of indigent households over the last three years.

**TABLE 3 INDIGENT HOUSEHOLDS**

HOUSEHOLDS	2020/21	2021/22	2022/23
Number of indigent and poor households in municipal area	3711	3568	3711

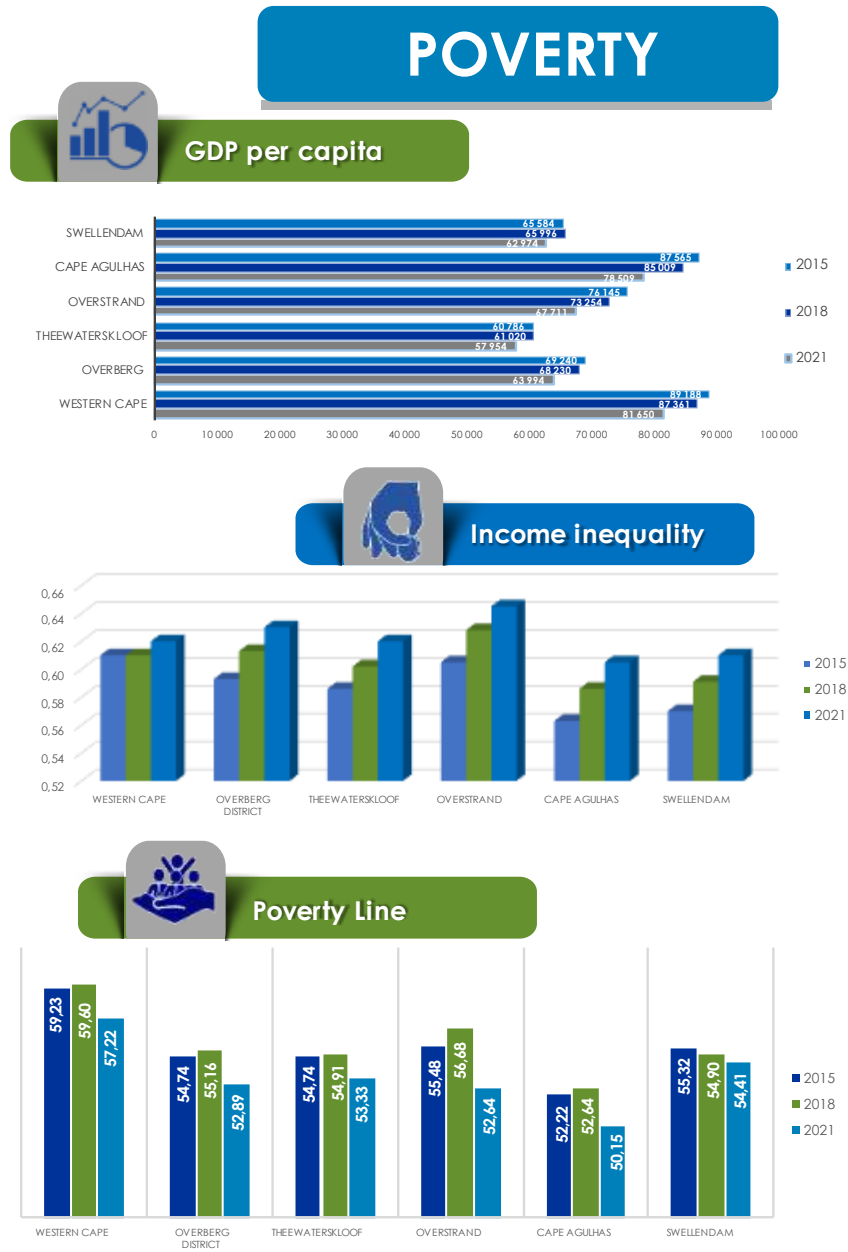
Source: CAM Indigent Register

Indigent households must register annually for free basic services. There was a noticeable increase in indigents from the previous year.

1.2.3 SOCIO ECONOMIC OVERVIEW

The following figure provides a socio-economic overview of Cape Agulhas Municipality.

FIGURE 3 POVERTY AND INCOME OVERVIEW 2022



Source: Western Cape Provincial Government SEP Socio Economic Profile 2022

### GDPR Per Capita

An increase in real regional gross domestic product (GDPR) per capita, i.e., GDPR per person is experienced only if the real economic growth rate exceeds the population growth rate. Even though real GDPR 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 GDPR per capita indicator.

With a per capita GDPR of R78 509 in 2021, the Cape Agulhas municipal area remains slightly below the Province's R81 650. However, within the Overberg region, Cape Agulhas' per capita GDPR exceeds that of the District, where the District average stands at R63 994.

At a per capita GDPR of R63 994 in 2021, the Overberg municipal area remains significantly below the Province's R81 650. However, within the region, Cape Agulhas stands out with a per capita GDPR of R78 509.

### Income Inequality

South Africa suffers among the highest levels of inequality in the world when measured by the commonly used Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities.

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. However, between 2015 and 2021, income inequality in the Cape Agulhas area worsened, with the Gini-coefficient increasing from 0.57 in 2015 to 0.61 in 2021.

Worsening income inequality could also be seen across the District (0.59 in 2015 and 0.63 in 2021) and Province (0.61 in 2015 and 0.62 in 2021) over the same period.

### Poverty Line

As per definition, the Upper Bound Poverty Line (UBPL) is the proportion of the population living below the UBPL i.e., that cannot afford to purchase adequate levels of food and non-food items, an individual living in South Africa with less than 1 227 South African rands (in April 2019 prices) per person per month was considered poor.

In 2021, 50.15 per cent of the Municipality's population fell below the UBPL. This figure improved somewhat from the 52.22 per cent and 52.64 per cent recorded for the periods 2015 and 2018 respectively. Within the Overberg region, Swellendam (54.41 per cent in 2021) represents the highest proportion of people living in poverty, however, the other areas all clustered close to this figure with very similar proportions, with Cape Agulhas at the lowest in the region.

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#### 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 daily. 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.

Overberg District Municipality acts as commenting authority on all land use applications within its area of jurisdiction, which therefore includes Cape Agulhas Municipality. A set of criteria, based on the principles of sustainability is used to ensure consistency.

#### **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. The ICMP co-ordinates the roles of each of the local municipalities in coastal management. Cape Agulhas Municipality is participating in the Overberg Municipal Coastal Management Committee. ODM remains dedicated to the process of designated coastal access land in accordance with the principles of the National Environment Integrated Coastal Management Act.

#### **b) 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. 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.

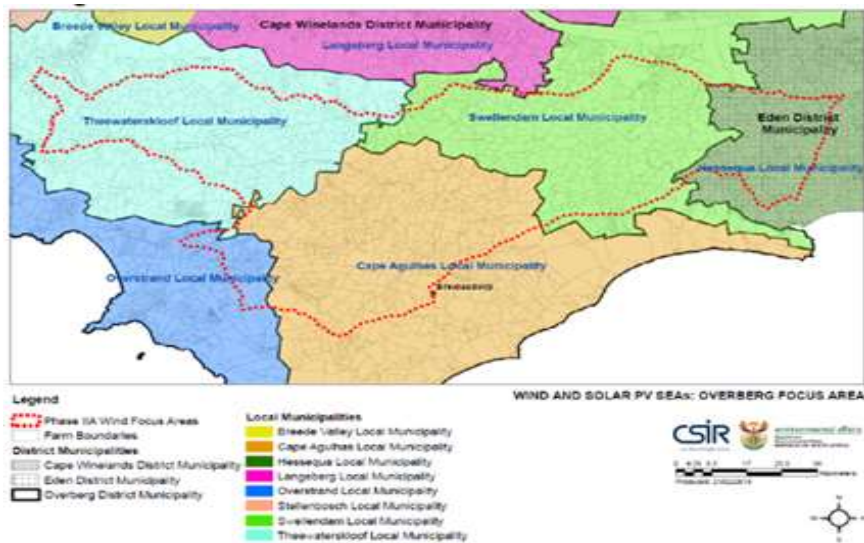
#### **c) Climate change**

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 4 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 those 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.

TABLE 4 PROJECTED CLIMATE CHANGE IMPACTS ON SERVICE DELIVERY

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

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

**d) 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.

**TABLE 5 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 5 CRITICAL BIODIVERSITY AREAS IN CAPE AGULHAS



e) 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 regulations. Cape Agulhas Municipality works in collaboration with the Overberg District Municipality (ODM) and Province to manage, monitor and enforce the regulations. Municipalities must address air quality issues in their IDP's.

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

- Development and implementation of the Air Quality Management Plan (AQMP).
- 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.
- Development and enforcement of 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 results

in elevated ambient concentrations of particulates and NOx (Nitrogen Oxides) at times. Seasonable agricultural and biomass burning also occur and have a low impact on air quality.

The Municipality has an approved Air Quality Management Plan (AQMP) in place and review will be during 2023/2024, which guides its activities as well as the Cape Agulhas Air Quality By-Law (2014) which regulates activities whereas a total new draft is with Province for comments. The Municipality also has a designated Air Quality Officer. Air Quality awareness is prioritised, and inputs and information are also provided for the annual Western Cape State of Air Quality Report.

### 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 the year under review are contained in Chapter 3.

#### 1.3.1 BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS

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

TABLE 6 BASIC SERVICE DELIVERY HIGHLIGHTS

SERVICE	DESCRIPTION
<b>Water</b>	<ul style="list-style-type: none"> <li>- Ongoing implementation of the Cape Agulhas Municipality water master plan.</li> <li>- Installing new bulk water meters - ongoing</li> <li>- Installing new bulk monitoring equipment - ongoing</li> <li>- Installing new bulk water pipes - ongoing</li> <li>- Refurbishment of the Bredasdorp Water Treatment Works</li> <li>- Water quality results indicate that the Municipality’s water quality is generally good and complies with SANS 241</li> </ul>
<b>Wastewater (Sanitation)</b>	<ul style="list-style-type: none"> <li>- The commissioning of the upgraded Bredasdorp WWTW and accompanying improvement in wastewater quality.</li> <li>- The upgrading of Napier WWTW to 0.6Ml/day.</li> <li>- Sewer pipe replacements</li> </ul>
<b>Electricity</b>	<ul style="list-style-type: none"> <li>- Maintenance of streetlights in the Eskom supply areas in accordance with an agreement concluded with ESKOM</li> <li>- The Municipality is part of the MEMS (Municipal Energy Management System) program, and all internal energy consumption is collated monthly in a purpose-built tool and dashboard, that tracks trends and clearly indicates any problem account. The dashboards are located at the bottom of this section.</li> <li>- The Municipal Council approved an energy management policy</li> <li>- Distribution losses are limited to 6.62% which when compared with the industry standard of 10% is an achievement and can be attributed to the massive cold start loads experienced after loadshedding which is dissipated as heat losses in transformers and conductors.</li> <li>- Continuous upgrading of ageing infrastructure in accordance with the Municipality’s 20-year master plans for the towns within our area of supply.</li> <li>- The Municipality was invited to make a presentation to the Premier of the Western Cape and his energy advisory team on the willingness and readiness to implement a possible solar PV containerized battery solution. A final outcome is being awaited from the Premiers Office.</li> </ul>

	<ul style="list-style-type: none"> <li>- The Municipality has embarked on a Public Private Partnership (PPP) process to obtain financing for an alternative energy generation project. This is a complicated highly regulated process and requires experienced professionals in the field to implement, we applied for funding via SALGA and SAEP for the feasibility study and appointment of both a project officer and transaction advisor, as required by national Treasury. Due to our previous successes and participation in alternative energy training, we were approved for this funding. The PPP project is registered with National Treasury.</li> </ul>
<b>Waste management</b>	<ul style="list-style-type: none"> <li>- The implementation of a successful pilot organic waste diversion pilot project in Bredasdorp that can be continued in the new financial year and eventually be rolled out to all towns.</li> </ul>
<b>Roads and storm water</b>	<ul style="list-style-type: none"> <li>- Numerous roads in Bredasdorp have been rehabilitated and re-sealed.</li> <li>- Van de Byl Street in Napier has been upgraded.</li> <li>- Sidewalks have been upgraded in Wards 6 and 4.</li> <li>- Stormwater infrastructure in Main Road, L'Agulhas has been upgraded to prevent flooding of private property.</li> <li>- Phase 2 of the Suiderstrand Road has been upgraded to a paved surface. (±1 km)</li> </ul>
<b>Human settlement</b>	<ul style="list-style-type: none"> <li>- We received an amount of R10 000 000,00 for the implementation of the first phase of the project which commenced in 2021/22. In 2022/23 we received a further R 15 000 000 bringing the total to R 25 000 000.00. The first phase comprised 30 units and by 30 June 10 direct sales and 14 rent to buy agreements were concluded.</li> </ul>

### 1.3.2 BASIC SERVICE DELIVERY CHALLENGES

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

TABLE 7 BASIC SERVICE DELIVERY CHALLENGES

SERVICE	DESCRIPTION	REMEDIAL ACTIONS
<b>General infrastructure</b>	<ul style="list-style-type: none"> <li>- Ageing infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>- The Municipality embarked on an Asset Care Programme that was funded by DBSA. The intention of the programme is to move the Municipality from a <b>REACTIVE</b> state to a <b>PROACTIVE</b> state in terms of asset- and maintenance management.</li> <li>- Infrastructure master plans are in place.</li> </ul>
<b>Water</b>	<ul style="list-style-type: none"> <li>- The peak water demand during the summer holiday season in coastal town's remains a challenge.</li> <li>- Increase in water losses (still within acceptable norm)</li> <li>- Load shedding, particularly the higher stages have an impact on reservoirs and dams.</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of the Smart City Water monitoring project.</li> <li>- Water infrastructure is equipped with generators so that pumping is not disrupted by loadshedding, and reservoir levels can be maintained. This is extremely costly.</li> </ul>
<b>Wastewater (Sanitation)</b>	<ul style="list-style-type: none"> <li>- The quality of the effluent from Arniston WWTW is below standard.</li> <li>- Maintenance of communal sanitation infrastructure in informal settlements.</li> <li>- Load shedding, particularly the higher stages</li> </ul>	<ul style="list-style-type: none"> <li>- Planned to upgrade of plants will improve quality</li> <li>- Sewer infrastructure is equipped with generators so that pumping is not disrupted by loadshedding, and reservoir levels can be maintained. This is extremely costly.</li> </ul>
<b>Electricity</b>	<ul style="list-style-type: none"> <li>- 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</li> </ul>	<ul style="list-style-type: none"> <li>- The bulk of the challenges are attributable to Eskom and difficult to mitigate.</li> <li>- The Municipality approved an energy management policy</li> <li>- The Municipality reviewed its vandalism policy</li> <li>- The Municipality has embarked on a Public Private Partnership (PPP) process to obtain</li> </ul>

	<p>unavoidable when resuming service after long outages.</p> <ul style="list-style-type: none"> <li>- The differing service levels between the Eskom areas of supply and Municipal areas of supply</li> <li>- Increasing incidents of copper theft.</li> <li>- Increasing incidents of vandalism.</li> <li>- Eskom’s ageing infrastructure in the rural areas causing quality of supply issues and continuity of supply problems.</li> <li>- A decline in revenue from electricity sales</li> <li>- The impact of loadshedding on our infrastructure as well as the high costs associated with alternative energy supplies to keep our boreholes and purification plants running during loadshedding. Below is a table of diesel costs to maintain minimum service levels during loadshedding.</li> <li>-</li> </ul>	<p>financing for an alternative energy generation project.</p>
<b>Waste management</b>	<ul style="list-style-type: none"> <li>- The Municipality was unable to complete the construction of the MIG funded waste material recovery park due to non-performance of the contractor.</li> <li>- Illegal dumping remains an ongoing challenge.</li> <li>- Compliance with permit conditions remains an ongoing challenge.</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- Services of the</li> <li>- The Municipality is looking at various options including a new cell at the Bredasdorp landfill, and long term a regional landfill site.</li> <li>- Recycling is encouraged to lengthen the lifespan of the landfill sites.</li> <li>- Law enforcement and awareness campaigns are ongoing to address illegal dumping</li> </ul>
<b>Roads and storm water</b>	<ul style="list-style-type: none"> <li>- Funding to address the backlog in road maintenance and rehabilitation is limited.</li> <li>- Storm water infrastructure in numerous areas in Struisbaai is inadequate and needs to be upgraded urgently.</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing process of submitting funding applications to source additional funding</li> </ul>
<b>Human settlement</b>	<ul style="list-style-type: none"> <li>- Living conditions of backyard dwellers and people living in informal settlements</li> <li>- Increased occurrence of land grabs</li> </ul>	<ul style="list-style-type: none"> <li>- An Informal Settlement Management Plan was approved by Council on 31 May 2023</li> <li>- The Municipality submitted a business plan to the Provincial Department of Human Settlement for funding under the Upgrading of Human Settlements Programme and planning, and funds were secured for the 2022/2023 financial year.</li> </ul>

### 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.

Basic services are a package of services necessary for human well-being and typically include water, sanitation, electricity and refuse removal.

**TABLE 8 PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICES**

DESCRIPTION	2020/21	2021/22	2022/23
Electricity - service connections	100%	100%	100%
Water - available within 200m from dwelling	100%	100%	100%
Sanitation - Households with at least VIP service	100%	100%	100%
Waste collection - kerbside collection once a week	100%	100%	100%

## 1.4 FINANCIAL HEALTH OVERVIEW

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

### 1.4.1 FINANCIAL VIABILITY HIGHLIGHTS

TABLE 9 FINANCIAL VIABILITY HIGHLIGHTS

HIGHLIGHT	DESCRIPTION
<b>Clean audit</b>	The Municipality received its tenth consecutive clean audit for the 2022/23 financial year
<b>Liquidity ratio</b>	The Cape Agulhas municipality's liquidity position has fluctuated over the review period and the liquidity position declined significantly during 2022/23 financial year to 1.63:1. While the decline is of concern, the liquidity position remains reasonably healthy. This predominant driver of this decline is the reduced collection rate as compared to the prior year. Additionally, the energy crisis and consequent load shedding had a major impact on electricity revenue which led to a deterioration in financial performance. This also contributed to the decline in liquidity. However, Cape Agulhas municipality should remain in a position to cover its short-term obligations and be reasonably prepared to absorb the impact of potential financial shocks
<b>Creditor payments</b>	Creditors are generally being paid within the 30-day limit
<b>Long term financial viability</b>	Council approved a revised and updated Long Term Financial Plan (LTFP) during the financial year under review based on the 2021/22 financial year outcome figures together with amended targets for implementation.
<b>Implementation of mSCOA regulations</b>	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.
<b>Increasing of reserves</b>	By applying an ongoing mix of other sources for capital funding aligned with the Municipality's LTFP recommendations, the Municipality continued with a process to introduce external borrowing as an additional source of funding for infrastructure related capital projects. The Municipality over the past years managed to improve its cash position and as a result could increase the capital replacement reserve.
<b>Debt collection</b>	The Municipality debt collection rate decreased slightly in comparison to the previous financial year but is at an acceptable level of 97.48% despite the negative economic outlook.

### 1.4.2 FINANCIAL VIABILITY CHALLENGES

TABLE 10 FINANCIAL VIABILITY CHALLENGES

CHALLENGE	REMEDIAL ACTIONS
<b>Employee related costs</b>	Employee related costs of 38.75% are just inside the National Treasury good practice norm of 35-40%. However, as the second biggest cost driver it 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 slowly deteriorated over the last 2 financial years. The Municipality is currently busy with an organization re-design process which might have

	a positive impact on how to deal with streamline organigram structure based on the principles of effectiveness and efficiency.
<b>Increasing costs of bulk purchases of electricity from ESKOM coupled limitations on tariffs imposed by NERSA</b>	Ongoing review and update of the current tariff structure aligned with NERSA's tariff benchmark guideline for electricity and other services continues to ensure more transparent, fair and equitable tariffs. ESKOM electricity loadshedding had a negative impact on the selling of electricity units which resulted in a decrease compared to the previous financial year as well as additional costs relating to fuel and the rental of equipment (Generators)
<b>Long term financial sustainability of the Municipality</b>	The Municipality reviews its Long-Term Financial Plan on an annual basis to stay abreast with any new developments to ensure financial sustainability as one of its most critical performance indicators.

### 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. These key performance indicators are linked to the National Key Performance Area of Municipal Financial Viability and Management.

**TABLE 11 NATIONAL KPI'S FOR FINANCIAL VIABILITY AND MANAGEMENT**

KPA & INDICATOR	2020/21	2021/22	2022/23
<b>% Debt to Revenue</b> <i>(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) (TL 17)</i>	17.99	21.90%	18.30%
<b>Service debtors to revenue</b> <i>(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)) (TL 18)</i>	11.75	11.78%	10.55%
<b>Cost coverage</b> <i>(Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June (Cash and Cash Equivalents)) (TL 19)</i>	3.63	4.18	3.63

### 1.4.4 FINANCIAL OVERVIEW

**TABLE 12 FINANCIAL OVERVIEW**

DETAILS	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL
Income			
<b>Grants - Operational</b>	53 036 684	70 913 186	53 315 398
Grants - Capital	31 504 316	28 761 194	21 965 462
Taxes, Levies and tariffs	320 311 760	314 511 760	305 720 317
Other	43 964 490	47 270 640	52 134 278
Sub Total	448 817 250	461 456 780	433 135 454
<u>Less:</u> Expenditure	409 160 862	434 563 231	423 240 056
Net Total*	39 656 388	26 893 549	9 895 398

#### 1.4.5 OPERATING RATIO'S

TABLE 13 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%	38.81%	Within the norm
Finance charges & depreciation	<10%	9.41%	0.59% below norm

The Municipality's expenditure on employee related costs is within 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

TABLE 14 TOTAL CAPITAL EXPENDITURE

DETAIL	2020/21	2021/22	2022/23
	R'000	R'000	R'000
Original Budget	62 490	62 490	67 590
Adjustment Budget	69 981	69 981	67 362
Actual	64 320	64 320	64 139
% Spent	91.91%	91.91%	95.22%

### 1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The Cape Agulhas Municipality currently employs 364 permanent employees (excluding the Municipal Manager and 3 Directors) which brings the total to 367. 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 Division is to render an innovative human resource service that addresses both strategic human resource development and human resource administration.

The following paragraphs provide an overview of organisational development highlights and challenges. Full detail on organisational development for 2022/23 is contained in Chapter 4.

#### 1.5.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

TABLE 15 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

HIGHLIGHT	DESCRIPTION
Implementation of the Municipal Systems Act Municipal Staff Regulations (2021)	- All HR policies were reviewed in line with the regulations for implementation from 1 July 2022.

<b>EPWP</b>	<ul style="list-style-type: none"> <li>- We created 378 jobs and (89 full time equivalents) during the financial year through the Expanded Public Works Programme.</li> <li>- Between 2014 and 2023 we appointed 85 EPWP workers on a permanent basis through our recruitment and selection processes.</li> </ul>
<b>Organisational Structure</b>	<ul style="list-style-type: none"> <li>- Fully functioning top management structure through innovation, attraction of scarce and critical skills and employment strategies.</li> <li>- We commenced with the process of an organisational re- design to ensure compliance with the Municipal Staff Regulations</li> </ul>
<b>Skills Development</b>	<ul style="list-style-type: none"> <li>- Ongoing implementation of training in accordance with the workplace skills plan</li> <li>- Increasing utilisation of Anene Booysen Skills Centre through partnerships with private business and other Government Departments.</li> <li>- Economic Reconstruction and Recovery Plan (ERRP) funding allocation from CETA for 400 learners amounting to R 13 600 000.00.</li> </ul>
<b>Salary</b>	<ul style="list-style-type: none"> <li>- Full Integration of biometric time and attendance linked to the electronic payroll system –PAYDAY</li> </ul>
<b>Vacancy Rate</b>	<ul style="list-style-type: none"> <li>- The Department of the Public Service and Administration states that the public vacancy rate should be below 10%. The 3.29% vacancy rate of Cape Agulhas Municipality is stable well below the norm.</li> </ul>

### 1.5.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

TABLE 16 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

CHALLENGE	ACTION TO ADDRESS	REMEDIAL ACTIONS
<b>Implementation of the Employment Equity Plan</b>	<ul style="list-style-type: none"> <li>- Although some improvement was observed in 2022/23, Employment Equity remains a challenge due to scarcity of experienced candidates with core skills locally.</li> </ul>	<ul style="list-style-type: none"> <li>- Succession planning implemented in Departments where managers are reaching retirement age.</li> </ul>
<b>Skills Development</b>	<ul style="list-style-type: none"> <li>- The training budget for 2022/23 not fully utilised due to some of the planned initiatives not taking place due to the high cost involved.</li> <li>- Training interventions not implemented are mostly technical of nature which required prolonged contact training in Cape Town, resulting in high accommodation and subsistence costs.</li> </ul>	<ul style="list-style-type: none"> <li>- Improved costing of planned training initiatives.</li> <li>- ERRP allocation can assist partially regarding the funding</li> <li>- A phased approach for RPL to continue based on priority trades</li> </ul>
<b>Employee related costs</b>	<ul style="list-style-type: none"> <li>- High employee related costs result in the Municipality being unable to provide additional positions on its organisational structure.</li> </ul>	<ul style="list-style-type: none"> <li>- Posts only filled that are legislative requirements or critical service delivery positions</li> <li>- Organisational redesign process commenced.</li> </ul>

### 1.5.3 EMPLOYMENT EQUITY

Appointments were done in all occupational levels of the workforce, and the most suitable candidates appointed. A concerted effort is made to appoint people from previously disadvantaged groups.

The following tables provide an overview of achievement in terms of the municipality's Employment Equity Plan for 2020-2025. Tables are all inclusive of Councillors.



**TABLE17 2022/23 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
5	0	0%	4	0	0%	0	0	0%	1	0	0%

**TABLE18 2022/23 EMPLOYMENT EQUITY TARGETS/ACTUAL BY RACIAL CLASSIFICATION (ALL EMPLOYEES AND COUNCILLORS)**

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
28	10	35,71%	21	22	104,74%	0	0	0%	3	0	0%

**TABLE19 2022/23 EMPLOYMENT EQUITY TARGETS/ACTUAL BY gender CLASSIFICATION (ALL EMPLOYEES AND COUNCILLORS)**

MALE			FEMALE			DISABLED		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
32	25	78,12%	22	7	31,81%	2	0	0%

#### 1.5.4 SKILLS DEVELOPMENT

**TABLE 20 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT**

FINANCIAL YEAR	TOTAL EXPENDITURE SALARY AND ALLOWANCES R'ooo	TOTAL OPERATING EXPENDITURE R'ooo	PERCENTAGE %
2021/22	156 403 030	712 153	0.46%
2022/23	164 277 204	721 125.54	0.44%

### 1.6 AUDITOR GENERAL REPORT

The Municipality received an unqualified audit with no matters for 2022/23, our tenth consecutive clean audit. 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 2021/22 audit. This plan is monitored, and progress evaluated monthly by the Internal Auditor and the Chief Financial Officer. This plan is submitted to Council during their monthly meetings, as well as the Audit Committee during their quarterly meetings.

#### 1.6.1 AUDIT OUTCOMES

**TABLE 21 AUDIT OUTCOMES**

YEAR	2018/19	2019/20	2020/21	2021/22	2022/23
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

## 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

Municipal elections took place on 1 November 2021, meaning that there were changes to the Municipality's corporate governance during the year under review. This section will therefore reflect both pre- and post- election information.

Legislative and executive authority is vested in the Municipal Council. The Municipal Council has delegated 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. Pre-election, the Council was led by the Democratic Alliance (DA) and post-election it is led by the DA in coalition with the Freedom Front Plus.

Section 37(c) of the Municipal Structures Act requires Municipal Councils to meet quarterly. During the financial year 15 Council Meetings took place. There were 7 ordinary meetings and 8 special meetings. We also used You Tube and Face Book Live to broadcast Council meetings.

TABLE 22 COUNCIL MEETINGS

DATE	SPECIAL / ORDINARY
27 July 2022	Ordinary
31 August 2022	Special
30 September 2022	Special
5 October 2022	Ordinary

DATE	SPECIAL / ORDINARY
31 October 2022	Special
10 November 2022	Ordinary
13 December 2022	Ordinary
31 January 2023	Special
28 February 2023	Ordinary
9 March 2023	Special
24 March 2023	Special
30 March 2023	Special
26 April 2023	Ordinary
31 May 2023	Ordinary
30 June 2023	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 2022/23 financial year. Councillor G Olwage was removed as Councillor in November 2022. A By-election was held in Ward 5 and Councillor A Eksteen took office on 16 February 2023.

**TABLE 23: COUNCILLOR REPRESENTATION AND MEETING ATTENDANCE**

COUNCIL MEMBER	CAPACITY	POLITICAL PARTY	WARD / PROPORTIONAL	COUNCIL MEETING ATTENDANCE %	APOLOGIES FOR NON-ATTENDANCE %
Ald PJ Swart	Executive Mayor / Ward Councillor	DA		100%	0%
Cllr R Ross	Deputy Mayor Ward Councillor Mayoral Committee	DA	Ward 1	100%	0%
Ald GD Burger	Speaker / PR Councillor	FV+		100%	0%
Cllr D Jantjies	Ward Councillor	Dienslewerings-Party	Ward 2	94%	6%
Cllr R Louw	Ward Councillor	ANC	Ward 3	87%	13%
Ald J Nieuwoudt	Ward Councillor / District Representative	DA	Ward 4	100%	0%
Cllr G Olwage (Until November 2022)	Ward Councillor Mayoral Committee	DA	Ward 5	100%	0%
Cllr A Eksteen From 24 February 2023	Ward Councillor Mayoral Committee	DA	Ward 5	100%	0%
Cllr J August-Marthinus	Ward Councillor	ANC	Ward 6	94%	6%
Cllr K Donald	PR Councillor Mayoral Committee	DA		100%	0%
Cllr R Mokotwana	PR Councillor	ANC		94%	6%

**b) Executive Mayoral Committee**

The executive is headed by the Executive Mayor who is assisted by the Mayoral Committee. Cllr P Swart was elected as Executive Mayor following the 1 November 2021 election. A total of 8 Mayoral Committee meetings were held in 2022/23.

TABLE 24 EXECUTIVE MAYORAL COMMITTEE

NAME OF MEMBER	CAPACITY	MEETING ATTENDANCE	MEETING DATES
Ald P Swart	Executive Mayor	100 %	27 September 2022
Cllr R Ross	Member of Mayoral Committee	100 %	29 September 2022
Cllr G Olwage (Until November 2022)	Member of Mayoral Committee	50 %	1 November 22 6 November 2022
Cllr A Eksteen (From 24 February 2023)	Member of Mayoral Committee	100 %	24 February 2023 12 April 2023
Cllr K Donald	Member of Mayoral Committee	75 %	17 April 2023 23 May 2023

### c) Portfolio Committees

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

TABLE 25 PORTFOLIO COMMITTEES

COMMITTEE	MEMBERS	MEETING DATES
Infrastructure Services	<b>Cllr G Olwage (Chairperson until November 2022)</b> <b>Cllr A Eksteen (Chairperson) from 24 February 2023)</b> Cllr R Louw Cllr R Ross Cllr K Donald Ald D Jantjies	19 July 2022 13 September 2022 18 October 2022 22 November 2022 1 February 2023 28 March 2023 10 Mei 2023 19 June 2023
Management Services	<b>Cllr R Ross (Chairperson)</b> Cllr J August-Marthinus Ald J Nieuwoudt Cllr K Donald Ald D Jantjies	19 July 2022 13 September 2022 18 October 2022 22 November 2022 1 February 2023 28 March 2023 10 Mei 2023 19 June 2023
Finance and ICT	<b>Cllr K Donald (Chairperson)</b> Cllr R Louw Cllr M Matthysen Cllr G Olwage (until November 2022) Cllr A Eksteen (from 24 February 2023) Ald D Burger	19 July 2022 13 September 2022 18 October 2022 22 November 2022 1 February 2023 28 March 2023 10 Mei 2023 19 June 2023

### 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.

**TABLE 26: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

NAME OF REPRESENTATIVE	CAPACITY	POLITICAL PARTY	MEETING DATES
D Jantjies	Chairperson	Diensleweringsparty	28 July 2022
R Louw	Member	ANC	26 August 2022
J Nieuwoudt	Member	DA	7 September 2022 24 November 2022 19 January 2023 15 March 2023 30 March 2023 26 April 2023 15 May 2023 19 May 2023 31 May 2023

**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 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. These positions were all filled for the full duration of the financial year.

The Municipal Managers 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.

**TABLE 27 ADMINISTRATIVE GOVERNANCE STRUCTURE: SENIOR MANAGEMENT**

NAME OF OFFICIAL	DIRECTORATE	PERFORMANCE AGREEMENT SIGNED
Mr E Phillips	Municipal Manager	Yes
Mr H van Biljon	Director: Financial Services and Information Technology	Yes

Mr AA Jacobs	Director: Infrastructure Services (1 July 2023 – 30 September 2022)	Yes
Mr H Krohn	Director: Infrastructure Services (1 March 2023 -30 June 2023)	Yes
Mr H Krohn	Director: Management Services (1 July 2022 – 28 February 2023)	Yes
Vacant	Director: Management Services (1 March 2023 -30 June 2023)	NA

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

**TABLE 28 ADMINISTRATIVE GOVERNANCE STRUCTURE: THIRD TIER**

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

## 2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS

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

All government functions are divided between the three spheres of government namely national, provincial and municipal. The Municipality therefore shares its area and community with a district municipality as well as the other two spheres of government and their various sector departments.

### 2.2.1 JOINT PROJECTS AND FUNCTIONS WITH SECTOR DEPARTMENTS

The Municipality works closely with national and provincial departments to ensure the effective implementation of various projects and functions. The table below provides details of such projects and programmes:

TABLE 29 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
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
MFMA Circular No. 88, Rationalization of Planning and Reporting Requirements	Aimed at revising the Local Government: Planning and Performance Management Regulation of 2001 and replacing various other reporting templates such as the Section 71 SDBIP and Back to Basics monthly questionnaire	Department Cooperative Governance	Oversight, monitoring and reporting
Joint District and Metro Approach (JDMA)	A geographical district and team based, citizen focused approach, with a single implementation plan to provide developmental initiatives and government services to the people.	Department Cooperative Governance	To enhance co-planning, co-budgeting and co-implementation to ensure the silo approach is minimized;

## 2.2.2 INTERGOVERNMENTAL STRUCTURES

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

**TABLE 30 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 LED/Tourism Forum	Overberg District Local Municipalities, LED and Tourism officials	LED and Tourism related topics
DCF Tech	Municipal Managers	Inter-municipal co-operation, shared services
District Skills Development Forum	Overberg District Municipality Local municipalities	Skills development related topics
District Expanded Public Works Programme Forum	Overberg District municipality Local municipalities	EPWP related topics
Overberg Air Quality Officers Forum	Overberg District municipality Local municipalities	Air Quality related issues
District CRO & CAE Forum	CRO Internal Auditors of Local Municipalities within the Overberg District	Risk and Audit related topics
Disaster Management Advisory Forum	Overberg District Municipalities Local Municipalities	Disaster related topics
Regional Waste Forum	Overberg District Municipality Local municipalities	Waste and Health related issues
Supply Chain Management District Forums	Supply Chain Managers Local Municipalities District Local Municipality	Municipal Supply Chain related topics
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
District Safety Forum	SAPS, Municipal Officials (Protection services)	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
District IDP Managers Forum	District Municipality Overberg Local municipalities	IDP related issues



**TABLE 31 NATIONAL AND PROVINCIAL INTERGOVERNMENTAL STRUCTURES AND FORUMS**

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
SALGA	Western Cape Municipalities	All municipal service topics
Waste Forum	Western Cape Municipalities	Waste related topics
Blue and Green Drop Forum	Western Cape Municipalities	Water & sanitation related topics
MIG	Western Cape Municipalities	Infrastructure projects
IMESA	Southern Cape Engineers	Municipal related topics
EPWP	Provincial Government	EPWP related topics
MinMay	Municipal Managers and Mayor	Provincial Local Government driven agenda
MinMay Tech	Municipal Managers	Provincial Local Government driven agenda
PCF (Premier's Coordinating Forum)	Premier and Municipal Managers	Premier's Department responsible for agenda
Provincial IDP Managers Forum	Western Cape Municipalities, Directorate: Integrated Development Planning Department of Local Government, Provincial treasury	IDP related topics
Provincial LED Forum	Western Cape Local Government LED department, local municipalities LED officials	LED related topics
Provincial Public Participation and Communication Forum	Local municipalities: Public Participation- and Communication Officials, Provincial government: Communication and Public Participation, SALGA, GCIS	Public Participation, Communication matters
Western Cape Local Government Chief Audit Executive Forum	National Treasury, Provincial Treasury, Internal Auditors	Internal Auditing matters
Western Cape Local Government Chief Risk Forum	National Treasury, Provincial Treasury, Internal Auditors	Risk Management related topics
Western Cape ICT Managers Forum	Western Cape Local Government ICT Managers	ICT topics
Provincial Municipal Accounting Forum	Western Cape Local municipalities, Provincial Treasury	Accounting matters for local municipalities
Provincial Supply Chain Managers Forum	Provincial Treasury, Local municipalities SCM Managers	SCM matters
Provincial CFO Forum	Provincial Treasury, Local Municipalities CFO's	Accounting topics
Municipal Managers Forum	Municipal Managers HODs	Municipal related topics
Western Cape Spatial Information forum	Western Cape Local Municipalities DEADP	Spatial related topics
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

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
Joint District and Metro Approach (JDMA)	National Government Provincial Government District Municipalities Local Municipalities	To enhance co-planning, co-budgeting and co-implementation to ensure the silo approach is minimized

## 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 provides detail of public participatory initiatives held by the Municipality during the financial year under review. Ward based public meetings were held physically in every ward and the community were invited in the manner most appropriate to every ward including distribution of pamphlets, advertisements on the Cape Agulhas Municipality's Facebook page, advertisements on the My Muni App and loud hailing with the with the assistance of the Community Development Workers.

TABLE 32 WARD BASED PUBLIC MEETINGS

WARD	DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
1	14 August 2022 (Napier)	Feedback Meeting	All Ward residents	Physical meeting
1	20 September 2022 (Elim)	Feedback Meeting	All Ward residents	Physical meeting
1	16 November 2022	Feedback Meeting	All Ward residents	Physical meeting
1	15 March 2023	Feedback Meeting	All Ward residents	Physical meeting
1	12 April 2023	Budget/IDP /Imbizo	All Ward residents	Physical meeting
2	15 August 2022 (Bredasdorp)	Feedback Meeting	All Ward residents	Physical meeting
2	27 March 2023	Feedback Meeting	All Ward residents	Physical meeting
2	19 April 2023 (Liefdesnessie)	Budget/IDP /Imbizo	All Ward residents	Physical meeting
2	19 April 2023 (Thusong Centre)	Budget/IDP /Imbizo	All Ward residents	Physical meeting
2	16 May 2023 (Klipdale)	Feedback Meeting	All Ward residents	Physical meeting
3	15 August 2022	Feedback meeting	All Ward residents	Physical meeting
3	11 April 2023	Budget/IDP /Imbizo	All Ward residents	Physical meeting
3	25 May 2023	Feedback meeting	All Ward residents	Physical meeting
3	14 June 2023	Feedback meeting	All Ward residents	Physical meeting
4	28 September 2022 (Bredasdorp)	Feedback Meetings	All Ward Residents	Physical meeting
4	29 September 2022 (Protem)	Feedback Meetings	All Ward Residents	Physical meeting
4	23 November 2022 (Bredasdorp)	Feedback Meetings	All Ward Residents	Physical meeting
4	24 November 2022(Protem)	Feedback Meetings	All Ward Residents	Physical meeting
4	15 March 2023	Feedback Meetings	All Ward Residents	Physical meeting
4	16 March 2023	Feedback Meetings	All Ward Residents	Physical meeting
4	13 April 2023	Budget/IDP /Imbizo	All Ward residents	Physical meeting
4	26 June 2023	Feedback Meetings	All Ward Residents	Physical meeting
5	30 August 2022 (Suidpunt Gemeente Kerkzaal)	Feedback Meetings	All Ward residents	Physical meeting
5	30 August 2022 (Struisbaai Community Hall)	Feedback Meetings	All Ward residents	Physical meeting

WARD	DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
5	3 November 2022	Feedback Meetings	All Ward residents	Physical meeting
5	7 March 2023	Feedback Meetings	All Ward residents	Physical meeting
5	8 March 2023	Feedback Meetings	All Ward residents	Physical meeting
5	20 April 2023 (Suidpunt Gemeente Kerksaal)	Budget/IDP /Imbizo	All Ward residents	Physical meeting
5	20 April 2023 (Struisbaai Community Hall)	Budget/IDP /Imbizo	All Ward residents	Physical meeting
6	28 July 2022	Feedback Meetings (Bredasdorp)	All Ward Residents	Physical meeting
6	18 August 2022	Feedback Meetings (Bredasdorp)	All Ward Residents	Physical meeting
6	25 August 2022	Feedback Meetings (Arniston)	All Ward residents	Physical meeting
6	25 April 2023	Budget/IDP /Imbizo (Bredasdorp)	All Ward residents	Physical meeting
6	26 April 2023	Budget/IDP /Imbizo (Arniston)	All Ward residents	Physical meeting
6	25 June 2023	Feedback Meetings (Arniston)	All Ward residents	Physical meeting

### 2.3.2 WARD COMMITTEES

This section of the Annual Report will reflect on the functionality and membership of ward committees in the year

#### 2.3.2.1 ESTABLISHMENT, MEMBERSHIP AND FUNCTIONALITY OF WARD COMMITTEES

Functional Ward Committees are established for all six wards in the Cape Agulhas Municipal Area.

##### a) Functionality

The table below provides a summary of the functionality of ward committees during the year under review.

TABLE 33 FUNCTIONALITY OF WARD COMMITTEES

WARD	COMMITTEE ESTABLISHED YES / NO	NUMBER OF REPORTS SUBMITTED TO THE SPEAKER'S OFFICE	NUMBER WARD COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF PUBLIC WARD MEETINGS HELD DURING THE YEAR
1	Yes	4	10	5
2	Yes	4	10	5
3	Yes	4	11	4
4	Yes	4	8	8
5	Yes	4	13	7
6	Yes	4	9	6

##### b) Membership and meetings

The following tables provides an overview of the membership and meeting dates of ward committees.

TABLE 34 WARD COMMITTEE MEMBERSHIP AND FUNCTIONALITY

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
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<b>Cllr R Ross</b>	<b>Ward Councillor</b>	19 July 2022
M Partington	Huis Klippe Drift	22 August 2022
H Mellet	Napier Community Police Forum	19 September 2022
I Boshoff	Napier Neighbourhood Watch	11 October 2022
T Willmot	Napier Residents Association	15 November 2022
J De Kock	Overberg District Agricultural Association	14 February 2023
Kent Georgala	Cape Agulhas Business Association	10 March 2023
R Fuller	Napier Heritage and Conservation Body until September 2022	4 April 2023 24 May 2023
O de Jamaer	Napier Heritage and Conservation Body from October 2022	13 June 2023
A van Breda	Elim Opsienersraad	
N Mcapukisi	Napier Informal Area	
P Bruintjies	Spanjaardskloof Residents	

**WARD 2: PART OF BREDASDORP, KLIPDALE, HOUTKLOOF AND SURROUNDING FARMS**

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>Ald D Jantjies</b>	<b>Ward Councillor</b>	18 July 2022
L Japhta	Babbel en Krabbel Kleuterskool	8 August 2022
B Signeur	AMSSS	12 September 2022
D Elliot	De Heide Primary	22 November 2022
S Pieters	Bredasdorp Rangers Rugby Club	30 January 2023
E White	Bredasdorp CPF	27 February 2023
E Brown	Paddy's Park Neighbourhood Watch until September 2022	15 March 2023 3 April 2023
H Eksteen	Standards Rugby Club from October 2022	22 May 2023
F Koeberg	Anglican Church Men Society	19 June 2023
C September	Klipdale Residents until April 2023	
E Wilschutte	Klipdale Residents from June 2023	
M Olivier	Liefdesnessie Dienssentrum	
I Adams	Bredasdorp Cricket Club	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>Cllr R Louw</b>	<b>Ward Councillor</b>	21 July 2022
D Petersen	Blue Crane Disables	3 August 2022
I Bam	Lesedi Educare	3 September 2022
K Anderson	Bredasdorp CPF	20 October 2022
X Waxa	Bredasdorp Taxi Association	22 November 2022
W Kweyama	Cape Agulhas Local Football Association	25 January 2023
R Windvogel	Bredasdorp Nutrition and Development	20 February 2023
R January	Little Angels Educare	14 March 2023
PJ Siljeur	Bredasdorp Rangers Rugby Club until March 2023	5 April 2023
S September	Bredasdorp Rangers Rugby Club from April 2023	23 May 2023
C Louw	Betanie Pentecostal Church	14 June 2023
B Gope	Zwelitsha Informal Area	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>Ald J Nieuwoudt</b>	<b>Ward Councillor</b>	19 July 2022
L du Toit	Otto du Plessis Hospital facility Council until February 2023	13 September 2022 25 October 2022
M Louw	Otto du Plessis Hospital facility Council from March 2023	22 November 2022 7 February 2023
S van Dyk	ACVV Bredasdorp	28 March 2023
W Joubert	AGS Church	11 April 2023
M Olivier	High School Bredasdorp until January 2023	4 June 2023
T Diedericks	High School Bredasdorp from February 2023	
J Bester	DR Church Bredasdorp	
E le Roux	Bredasdorp CPF	
R Maytham	Bredasdorp Health and Welfare	
H Odendaal	ACVV Service Centre	
A Temmers	Protem Community	
J Neethling	Suideroord ACVV Home for the elderly	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>ClIr G Olwage</b>	<b>Ward Councillor until November 2022</b>	4 August 2022
<b>ClIr A Eksteen</b>	<b>Ward Councillor from February 2023</b>	18 August 2022
E Krige	Cape Agulhas Business Association	1 September 2022
J Hickman	Suidpunt Residents Association until February 2023	20 October 2022
C Lourens	Suidpunt Residents Association from March 2023	10 November 2022
S Lourens	Struisbaai CPF	15 November 2022
G de Kock	Agulhas Erfenis Vereniging	5 December 2022
A.L Fourie	Onse Hoop Community Centre	5 February 2023
M Carstens	Suidpunt Conservation Association	16 March 2023
T Haynes	NGK Suidpunt	20 April 2023
P Albertyn	Overberg District Agricultural Association	4 May 2023
M van Rooy	Struisbaai Informal Area	30 May 2023
J Taljaard	Agulhas National Park until October 2022	28 June 2023
D Strydom	Agulhas National Park (Secundi) from October 2022	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>ClIr J August-Martinus</b>	<b>Ward Councillor</b>	19 July 2022
P Janse	Bredasdorp CPF	11 August 2022
E Spandiel	Selfbou Block (Bredasdorp)	21 September 2022
K Grandfield	Kleinbegin Block (Bredasdorp)	20 October 2022
C Davids	Bregsig Block (Bredasdorp)	22 November 2022
A Klaasen	V-Dub Club	23 February 2023
N September	Volstruiskamp Block (Bredasdorp)	28 March 2023
G Gertse	Sea Hawks Rugby Club	20 April 2023
R Europa	Waenhuiskrans Fishermen Forum until August 2022	14 June 2023
A Marthinus	Waenhuiskrans Fishermen Forum from September 2022 until end March 2023	
J Murtz	Kassiesbaai Block (Arniston)	
J Davids	Selfbou Block (Arniston)	

### 2.3.2.2 WARD COMMITTEE POLICY

The revised Ward Committee Policy was approved on 30 June 2023 (Resolution 124/2023)

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### 2.3.2.3 WARD COMMITTEE HIGHLIGHTS AND CHALLENGES

#### a) Ward Committee Highlights

- 2 Ward Committee Members of each ward serve on the CAMAF of the Municipality
- Members of Ward 3 are actively involved in the RSEP programme of the Municipality
- Ward Committee members' involvement in social programmes within their Wards
- Active involvement in participation in our local development planning processes which enable them to provide valuable inputs and suggestions for the compilation of our IDP and Budget
- Problem solving – ward committee members specially in ward 3, play a crucial role in identifying and addressing ward issues and challenges
- Community participation - Ward committees provide an opportunity for wards residents to actively engage on affairs of local government and they make a significant contribution for improvement in the community

#### b) Ward committee challenges

- To improve the feedback from sector representatives on the Ward Committees.
- The quality of report writing
- The quality of minute taking
- Failure to attend meetings results in information not reaching respective wards, and this means that the community are unaware of the issues the Municipal Council wishes to communicate.
- Members of ward committees have 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.

Following the resignation of the CRO, four of the five municipalities in the district continued with the shared service model. The ODM had difficulty recruiting a new CRO and relied on temporary appointments during the year under review, who added value but left a lot of uncertainty in terms of future planning. The shared service was dissolved at the end of the financial year and each Municipality required to appoint its own Chief Risk Officer and manage its own risk portfolio. Part of the dissolution agreement was that the ODM would establish a District Risk Forum where Risk Officers could share knowledge. The District Risk Management Forum was established and had successful engagements throughout the financial year.

The initiatives and actions performed by the Risk Management Unit (RMU) during 2022/23 include:

- A comprehensive annual departmental risk assessment, involving the heads of department, which contributed to the compilation of a detailed risk register.
- Compilation of mitigating risk actions for the departmental operational and strategic risks
- Continuous emphasis on fraud and corruption risks and the related risk action plans.
- Continuous awareness and development of an ethical culture within the municipality.
- Published regular articles on Risk management, Fraud, Ethics and Business continuity in the municipality's in-house newspaper.
- Monitoring of the risk management implementation plan.
- Monthly updates on risk action plans by managers and monitoring by the Risk Management Unit.
- Annual review of Risk Management Statutory documents which includes Risk Management Strategy, Risk Management Policy, Fraud and Risk Management Charter.
- Annual review of Anti-Corruption and Fraud Prevention Strategy, Policy, and Plan.
- Reviewed and updated the Risk Management Implementation Plan which is also done annually.
- Reviewed and updated the municipality's Code of Ethics.
- Annual review of the Combined Assurance Policy Framework and quarterly compilation of the Combined Assurance Model based on the Combined Assurance Policy Framework adopted by Council.
- The Business Continuity framework is still under review until more detailed Business Continuity plans are developed.
- Development of Emergency response plans/contingency plans



- Business impact analysis. The purpose of the BIA is to identify the Municipality's mandate and critical services; rank the order of priority of services for continuous delivery or rapid recovery; and identify internal and external impacts of disruptions.
- Participation in the Provincial Risk Management Forum.
- Participation in District Risk Management Forum.
- 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.
- A risk Management audit was conducted by Internal Audit on the adequacy of the Risk Management function. There were some findings which will be rectified. Internal audit recommendations will be implemented.
- 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.
- Risk management is a standing agenda item for Audit and Performance Audit Committee meetings, where the Risk Officer provides feedback.
- Risk Management is a standing item on the management meeting agenda.
- Risk Management training was provided to the Fraud and Risk management Committee, Management and the Audit Committee.
- A monthly strategic risk and risk action report is submitted to portfolio committees which gets tabled to council.
- Management and the audit committee received risk management.

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

The table below indicates the membership and meeting dates.

**TABLE 35 FRAUD AND RISK MANAGEMENT COMMITTEE (FARMCO)**

NAME	CAPACITY	MEETINGS
Mr A Kok	External Chairperson	14 October 2022 (1 <sup>st</sup> quarter reporting)
Mr H Van Biljon	Director: Financial Services and ITC	
Mr H Krohn	Director: Management Services (1 June 2022-28 February 2023)	
Mr H Krohn	Director: Infrastructure Services (1 March 2023-30 June 2023)	20 January 2023 (2 <sup>nd</sup> quarter reporting)
Mrs T Stone	Division Head: Strategic Planning and Administration	14 April 2023 (3 <sup>rd</sup> quarter reporting)
Mrs N Mhlati-Musewe	Division Head: Human Resources and Organizational Development	
Mr W van Zyl	Manager: ICT	
Mr S Cooper	Manager: Electrical Services	14 June (Special FARMCO)
Mrs M Saptou	Manager: Protection Services	14 July 2023 (4 <sup>th</sup> quarter reporting)
<b>STANDING INVITEES</b>		
Mr Z Baca	Chief Audit Executive of Cape Agulhas Municipality (Advisory and observation)	

Mrs L Stevens	Chairperson of the Audit Committee	
Mr N Davids	Risk Management Officer of the Cape Agulhas Municipality (Secretariat).	

**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. 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 it 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 2022/23 commenced in February 2022. 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**

- Capacity / Organisational Structure
- Primary Duties and Responsibilities
- Turnaround time
- Legal Compliance
- Possible risk fraudulent, corrupt, and unethical activities
- Budgetary Issues
- Record Management
- Reporting lines
- Current control weaknesses
- Inter-governmental / inter-departmental relations
- ICT related issues
- Asset Management & Contract Management
- Anomalies
- Findings
- Inefficiencies of Committee Structures
- Democratic Election Process
- POPI & PAIA, PAJA
- Reputational Harm / Damage –
- COVID 19 – Pandemic

The risk assessment results were submitted to the FARMCO who workshopped the Strategic and Operational Risk registers. 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 2022/23:

**TABLE 36 STRATEGIC RISK REGISTER 2022/23**

RISK DESCRIPTION	RESIDUAL RISK	CURRENT CONTROLS	RISK ACTIONS
Power Outages / Loadshedding	High	<ul style="list-style-type: none"> <li>- Generators/standby generators at critical infrastructure and service sites &amp; offices.</li> <li>- Provision has been made in capital and operational budget.</li> <li>- Advance and regular communication with public</li> <li>- Manual back-up processes</li> <li>- Use of laptops, cell phones</li> <li>- Two-way radios</li> </ul>	<ol style="list-style-type: none"> <li>1. Submit business plans to Western Cape Government for solar PV installation at Bredasdorp Wastewater treatment works.</li> <li>2. Submit business plans to Department of Energy and Mineral Resources</li> <li>3. PPP application</li> <li>4. Retrofit program on all old motor control centres</li> <li>5. Financial monitoring/forecasting on electricity</li> <li>6. Increased capacity - two-way radios - Willem</li> </ol>
Non- adherence to Restrictive Permit Conditions (Landfill Sites)	High	<ul style="list-style-type: none"> <li>- Monitoring of the run-off water</li> <li>- A contractor was appointed to transport cover material during lockdown - level 3</li> <li>- Application to reduce the buffer zone to 200m</li> <li>- Implemented external recommendations regarding landfill audit</li> <li>- Upgraded Struisbaai drop off zone</li> </ul>	<ol style="list-style-type: none"> <li>1. Develop a new drop off site at Bredasdorp landfill - Phase</li> <li>2. Medium security fencing</li> <li>3. Stabilization of slopes</li> <li>4. Establishment of Regional landfill steering committee</li> </ol>
Financial viability of the municipality	High	<ul style="list-style-type: none"> <li>- LTFP adopted - June 2015</li> <li>- Strategies adopted - December 2015</li> <li>- Implemented Revenue Enhancement Strategy</li> <li>- Implementation of revised LTFP</li> <li>- Monthly report to finance portfolio committee of long-term financial plan and revenue enhancement framework</li> <li>- Productivity study</li> <li>- Updated LTFP - 2021.</li> </ul>	<ol style="list-style-type: none"> <li>1. (a) Execution of the revenue enhancement framework (execution of targets within planned periods)</li> <li>1.2 (b) Cleansing and updating of indigents</li> <li>1.3 (b) Cleansing and updating of informal settlements</li> <li>2. Monthly report to finance portfolio committee of long-term financial plan and revenue enhancement framework</li> <li>3. Updating of revenue enhancement framework.</li> </ol>
Illegal Erection of Informal Structures and Land invasions	High	<ul style="list-style-type: none"> <li>- Incidents of illegal occupation reported to law-enforcement</li> <li>- Land invasion and squatter control policy - Ongoing training</li> <li>- Inter-departmental SOP (Housing and Law enforcement)</li> <li>- 2 Law Enforcement officials</li> <li>- Informal settlement committee</li> <li>- Monitor activities and incident reporting of squatter control (law enforcement).</li> <li>- Implementation of Land invasion Policy</li> <li>- Planning phase to create service sites for possible relocation of the informal settlement</li> <li>- Upgrade of informal settlement program</li> </ul>	<ol style="list-style-type: none"> <li>1. Integrated meeting with regards to displacement of foreign nationals with all stakeholders which includes, law enforcement, SAPS, Home Affairs, Department of Labor, Department of Justice, human rights commission and the NPA</li> <li>2. Propose to council to give budget and resources to the human settlement function to mitigate risk.</li> <li>3. Implementation of Land invasion Policy</li> </ol>

RISK DESCRIPTION	RESIDUAL RISK	CURRENT CONTROLS	RISK ACTIONS
Inadequate Provision of water supply - source and water quality	Medium	<ul style="list-style-type: none"> <li>- Water demand management. Equipped 2 new boreholes Napier and Suiderstrand.</li> <li>- Monitoring of ground water levels.</li> <li>- Completed Groundwater management plan</li> <li>- 5-year new water services development plan</li> <li>- Complete the equipping of new pump and electricity for boreholes in Suiderstrand and Napier (2-year roll-over budget).</li> </ul>	<ol style="list-style-type: none"> <li>1. Verification and licensing of all ground water sources and drafting of a groundwater management plan.</li> <li>2. Budget for new water pipe replacement</li> <li>3. Source funding - Drafting Business plan for Struisbaai water</li> </ol>
Failure to provide/render effective disaster management function		<ul style="list-style-type: none"> <li>- Disaster Management Plan</li> <li>- Shared service agreement with ODM</li> <li>- Working in collaboration with other spheres of government i.e. JOC, SAPS, Provincial Disaster Management</li> <li>- Winter, summer and holiday readiness plans</li> </ul>	<ol style="list-style-type: none"> <li>1. Council to consider appointing a skilled disaster management official</li> <li>2. Strengthen intergovernmental relations with all stakeholders with regards to disaster management</li> </ol>
Xenophobia attacks within Cape Agulhas		<ul style="list-style-type: none"> <li>- Land Invasion policy</li> <li>- Safety Forum</li> <li>- Integrated support from intergovernmental stakeholders</li> <li>- Cross-border agreement within the Overberg District municipalities</li> </ul>	<ol style="list-style-type: none"> <li>1. Resolve planning to conduct an integrated approach in all informal areas to give effect to the memorandum received by the community with regards to the issue of undocumented foreign nationals.</li> <li>2. Regular monitoring and communication with informal settlement committees with regards to allocation with plots within the informal</li> <li>3 Getting the buy in to safeguard and reporting possible illegal shacks and land grabs. Settlements</li> <li>4. Agreement with other law enforcement agencies e.g., Red ants to unlock their capacity only when a possible incident occurs.</li> </ol>
Protest action / Civil unrest	Medium	<ul style="list-style-type: none"> <li>- Local Economic Development and Social Development Departments in place to implement programs to improve the socio-economic conditions in Cape Agulhas.</li> <li>- Municipal Infrastructure Grants (MIG)</li> <li>- 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. Utilization of an eviction contractor.</li> <li>- Court interdicts</li> </ul>	<ol style="list-style-type: none"> <li>1. Traffic and Law Enforcement Units to respond to protest actions and civil unrest.</li> <li>2. Collaboration with the SAPS to plan for and deal with protests and riots</li> <li>3 Implement Law enforcement strategy.</li> </ol>

RISK DESCRIPTION	RESIDUAL RISK	CURRENT CONTROLS	RISK ACTIONS
		<ul style="list-style-type: none"> <li>- Business Continuity Framework</li> <li>- Collaboration between councillors and municipal officials to engage with communities to find solutions to problems giving rise to protest actions.</li> <li>- Indigent Policy and related subsidies</li> <li>- District Safety Forum</li> <li>- Quarterly report to Fraud and Risk Management Committee</li> <li>- CAM Safety plan</li> </ul>	4. Implement safety plan.

### 2.4.1.3 RISK POLICIES AND STRATEGIES

The Fraud and Risk Management Committee (FARMCO) oversees the municipality’s Risk management. FARMCO has a Charter which sets out their roles and responsibilities which includes the review of the risk management governance documents namely the Risk Management Policy, Risk Management Strategy and Risk Management Implementation Plan and recommends these documents for Council’s approval. These documents were reviewed by FARMCO on 4 August 2022. The charter, policy and strategy were later submitted to Council for approval on 5 October 2022 in line with the National Treasury Risk Management Framework.

TABLE 37 RISK POLICIES AND STRATEGIES

NAME OF DOCUMENT	DEVELOPED: YES/NO	COUNCIL APPROVAL
FARMCO Charter	Yes	5 October 2022 (Council Resolution 237/2022
Risk Management Policy	Yes	5 October 2022 (Council Resolution 237/2022
Risk Management Strategy	Yes	5 October 2022 (Council Resolution 237/2022

### 2.4.2 ANTI-CORRUPTION AND ANTI-FRAUD

Section 6(2)(c) of the Municipal Systems Act (MSA) states that the municipality must take measures to prevent corruption, section 83(1)(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1)(m)(i) obligates the municipality to institute supply chain measures to combat fraud and corruption, favouritism and unfair and irregular practices. The Prevention and Combating of Corrupt Activities Act defines corruption and specific corrupt activities and imposes a reporting obligation on the Accounting Officer.

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

TABLE 38 ANTI CORRUPTION AND FRAUD STRATEGIES

NAME OF STRATEGY	DEVELOPED: YES/NO	DATE ADOPTED
Fraud Prevention and Anti-Corruption Strategy	Yes	5 October 2022 (Council Resolution 237/2022
Fraud Prevention and Anti-Corruption Policy	Yes	5 October 2022 (Council Resolution 237/2022
Fraud Prevention and Anti-Corruption Plan	Yes	5 October 2022 (Council Resolution 237/2022

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

TABLE 39 IMPLEMENTATION STRATEGIES

KEY RISK AREAS	KEY MEASURES TO CURB CORRUPTION AND FRAUD
Policy	A Fraud Prevention and Anti-Corruption Policy is a key defence mechanism because it emphasises that the Municipality has a formal framework in place to deal with fraud and corruption. It answers key questions such as: <ul style="list-style-type: none"> <li>· What is fraud and corruption?</li> <li>· How do we deal with it when it arises?</li> <li>· What are the roles and responsibilities?</li> <li>· What are the sanctions?</li> </ul>
Institutional arrangements	The creation of specific structures (e.g., a fraud and risk committee) and the definition of roles and responsibilities facilitates coordination and management of programme implementation. At municipal level, these would include structures such as internal audit and the external audit committees.
Systems and control	With well-structured and documented systems and controls in place, gaps and loopholes are nullified that are often used to perpetrate fraud and corruption. These systems and controls also enable monitoring and management mechanisms that will facilitate detection where there are attempts to override or circumvent such systems and controls. Importantly, systems and controls will ensure compliance with policies and regulations. Supply chain management is a good example of where systems and controls are crucial in preventing fraud and corruption. The risk management unit developed a fraud risk management tool to help better understand the municipality's fraud exposure, the associated risks and to test the strength of existing controls.
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:

TABLE 40 MEMBERS OF THE AUDIT COMMITTEE

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. P. Strauss	Chairperson	1/07/2022 – 31/01/2023	25/07/2022
Mrs. L. Stevens	Member (Chairperson from 1/02/2023)	1/07/2022 – 30/06/2023	29/08/2022
Mr. N. Vumazonke	Member	1/07/2022 – 31/01/2023	5/10/2022
Mr. J. Gourrah	Member	1/02/2023 – 30/01/2023	26/10/2022
Mr. B. Vink	Member	1/02/2023 – 30/01/2023	10/01/2023
Mrs. Z. Abrahams	Member	1/02/2023 – 30/01/2023	27/01/2023
			24/04/2023

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.

#### 2.4.3.3 MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS AND RESOLUTIONS

None for 2022/23

#### 2.4.4 PERFORMANCE AUDIT COMMITTEE

The Local Government Municipal and Performance Management Regulations require that the Performance Audit Committee comprise a minimum of three members, the majority of whom are external (neither a councillor nor an employee) of the municipality. Section 14(2) (b) stipulates that the Performance Audit Committee must include at least one person who has expertise in performance management. It is also a requirement of Section 14(2)(d) that the Council of a municipality designate a member of the Performance Audit Committee who is neither a councillor nor an employee of the municipality as the Chairperson of the Committee.

##### 2.4.4.1 FUNCTIONS OF THE PERFORMANCE AUDIT COMMITTEE

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

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

##### 2.4.4.2 MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

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

TABLE 41 MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. P. Strauss	Chairperson	1/07/2022 – 31/01/2023	25/07/2022
Mrs. L. Stevens	Member (Chairperson from 1/02/2023)	1/07/2022 – 30/06/2023	29/08/2022
Mr. N. Vumazonke	Member	1/07/2022 – 31/01/2023	5/10/2022
Mr. J. Gourrah	Member	1/02/2023 – 30/01/2023	26/10/2022
Mr. B. Vink	Member	1/02/2023 – 30/01/2023	10/01/2023
Mrs. Z. Abrahams	Member	1/02/2023 – 30/01/2023	27/01/2023 24/04/2023

##### 2.4.4.3 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS

TABLE 42 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2021/22	ACTIONS TAKEN ON RECOMMENDATIONS
25 July 2022	No additional recommendations required	-
26 October 2022	No additional recommendations required	-
27 January 2023	No additional recommendations required	-
24 April 2023	No additional recommendations required	-



**2.4.5 INTERNAL AUDITING**

Section 165 of the MFMA requires that:

The internal audit unit of a municipality must –

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

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

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

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

**TABLE 43 INTERNAL AUDIT FUNCTIONS**

FUNCTION	DATE/NUMBER
▪ Execution of the Risk Based Audit Plan for 2022/23	▪ Ongoing during the financial year
▪ Attendance of various management, Mayco, Council and Portfolio Committee meetings 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 Divisional: Strategic Services with the Service Delivery Budget Implementation Plan through the quarterly auditing of performance	▪ Ongoing during the financial year
▪ Attending the Chief Audit Executive and Chief Risk Officers forums as well as local district internal audit forums where experiences and best practices are shared	▪ Ongoing during the financial year
▪ Auditing of and issuing audit reports on: <ul style="list-style-type: none"> <li>- Municipality’s compliance with Laws and Regulations</li> <li>- Performance measurements and achievement of the municipality’s annual performance targets</li> <li>- Performance measurements and achievement of the Director’s annual performance targets</li> <li>- The municipality’s risk management process</li> <li>- ICT Governance Framework</li> </ul>	▪ Ongoing during the financial year ▪ In terms of the approved audit plan ▪ timelines

<ul style="list-style-type: none"> <li>- Municipal Property Management</li> <li>- Grants received and expended in terms of the Division of Revenue Act, 2022/23</li> <li>- Overtime Management</li> <li>- Fuel Consumption</li> <li>- Credit Control and Debt Collection</li> <li>- Controls over Expenditure Journals</li> <li>- Occupational Health and Safety</li> <li>- Property Valuation</li> <li>- Follow-up: Masakhane</li> <li>- Follow-up: Essential Motor Scheme</li> <li>- Follow-up: Controls over stock issued at Municipal Stores</li> </ul>	
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#### 2.4.6 BY-LAWS, POLICIES, STRATEGIES AND PLANS

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, strategies and plans and by-laws developed and reviewed during the financial year:

**TABLE 44 POLICIES DEVELOPED AND REVIEWED**

POLICY	STATUS	DATE APPROVED	RESOLUTION
Standing rules and procedure regarding disciplinary matters concerning Councillors	New	31 August 2022	214/2022
Anti-Corruption and Fraud Prevention Policy, Strategy and Plan 2022 - 2023	Review	5 October 2022	236/2022
2022/23 Risk Management Policy, Risk Management Strategy and FARMCO Charter	Review	5 October 2022	237/2022
Energy Management Policy	New	10 November 2022	278/2022
Preferential Procurement Policy	Review / Amended	31 January 2023	14/2023
Cape Agulhas Sport- and Recreation Policy	New	28 February 2023	27/2023
Remuneration Policy	Review	31 May 2023	103/2023
Code of Ethics for Municipal Councillors and Staff	Amended	31 May 2023	106/2023
Property Rates Policy	Review/Amended	31 May 2023	110/2023
Masakhane Indigent Support Policy	Review/Amended	31 May 2023	111/2023
Tariff Policy: 2023/24	Review/Amended	31 May 2023	112/2023
Credit Control and Debt Collection: 2023/24	Review/Amended	31 May 2023	112/2023
Anti-Corruption and Fraud Prevention Policy, Strategy and Plan 2023 - 2024	Review	30 June 2023	120/2023
2023/24 Risk Management Policy, Risk Management Strategy and FARMCO	Review	30 June 2023	121/2023
Ward Committee Policy	Review	30 June 2023	124/2023

**TABLE 45 STRATEGIES AND PLANS DEVELOPED AND REVIEWED**

STRATEGY / PLAN	STATUS	DATE APPROVED	RESOLUTION
Law Enforcement Strategy	New	30 September 2022	218/2022
Implementation Plan for Medium-Term Animal Control Intervention Strategy	New	30 September 2022	219/2022
2022/23 Risk Management Implementation Plan	Review	5 October 2022	238/2022
Tourism Marketing Strategy	New	13 December 2022	325/2022
Strategic Institutional Plan: 2022/23 - 2026/27	New	13 December 2022	335/2022
Social Conflict Management Plan	Draft	28 February 2023	26/2023
Cape Agulhas Sport- and Recreation Policy	New	28 February 2023	27/2023

Vandalism /Theft Strategy	New	26 April 2023	62/2023
Energy Resilience Strategy	Draft	31 May 2023	94/2023
Human Settlement Plan	Draft/Review	31 May 2023	100/2023
Informal Settlements Management Plan	New	31 May 2023	101/2023
Cape Agulhas Communication Strategy: 2023	Review	31 May 2023	104/2023

TABLE 43 BY-LAWS DEVELOPED AND REVIEWED

POLICY	STATUS	DATE APPROVED	RESOLUTION
Draft By-Law: Rules of Order for Meetings of Council and Committees	Draft	30 June 2023	122/2023

The Municipalities By-laws can be accessed at: <https://capeagulhas.gov.za/documents/by-laws/>

#### 2.4.7 COMMUNICATION

Communications falls within the office of the Municipal Manager and is done by the Principal Officer: External and Internal Communications and one Communication Officer (Intern) who reports to the Division Head: Strategic Planning and Administration. The communication unit participates actively in the District Public Participation and Communication Forum and Provincial Communicators Technical (COMMTECH) Forum.

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

- Assisting with public participation campaigns like the IDP, SDF, Budget Imbizo's and Ward Feedback Meetings.
- The unit also focussed on internal communication and an induction booklet was updated for the Human Resources Department, Die Kammetjie (Internal Newsletter) was published, and various wellness and educational info-graphic sheets was developed on various topics.
- The Principal Officer: External and Internal Communications presented on the importance of communication within local government at the Staff Induction.
- Editing and photos of the articles published in Die Burger, Cape Times and various other newspapers.
- Weekly and biweekly articles and photos published in local newspapers like Die Suidernuus, Hermanus Times and some others.
- Municipal Matters on Radio Overberg 101.8fm is broadcasted every Thursday at 14h30 with a repeat on Sundays on Sundays at 14h00.
- Create content and publish on the citizen engagement app.
- Developed content for the management of an internal and external app marketing campaign.
- Regular photographic coverage of different events ranging from ministerial visits, municipal events, 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 and articles for newspaper coverage.
- Doing live videos during various municipal and stakeholder events and conducting interviews for video and radio.
- Stakeholder relations with various government departments and media.
- Management of media relations during disasters and unrest.
- Regular stock photos for tourism and general communication purposes.
- Photos published on billboards for tourism purposes.
- 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 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 (WhatsApp and Facebook).
- Formulation of responses to questions and comments on social media in conjunction with the relevant departments.
- Different video campaigns were conducted and produced for social media. These videos were also converted to audio and broadcasted on radio.
- Ongoing video production for Coffee-date with Mayor Swart.
- Civic Education campaign in partnership with Western Cape Government: Public Participation and Civics Academy.

#### 2.4.7.1 COMMUNICATION POLICIES AND STRATEGIES

The Communication Strategy and Implementation Plan Review was tabled to and approved by council after consultation sessions with all municipal departments and council. GCIS and Western Cape Government DLG Communication facilitated the process in conjunction with CAM Communications

TABLE 44 COMMUNICATION RELATED POLICIES AND STRATEGIES

POLICY / STRATEGY	DATE APPROVED
Communication Strategy and Implementation Plan Review	31 May 2023

#### 2.4.7.2 COMMUNICATION PLATFORMS

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

TABLE 45 COMMUNICATION CHANNELS

CHANNEL	YES/NO	NUMBER OF PEOPLE REACHED 2022/23
Facebook	Yes	17 689 followers with an average post reach of 42255
Twitter	Yes	184
Instagram	Yes	803
SMS system	Yes	36814
E-mail newsflashes	Yes	6000
Radio (weekly slot)	Yes	20 000 RAMS (6 months)
YouTube	Yes	345 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.

The Municipality has developed a new website which was launched in December 2022

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

**TABLE 46 WEBSITE CHECKLIST**

DESCRIPTION OF INFORMATION AND/OR DOCUMENT	PUBLISHED YES/NO
<b>Municipal contact details (Section 14 of the Promotion of Access to Information Act)</b>	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
<b>Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)</b>	
Budget	Yes
Adjusted Budget	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	Yes
<b>Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)</b>	
Reviewed IDP	Yes
IDP Process Plan for (Time schedule of key deadlines)	Yes
<b>Reports (Sections 52(d), 71, 72 &amp; 75(1)(c) and 129(3) of the MFMA)</b>	
Annual Report	Yes
Oversight report	Yes
Mid-year budget and performance assessment (Approved 25 January 2022)	Yes
Quarterly reports	Yes
Monthly Budget Statements	Yes
<b>Local Economic Development (Section 26(c) of the MSA)</b>	
Local Economic Development Strategy	Yes
<b>Performance Management (Section 75(1)(d) of the MFMA)</b>	
Performance Agreements for employees appointed as per Section 57 of MSA	Yes
<b>Assurance Functions (Sections 62(1), 165 &amp; 166 of the MFMA)</b>	
Internal Audit Charter	Yes
Audit Committee Charter	Yes
Risk Management Strategy & Implementation Plan	Yes

#### 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

**TABLE 47 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	No	No customer satisfaction survey was done in this financial year
Mini-Customer Care Surveys	No	No Mini-customer care survey was done in this financial year
Complaints quality assurance	Yes	Continuous
Client Services Charter review	Yes	Finalized

Functional after-hours emergency desk	Yes	Currently done in conjunction with the Overberg District Municipality - 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 Collab Citizen App integrates seamlessly with the Collaborator Service Requests System

The complaints report from the Collaborator system for 2022/23 is as follows:

FIGURE 6 COMPLAINTS REPORT SUMMARY 2022/23

TOTAL COMPLAINTS	COMPLETED	NOT COMPLETED
6552	6422	130

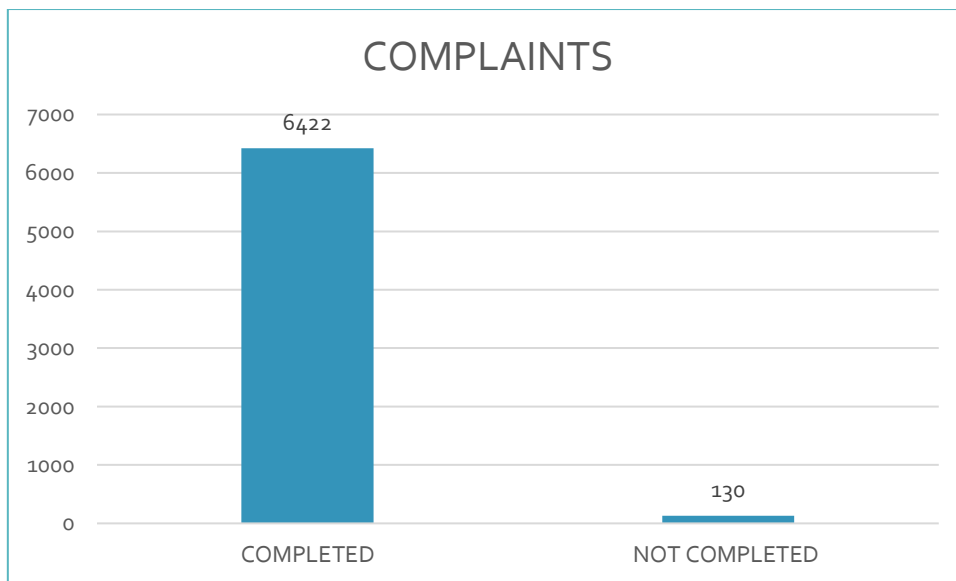


TABLE 48 COMPLAINTS PER TOWN

TOWNS	COMPLAINTS FINALISED	COMPLAINTS OUTSTANDING	Total 2022/23
Agulhas	533	8	541
Arniston	141	3	144
Bredasdorp	3607	62	3669
Elim	13	0	13
Klipdale	17	1	18
Napier	935	26	961
Protem	21	2	23
Struisbaai	1070	26	1096

Suiderstrand	85	2	87
<b>Total</b>	6422	130	6552

#### 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 28 June 2022, 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 2020/21 financial year:

**TABLE 49 BID COMMITTEE MEETINGS**

BID SPECIFICATION COMMITTEE	BID EVALUATION COMMITTEE	BID ADJUDICATION COMMITTEE
32	31	24

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

**TABLE 50 ATTENDANCE OF MEMBERS OF BID SPECIFICATION COMMITTEE**

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

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

**TABLE 51 ATTENDANCE OF MEMBERS OF BID EVALUATION COMMITTEE**

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



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

**TABLE 52 ATTENDANCE OF MEMBERS OF BID ADJUDICATION COMMITTEE**

Member	Period	Percentage attendance
H Van Biljon (Director: Finance & ITC Services)	1 July 2022-30 June 2023	83.33%
S Stanley (Manager: Budget & Treasury Office)	1 July 2022-30 June 2023	87.50%
H Kröhn Director: Management Services)	1 July 2022 – 28 February 2023	87.00%
M Moelich (Acting Director: Management Services)	1 March 2022 – 30 June 2023	75.00%
A Jacobs (Director: Infrastructure Services)	1 July 2022 - 30 September 2022)	25%
H Kröhn (Director: Infrastructure Services)	1 March 2022 – 30 June 2023	100%
N Mhlati-Musewe (Div. Head: Human Resources)	1 July 2022-30 June 2023	83.33%
T Stone (Div. Head: Strategic, Planning & Administration Services)	1 July 2022-30 June 2023	87.50%
R Sefoor (Manager Supply Chain Management)	1 July 2022-30 June 2023	87.50%
<b>AD-HOC members</b>		
N Kruger - Director: Financial Services (Overberg District Municipality)		
R Geldenhuys - Manager Emergency Services (Overberg District Municipality)		
D Kapot-Witbooi- Manager: Supply Chain Management (Overberg District Municipality)		

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

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

The following awards were made by the BAC:

**TABLE 53 SUMMARY OF AWARDS MADE BY BAC**

AWARDS	1 <sup>ST</sup> QUARTER		2 <sup>ND</sup> QUARTER		3 <sup>RD</sup> QUARTER		4 <sup>TH</sup> QUARTER		YEAR TO DATE	
	1 July – 30 September 2022		1 October – 31 December 2022		1 January – 31 March 2023		1 April – 30 June 2023		1 July 2022 – 30 June 2023	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Competitive Bids	6	R 5 891 363,75	13	R 29 270 263,39	8	R 8 664 572,77	8	R 16 374 341,02	35	R 60 200 540,93
Formal Written Quotations	10	R 876 805,09	2	R 151 555,99	2	R 143 844,00	1	R 56 700,00	15	R 1 228 905,08
Extensions / Amendment of Contracts In Terms Of Part 20.14 Of The SCMPOS	1	RATES	4	R 5 148 127,99	2	R 536 684,76	0	R 0,00	7	R 5 684 812,75
Cancelled Tenders/Formal Written Quotation	1		0		2		0		3	
Number of Disputes, Complaints, Enquiries and Objections Received	0		0		0		0		0	

## b) Ten highest bids

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

TABLE 54 SUMMARY OF TEN HIGHEST BIDS

TENDER NR	DIRECTORATE	DEPARTMENT	DESCRIPTION	SUCCESSFUL TENDERER	CONTRACT AMOUNT
SCM3/2022/23	INFRASTRUSTURE SERVICES	WATER & SANITATION	UPGRADING OF NAPIER WASTEWATER TREATMENT WORKS MECHANICAL INSTALLATION	ALVEO WATER (PTY) LTD	R 7 066 477,66
SCM20/2022/23	INFRASTRUCTURE SERVICES	ROADS & STORMWATER	REHABILITATION OF STREETS IN THE CAM AREA	MARTIN & EAST (PTY) LTD	R 6 880 901,31
SCM18/2022/23	INFRASTRUCTURE SERVICES	WATER & SANITATION	MAINTENANCE CONTRACT OF MECHANICAL AND ELECTRICAL EQUIPMENT FOR WATER AND SANITATION INFRASTRUCTURE AT CAPE AGULHAS MUNICIPALITY FOR <b>PERIOD ENDING 30 OCTOBER 2025</b>	CHE ELEC ENG (PTY) LTD	R 6 664 250,00
SCM39/2022/23	MANAGEMENT SERVICES	PROTECTION SERVICES	THE PROVISION OF SOFTWARE LICENSES AND RENTAL OF EQUIPMENT FOR TRAFFIC- AND LAW ENFORCEMENT CONTRAVENTION SYSTEM FOR A PERIOD OF 3 YEARS (1 JUL 2023 - 30 JUN 2026)	TMT SERVICES AND SUPPLIES (PTY) LTD T/A TRAFFIC MANAGEMENT TECHNOLOGIES	R 5 680 219,93
SCM31/2022/23	INFRASTRUCTURE SERVICES	SOLID WASTE	CONSTRUCTION OF A SOLID WASTE DROP-OFF FACILITY AND ASSOCIATED WORKS AT BREDASDORP	SA PROFESSIONAL GROUP OF COMPANIS PTY LTD	R 4 865 563,75
SCM8/2022/23	INFRASTRUCTURE SERVICES	ROADS & STORMWATER	UPGRADING OF SUIDERSTRAND ROAD: PHASE 2	KATSEN CONSTRUCTION (PTY) LTD	R 4 257 167,75

## 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 38 bids over the value of R100 000 during the 2022/23 financial year.

TABLE 55 REPORTED BIDS OVER R100 000

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE
T67/2022	REPAIR THE OFFLOADING AREA AT THE NAPIER AND WAENHUISKRANS DROP OFF SITE - <a href="#">SCM1/2022/23</a>	PPD ENGINEERING AND HARDWARE SUPPLIERS CC	Level 1	Competitive bidding	R 156 216,00	R 147 085,00	R 9 131,00
T76/2022	CAPE AGULHAS MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK 2022-2027 - <a href="#">SCM12/2022/23</a>	ASIKA CONSULTING (PTY) LTD	Level 1	Competitive Bidding	R 784 116,00	R 784 116,00	-
T81/2022	UPGRADING OF SUIDERSTRAND ROAD: PHASE 2 - <a href="#">SCM8/2022/23</a>	KATSEN CONSTRUCTION (PTY) LTD	Level 1	Competitive Bidding	R 4 257 167,75	R 4 257 167,75	-
T65/2022	SUPPLY & DELIVERY OF VSD TRANSDUCERS - <a href="#">Q1/2022/23</a>	M BOND ENGINEERING (PTY) LTD	Level 1	Formal Written Quotations	R 112 240,00	R 112 240,00	-
T70/2022	SUPPLY, DELIVERY & INSTALLATION OF OUTDOOR GYM EQUIPMENT IN FLETCHER STREET, BREDASDORP - <a href="#">Q3/2022/23</a>	D2SL STEEL PROJECTS (PTY) LTD	Level 1	Formal Written Quotations	R 135 500,00	R 135 500,00	-
T78/2022	SUPPLY & NETWORK EQUIPMENT - <a href="#">Q4/2022/23</a>	UBUNTU TECHNOLOGY (PTY) LTD	Level 1	Formal Written Quotations	R 161 181,23	R 161 181,23	-
T93/2022	UPGRADING OF SIDEWALKS IN BREDASDORP, PHASE 2 - <a href="#">SCM9/2022/23</a>	KATSEN CONSTRUCTION PTY LTD	Level 1	Competitive Bidding	R 521 898,75	R 521 898,75	-
T90/2022	SUPPLY AND INSTALLATION OF BOREHOLE PUMPS IN L'AGULHAS	HIDRO-TECH SYSTEMS (PTY) LTD	Level 1	Formal Written Quotations	R 170 488,65	R 170 488,65	-

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE
	AND STRUISBAAI - <u>Q10/2022/23</u>						
T96/2022	UPGRADING OF SIDEWALKS IN STRUISBAAI - <u>SCM10/2022/23</u>	LUCEM GROUP PTY LTD	Level 1	Competitive Bidding	R 522 721,00	R 522 721,00	-
T97/2022	UPGRADING OF VAN DER BIJL STREET IN NAPIER - <u>SCM14/2022/23</u>	ALERT DEVELOPMENTS (PTY) LTD	Level 1	Competitive Bidding	R 2 032 121,30	R 2 016 093,75	R 16 027,55
T99/2022	UPGRADING OF NAPIER WASTEWATER TREATMENT WORKS MECHANICAL INSTALLATION - <u>SCM3/2022/23</u>	ALVEO WATER (PTY) LTD	Level 2	Competitive Bidding	R 7 066 477,66	R 7 066 477,66	-
T101/2022	UPGRADING OF STORMWATER MAIN ROAD L'AGULHAS & PROTEA STREET STRUISBAAI - <u>SCM13/2022/23</u>	MATEMELA ENTERPRISE CC	Level 1	Competitive Bidding	R 1 045 557,00	R 1 045 557,00	-
T102/2022	CONSTRUCTION OF A NEW SKATEBOARD PARK IN BREDASDORP - <u>SCM16/2022/23</u>	LUCOR CONSTRUCTION PTY LTD	Level 4	Competitive Bidding	R 742 625,68	R 742 625,68	-
T104/2022	SUPPLY & DELIVERY OF STEEL STRUCTURE FOR INFORMAL VENDORS - <u>Q13/2022/23</u>	M BOND ENGINEERING (PTY) LTD	Level 1	Competitive Bidding	R 112 855,59	R 112 855,59	-
T107/2022	DEVELOPMENT OF AN ELECTRICITY MASTER PLAN FOR CAPE AGULHAS MUNICIPALITY - <u>SCM22/2022/23</u>	MOTLA CAPE PTY LTS T/A MOTLA CONSULTING ENGINEERS	Level 2	Competitive Bidding	R 332 150,42	R 332 150,42	-
T108/2022	SUPPLY, DELIVERY, INSTALL &	CHE ELEC ENG (PTY) LTD	Level 1	Competitive Bidding	R 871 474,60	R 871 474,60	-

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE
	COMMISSION OF GENERATORS FOR CAPE AGULHAS MUNICIPALITY - SCM23/2022/23						
T110/2022	PROVISION OF VACUUM TANKER SERVICES FOR THE FESTIVE SEASON - SCM17/2022/23	JUNO CORP (PTY) LTD	Level 6	Competitive Bidding	R 362 250,00	R 362 250,00	-
T111/2022	MAINTENANCE CONTRACT OF MECHANICAL AND ELECTRICAL EQUIPMENT FOR WATER AND SANITATION INFRASTRUCTURE AT CAPE AGULHAS MUNICIPALITY FOR PERIOD ENDING 30 OCTOBER 2025 - SCM18/2022/23	CHE ELEC ENG (PTY) LTD	Level 1	Competitive Bidding	R 6 664 250,00	R 6 664 250,00	-
T112/2022	REHABILITATION OF STREETS IN THE CAM AREA - SCM20/2022/23	MARTIN & EAST (PTY) LTD	Level 1	Competitive Bidding	R 6 880 901,31	R 6 880 901,31	-
T114/2023	FINANCIAL MANAGEMENT & ACCOUNTING SERVICES FOR A PERIOD OF 3 YEARS ( 1 JANUARY 2023 - 30 DECEMBER 2025) - SCM5/2022/23	SIYANDA BUSINESS SOLUTIONS (PTY) LTD	Level 2	Competitive Bidding	R 2 034 861,61	R 2 034 861,61	-
T115/2023	FINANCIAL SERVICES – UNBUNDLING OF INFRASTRUCTURE ASSET ACCORDING TO GRAP 17 FOR A PERIOD OF 3 YEARS ( 1 JANUARY 2023 - 30	TSHOLOMUBESKO CONSORTIUM	Level 2	Competitive Bidding	R 1 861 689,69	R 1 861 689,69	-

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE
	DECEMBER 2025) - SCM6/2022/23						
T2/2023	CONSTRUCTION OF A SOLID WASTE DROP-OFF FACILITY AND ASSOCIATED WORKS AT BREDASDORP - SCM31/2022/23	SA PROFESSIONAL GROUP OF COMPANIS PTY LTD	Level 1	Competitive Bidding	R 4 865 563,75	R 4 865 563,75	-
T3/2023	REPAIR OF TIDAL POOL IN L'AGULHAS - SCM25/2022/23	POTTS DEVCO PTY LTD	Level 1	Competitive Bidding	R 248 716,25	R 248 716,25	-
T6/2023	APPOINTMENT OF PANEL OF SERVICE PROVIDERS FOR VARIOUS TRAINING PROGRAMMES FOR A PERIOD OF 3 YEARS - 1. OPERATE BRUSH CUTTER 2. OPERATE AND MAINTAIN CHAINSAW 3. OPERATE A CHIPPER - SCM26/2022/23	EZOLIZMO TRAINING AND SUPPLY PTY LTD	Level 2	Competitive Bidding	R 183 019,85	R 183 019,85	-
T7/2023	APPOINTMENT OF PANEL OF SERVICE PROVIDERS FOR VARIOUS TRAINING PROGRAMMES FOR A PERIOD OF 3 YEARS - MAINTENANCE, PLANNING AND SCHEDULING TRAINING - SCM26/2022/23	GAUTENG CITY COLLEGE PTY LTD	Level 2	Competitive Bidding	R 183 750,00	R 183 750,00	-
T9/2023	SUPPLY & DELIVERY OF WHEELIE BINS FOR A PERIOD OF 3	COCOPAN PTY LTD	Level 1	Competitive Bidding	R 1 402 154,75	R 1 402 154,75	-

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE
	YEARS - SCM28/2022/23						
T5/2023	SUPPLY & INSTALLATION OF ACOUSTIC FOAM PANELS - Q18/2022/23	POTTS DEVCO PTY LTD	Level 1	Formal Written Quotation	R 104 075,00	R 104 075,00	
T13/2023	CONSTRUCTION OF A CPF CONTAINER OFFICE AT ANENE BOOYSEN URBAN PARK IN BREDASDORP - SCM19/2022/23	MATAMELA ENTERPRISE CC	Level 1	Competitive Bidding	R 411 424,00	R 411 424,00	-
T14/2023	DEVELOPMENT OF AN ELECTRICITY DISTRIBUTION COST OF SUPPLY STUDY FOR CAPE AGULHAS MUNICIPALITY - SCM21/2022/23	MOTLA CAPE PTY LTS T/A MOTLA CONSULTING ENGINEERS	Level 2	Competitive Bidding	R 340 119,17	R 340 119,17	-
T19/2023	REVIEW OF THE ORGANISATIONAL STRUCTURE OF CAPE AGULHAS MUNICIPALITY - SCM33/2022/23	AGITO MINDS (PTY) LTD	Level 2	Competitive Bidding	R 963 700,00	R 963 700,00	
T21/2023	SUPPLY, DELIVERY, INSTALL & COMMISSION OF GENERATORS FOR CAPE AGULHAS MUNICIPALITY - SCM35/2022/23	CHE ELEC ENG PTY LTD	Level 1	Competitive Bidding	R 3 844 070,50	R 3 844 070,50	-
T23/2023	UPGRADING OF BREDASDORP WATER TREATMENT WORK - SCM32/2022/23	TESS ENGINEERS RSA PTY LTD	Level 2	Competitive Bidding	R 3 220 463,71	R 3 220 463,71	-
T24/2023	SUPPLY AND DELIVERY OF THREE (3) ABLUTION	TEMMO'S SHADE PORTS AND CLEANING SERVICES PTY LTD	Level 1	Competitive Bidding	R 422 280,00	R 422 280,00	

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE
	CONTAINERS - SCM34/2022/23						
T25/2023	RENTING OF 800 SQUARE METERS STORAGE FACILITY - SCM37/2022/23	LC JORDAAN VERVOER BK T/A OVERTRANS	Level 4	Competitive Bidding	R 507 840,00	R 507 840,00	
T27/2023	L'AGULHAS WATER NETWORK ADJUSTMENT FOR NEW PRESSURE ZONE - SCM36/2022/23	CAPE AGULHAS CIVILS CC	Level 2	Competitive Bidding	R 1 056 319,28	R 1 056 319,28	
T29/2023	THE PROVISION OF SOFTWARE LICENSES AND RENTAL OF EQUIPMENT FOR TRAFFIC- AND LAW ENFORCEMENT CONTRAVENTION SYSTEM FOR A PERIOD OF 3 YEARS (1 JUL 2023 - 30 JUN 2026) - SCM39/2022/23	TMT SERVICES AND SUPPLIES (PTY) LTD T/A TRAFFIC MANAGEMENT TECHNOLOGIES	Level 1	Competitive Bidding	R 5 680 219,93	R 5 680 219,93	
T32/2023	SUPPLY & DELIVERY OF SMART WATER METERS - SCM40/2022/23	LESIRA-TEQ PTY LTD	Level 1	Competitive Bidding	R 894 718,40	R 894 718,40	
T33/2023	TRANSPORTATION OF CASH FOR A PERIOD OF 3 YEARS (1 JUL 2023 - 30 JUN 2026) - SCM1/2023/24	FIDELITY CASH SOLUTION PTY LTD	Level 1	Competitive Bidding	R 748 429,20	R 748 429,20	
<b>TOTAL</b>					<b>R 61 905 608,03</b>	<b>R 61 880 449,48</b>	<b>R 25 158,55</b>

\*\*Zero expansion value on any of the contracts

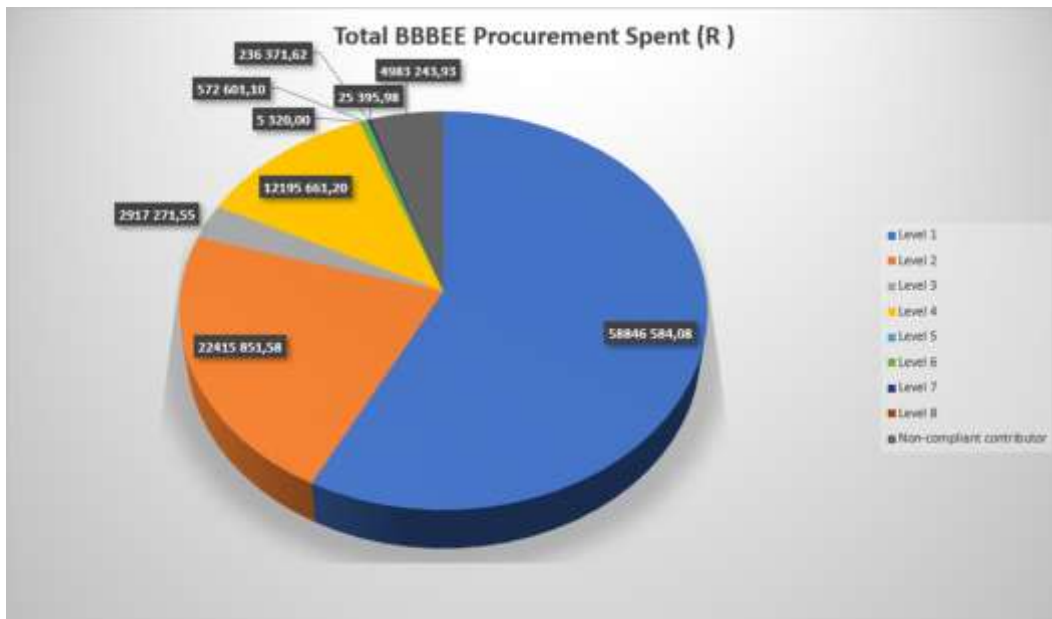
The following table indicates what the Municipality is spending in terms of BBBEE for the financial year.

**TABLE 56 SUMMARY OF BBBEE SPENDING FOR THE FINANCIAL YEAR**



BEE LEVEL	TOTAL SPENT (R)	NUMBER OF TRANSACTIONS
Level 1	R58 846 584,08	1200
Level 2	R22 415 851,58	350
Level 3	R2 917 271,55	62
Level 4	R12 195 661,20	1168
Level 5	R5 320,00	4
Level 6	R572 601,10	10
Level 7	R236 371,62	4
Level 8	R25 395,98	4
NON-COMPLIANT CONTRIBUTOR	R4 983 243,93	1006

FIGURE 7 SUMMARY OF BBBEE SPENDING FOR THE FINANCIAL YEAR



d) 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 2022/23 financial year.

2.4.10.3 DEVIATIONS FROM NORMAL PROCUREMENT PROCESSES

The following table provides a summary of deviations approved for the 2022/23 financial year:

TABLE 57 SUMMARY OF DEVIATIONS

NUMBER OF DEVIATIONS	VALUE OF DEVIATIONS
Deviations for amounts below R30 000:	
26	R276 873.19
Deviations for amounts above R30 000:	
7	R470 092.35

Deviations for amounts above R200 000:	
7	R5 694 666.16

**TABLE 58 BREAKDOWN OF DEVIATIONS**

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

<b>DEVIATIONS FROM MINOR BREACHES OF THE SUPPLY CHAIN MANAGEMENT POLICY (SCM REGULATIONS 36 (1) (A), (I) (II), (III), (IV)&amp;(V))</b>		
<b>Deviations below R30 000</b>	<b>YTD 2021/22</b>	<b>YTD 2022/23</b>
36 (1) (a) (i): Emergency	R6 606,75	R0,00
36 (1) (a) (ii): Sole Provider	R50 621,93	R60 119,95
36 (1) (a) (iii): Special Works of art	R0,00	R0,00
36 (1) (a) (iv): Animals for zoos	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R186 387,38	R216 753,24
<b>BELOW R30 000</b>	<b>R243 616,06</b>	<b>R276 873,19</b>
<b>Deviations above R30 000</b>		
36 (1) (a) (i): Emergency	R0,00	R63 327,05
36 (1) (a) (ii): Sole Provider	R180 780,00	R110 400,00
36 (1) (a) (iii): Special Works of art	R0,00	R0,00
36 (1) (a) (iv): Animals for zoos	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R267 576,39	R296 365,30
<b>ABOVE R30 000</b>	<b>R448 356,39</b>	<b>R470 092,35</b>
<b>Deviations above R200 000</b>		
36 (1) (a) (i): Emergency	R0,00	R5 485 790,50
36 (1) (a) (ii): Sole Provider	R0,00	R0,00
36 (1) (a) (iii): Special Works of art	R0,00	R0,00
36 (1) (a) (iv): Animals for zoos	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R0,00	R208 875,66
<b>ABOVE R200 000</b>	<b>R0,00</b>	<b>R5 694 666,16</b>
<b>TOTAL SUMMARISED DEVIATIONS:</b>		
36 (1) (a) (i): Emergency	R6 606,75	R5 549 117,55
36 (1) (a) (ii): Sole Provider	R231 401,93	R170 519,95
36 (1) (a) (iii): Special Works of art	R0,00	R0,00
36 (1) (a) (iv): Animals for zoos	R0,00	R0,00
36 (1) (a) (v): Impractical or Impossible	R453 963,77	R721 994,20
<b>TOTAL AMOUNT OF DEVIATIONS APPROVED</b>	<b>R691 972,45</b>	<b>R6 441 631,70</b>

#### 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 Thursday 29 June 2023. No surpluses or deficits was found during the stock count.

**TABLE 59 STOCK VALUE AT MUNICIPAL STORES**

STORE	OPENING VALUE	PURCHASES VALUE	ISSUES VALUE	BALANCE VALUE
Store A – Bredasdorp Stores	R 1 485 734,18	R 112 667,34	-R 109 690,84	R 1 488 710,68
Store B – Electrical Stores	R 493 809,50	R 0,00	R 0,00	R 493 809,50
Store C – Struisbaai Stores	R 138 610,85	R 0,26	-R 15 056,85	R 123 554,26
Total value of stock	R 2 118 154,53	R 112 667,60	-R 124 747,69	R 2 106 074,44

#### 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 2022/23 financial year.

**TABLE 60 PROCUREMENT STATISTICS**

REQUISITIONS PER DEPARTMENT	1ST QUARTER: 1 JULY - 30 SEPTEMBER 2022		2ND QUARTER: 1 OCTOBER - 30 DECEMBER 2022		3RD QUARTER: 1 JANUARY - 30 MARCH 2023		4TH QUARTER: 1 APRIL - 30 JUNE 2023		YTD SUMMARY	
	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE
Administration	3	R12 323,25	4	R14 747,72	5	R5 587,52	3	R3 627,78	15	R36 286,27
Budget and Treasury	0	R0,00	1	R1 960,00	0	R0,00	2	R59 409,00	3	R61 369,00
Building Control	7	R15 123,27	0	R0,00	6	R7 437,59	3	R4 933,53	16	R27 492,39
Communication	1	R585,00	0	R0,00	0	R0,00	0	R0,00	1	R585,00
Community Development	0	R0,00	1	R1 959,60	0	R0,00	0	R0,00	1	R1 959,60
Councillor and Ward Committee	2	R890,78	2	R143 678,86	0	R0,00	0	R0,00	4	R144 569,64

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REQUISITIONS PER DEPARTMENT	1ST QUARTER: 1 JULY - 30 SEPTEMBER 2022		2ND QUARTER: 1 OCTOBER - 30 DECEMBER 2022		3RD QUARTER: 1 JANUARY - 30 MARCH 2023		4TH QUARTER: 1 APRIL - 30 JUNE 2023		YTD SUMMARY	
	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE
Economic Development	5	R39 837,69	16	R172 417,89	5	R69 438,26	7	R18 782,31	33	R300 476,15
Electrical Services	63	R15 031 933,52	68	R7 963 753,86	208	R6 766 654,05	94	R6 578 583,43	433	R36 340 924,86
Finance Administration	21	R293 282,61	6	R460 136,24	3	R62 802,04	5	R77 340,68	35	R893 561,57
Fleet Management	10	R14 810,66	9	R11 333,57	5	R3 212,45	9	R16 100,51	33	R45 457,19
Housing and Human Settlement	4	R11 693,10	1	R2 300,00	2	R4 343,54	0	R0,00	7	R18 336,64
Human Resources	9	R325 261,00	7	R75 710,73	13	R181 122,89	15	R608 979,16	44	R1 191 073,78
Infrastructure Administration	3	R45 615,04	5	R14 156,55	4	R4 391,74	5	R585 060,81	17	R649 224,14
Internal Audit	0	R0,00	2	R2 310,11	0	R0,00	0	R0,00	2	R2 310,11
IT	15	R939 571,73	12	R935 149,54	20	R1 197 288,85	26	R1 736 221,07	73	R4 808 231,19
Library Services	21	R24 437,88	17	R35 897,36	20	R332 184,01	17	R226 134,62	75	R618 653,87
Management Services Administration	23	R226 714,57	46	R441 725,95	29	R610 465,18	30	R81 864,41	128	R1 360 770,11
Municipal Council	8	R58 032,54	10	R11 110,23	12	R51 306,43	10	R71 776,43	40	R192 225,63
Office of the MM: Administration	25	R135 706,69	17	R138 914,63	30	R574 640,08	31	R158 538,00	103	R1 007 799,40
Public Services	295	R1 977 291,48	294	R2 213 807,98	303	R1 077 238,47	208	R384 112,98	1100	R5 652 450,91
Records	8	R14 891,99	3	R9 340,46	5	R10 344,18	2	R7 702,28	18	R42 278,91
Revenue Services	15	R417 385,25	16	R906 145,85	30	R1 508 545,79	28	R1 134 737,91	89	R3 966 814,80
Roads and Stormwater	71	R1 947 897,53	64	R4 228 267,66	71	R2 060 616,19	59	R2 112 046,80	265	R10 348 828,18

REQUISITIONS PER DEPARTMENT	1ST QUARTER: 1 JULY - 30 SEPTEMBER 2022		2ND QUARTER: 1 OCTOBER - 30 DECEMBER 2022		3RD QUARTER: 1 JANUARY - 30 MARCH 2023		4TH QUARTER: 1 APRIL - 30 JUNE 2023		YTD SUMMARY	
	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE
Sewerage Services	61	R1 619 022,84	49	R1 307 398,54	29	R1 163 098,02	23	R959 505,54	162	R5 049 024,94
Solid Waste and Landfill	81	R2 286 549,86	80	R7 240 108,36	68	R3 134 393,25	72	R2 451 356,02	301	R15 112 407,49
Strategic Services	17	R296 347,25	22	R100 481,64	15	R140 289,76	24	R560 499,05	78	R1 097 617,70
Supply Chain Management	55	R1 685 727,06	35	R726 775,70	43	R864 688,32	30	R521 210,02	163	R3 798 401,10
Tourism	7	R80 891,44	7	R63 775,56	3	R13 121,50	7	R15 749,25	24	R173 537,75
Town Planning	22	R103 694,91	23	R1 713 682,11	18	R67 300,24	13	R26 582,27	76	R1 911 259,53
Traffic and Law Enforcement	22	R102 477,76	35	R737 081,34	28	R81 500,11	32	R181 559,54	117	R1 102 618,75
Water and Sanitation	124	R7 861 138,19	137	R5 962 020,29	123	R7 139 572,54	129	R7 935 921,22	513	R28 898 652,24
<b>TOTALS</b>	<b>998</b>	<b>R35 569 134,89</b>	<b>989</b>	<b>R35 636 148,33</b>	<b>1098</b>	<b>R27 131 583,00</b>	<b>884</b>	<b>R26 518 332,62</b>	<b>3969</b>	<b>R124 855 198,84</b>

**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:

**TABLE 61 DIRECT AWARDS TO CLOSE FAMILY MEMBERS IN SERVICE OF THE STATE (CAPE AGULHAS MUNICIPALITY)**

SCM PROCESS FOLLOWED	BESKRYWING/ DESCRIPTION	AWARDED TO	RELATIONSHIP	NAME OF PERSON IN SERVICE OF THE STATE	AMOUNT PAID AS AT 30 JUNE 2023
<b>DIRECT</b>	Pauper Burials	ADONAI FUNERAL HOME	BROTHER OF CAM OFFICIAL MR. D FREDERICKS	MR. D FREDERICKS	<b>R 60 000,00</b>
<b>3 QUOTES</b>	CATERING	ENID BENETHA MARIE ATKINS (MAAA0775952)	PARENT OF CAM OFFICIAL MS. Tirzah Atkins	MS. TIRZAH ATKINS	<b>R 17 336,90</b>
	REFRESHMENTS	SHOPRITE CHECKERS (CHECKERS BREDASDORP)	MANAGERS SPOUSE, CAM OFFICIAL MS E ZIEFF	MS E ZIEFF	<b>R 95 947,08</b>

<b>3 QUOTES</b>	TRANSPORT - VERVOER VANAF ELIM TOT NAPIER EN TERUG VIR GOP/BEGROTING IMBIZO OP 12 APRIL 2023 - WYK 1	FRANKLIN ALEXANDER	PARENT OF CAM OFFICIAL MR. FRANCOIS ALEXANDER	MR F ALEXANDER	<b>R 3 600,00</b>
<b>SCM REG 11 (2) (a)</b>	BULK WATER PURCHASES - SANDRIFDAM	J.P VAN ZYL	PARENT OF CAM OFFICIAL MR WILLEM VAN ZYL	MR . W VAN ZYL	<b>R 87 919,90</b>
<b>4 QUOTES</b>	DJ AT CAPE AGULHAS COMMUNITY MARKET DAY - LED OFFICE AUG 2022	CARLTON MICHEAL HOPLEY	CHILD OF CAM OFFICIALS URLENE JANTJIES & NATHAN ARENDS	URLENE JANTJIES & NATHAN ARENDS	<b>R 8 150,00</b>
<b>3 QUOTES</b>	VARIOUS TILING WORK	ELTON DANIELS	SIBLING OF CAM OFFICIAL MS PRISCILLA JAKOBS	PRISCILLA JAKOBS	<b>R 79 170,00</b>
					<b>R 352 123,88</b>

**TABLE 62 INDIRECT AWARDS TO CLOSE FAMILY MEMBERS IN SERVICE OF THE STATE**

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
<b>QUOTATIONS</b>	COMPUTER ACCESSORIES & STATIONERY	CANFRED COMPUTERS T/A PREMIUM COMPUTERS & STATIONERS SWELLENDAM	<b>MR. N EKSTEEN,</b> PARENT OF BOTH SHAREHOLDERS/DIRECTORS OF PREMIUM COMPUTERS & STATIONERS SWELLENDAM IS IN SERVICE OF DENEL OTR	MR. N EKSTEEN	R 245,70
<b>Q16-2022-23</b>	SUPPLY & INSTALLATION OF ALUMINIUM WINDOWS AT LIEFDESNESSIE IN BREDASDORP	DC ZEEMAN T/A ALUMINIUM DESIGNS	<b>V ZEEMAN(SPOUSE)</b> OF OWNER IS IN SERVICES OF THE STATE ( OVERBERG DISTRICT MUNICIPALITY	MS. V ZEEMAN	R 39 769,00
<b>SCM1-2021-22</b>	ITEM 18 ANNUAL STORE STOCK & SERVICES	PISTON POWER CHEMICALS CC	<b>NADIRA ANDHEE,</b> WIFE OF UJUSH ANDHEE(DIRECTOR ) IS EMPLOYED AS AN EDUCATOR IN KZN	MS. NADIRA ANDHEE	R 90 969,60
<b>SCM2-2019-20</b>	FINANCIAL SERVICES – UNBUNDLING OF INFRASTRUCTURE ASSET ACCORDING TO GRAP 17 FOR A PERIOD OF 3 YEARS	MUBESKO AFRICA PTY LTD	<b>MS JANINE NIEHAUS</b> SPOUSE OF SENIOR MANAGER HENDRI NIEHAUS IS IN SERVICE OF NORTHERN CAPE DEPARTMENT OF HEALTH & MS LIEZLE SPOUSE OF	MS. J NIEHAUS & MS. L SAAIMAN	R 281 733,15

			MANAGER BART SAIMAN IS IN SERVICE OF WESTERN CAPE DEPARTMENT OF EDUCATION		
SCM1-2021-22-1	SUPPLY & DELIVERY OF ROAD CONSTRUCTION MATERIALS.	CAPE AGULHAS CIVILS CC	TL DU TOIT SPOUSE-AT THE DEPT OF HEALTH WESTERN CAP E& SISTER AT THE BREDASDORP CLINIC	MRS TL DU TOIT	R3 601 828,71
SCM1-2021-22-13	SUPPLY & DELIVERY OF REFUSE BAGS	TSCH INTERNATIONAL HOLDINGS (PTY) LTD	EUGENE HLONGWANE SPOUSE- IS A MANAGER AT THE CITY OF CAPE TOWN	MRS EUGENE HLONGWANE	R21 114,00
SCM1-2021-22-14/15	SUPPLY & DELIVERY OF WATER PURIFICATION CHEMICALS& TESTING OF WATER & SEWER SAMPLES.	KEMANZI (PTY) LTD	J.N. DU TOIT (SPOUSE)-IS AN INSPECTOR FOR DRIVERS LICENCES AT THE CITY OF CAPE TOWN, TRAFFIC SERVICES	J.N. DU TOIT (SPOUSE)	R 498 800,15
SCM3-2022-23	UPGRADING OF NAPIER WASTEWATER TREATMENT WORKS MECHANICAL INSTALLATION	ALVEO WATER (PTY) LTD	YAZEED DANIELS - SPOUSE OF DIRECTOR FINANCE & RECORDS OFFICER AT WESTERN CAPE GOVERNMENT EDUCATION DEPARTMENT		R 5 235 015,63
3 QUOTES	VERVOER VANAF PROTEM TOT BREDASDORP EN TERUG VIR GOP/BEGROTING IMBIZO OP DONDERDAG, 13 APRIL 2023 - WYK 4	GAMMA'S TRANSPORT	PHILDA SCHOEMAN - SPOUSE, DEPARTMENT OF SOCIAL DEVELOPMENT	PHILDA SCHOEMAN	R 8 825,00
<b>TOTAL</b>					<b>R 9 778 300,94</b>

#### 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. 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 2022/23

**TABLE 63 SCM TRAINING 2022/23**

TRAINING	DATE	VENUE
SCM, I-Develop Competency Assessment Statements, this will be utilised in the I-Develop workshops on the	12 – 14 September 2022	Cape Winelands Municipality
Unpack and Discuss the CIDB BUILD Programme	26 April 2023	MS TEAMS

#### 2.4.10.9 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 2022/23 financial year:

- Provincial SCM District Virtual Forum Meeting: 4 August 2022
- SCM Indaba: 1-2 December 2022
- SCM Municipal Strategic Session - 25 April 2023
- SCM Municipal Strategic Session - 13th - 14th June 2023

#### 2.4.11 INFORMATION COMMUNICATION TECHNOLOGY

##### a) Introduction to Information Communication Technology

The Chief Information Officer of Cape Agulhas Municipality is responsible for the following areas of control and effective management thereof.

- ICT Infrastructure
  - ICT Software and Systems
  - ICT Governance and Administration
  - Manage, plan, directs and oversee and control systems alignments, integration, and Smart City initiatives.
- **ICT Infrastructure**

No significant changes occurred in the ICT infrastructure space over the past financial year. The main focus was on maintenance, safeguarding and replacement of existing infrastructure that came to the end of their useful life. The only



additional focus area was by assisting the Water Department with the safeguarding of their Infrastructure by installing additional CCTV cameras.

- **ICT Software and Systems**

No new or additional systems were procured during the financial year. The main focus was on the protection of the Information System environment of the Municipality. A lot of effort did go into the reconfiguration of security systems and software to monitor the ICT environment and the testing thereof.

- **ICT Governance and Administration**

Governance as always played a vital role in all aspects of the ICT environment over the past year. The focus was on Infrastructure, Systems, Security, Risk Management, and the human aspects.

Most of the time was used focused on Business Processes of user Departments where ICT directly affect or had the ability to enhance these processes. A Business Impact Analysis was completed and strategic alignment and inputs into the Municipal IDP and other approved and Draft Strategies of other Departments was done and planning on the way forward is still underway.

The focus was on various strategies like, Cloud Migration Strategies, Digitization Strategies, and compliance in terms of various legislations. Furthermore, this unit serve on various committees like the Fraud and Risk Management Committee (FARMCO), Business Continuity Committee (BCC) and the ICT Steering Committee.

The Municipality also embarked on various Shared Services agreement or joint / Transversal Tenders, especially with the Overberg District Municipality, focusing on ICT related services namely, Webhosting and management and ICT Network infrastructure.

The unit also started upgrading the Municipal Website in cooperation with the Strategic Services Department which is set to re-launch early in the new financial year.

- **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.

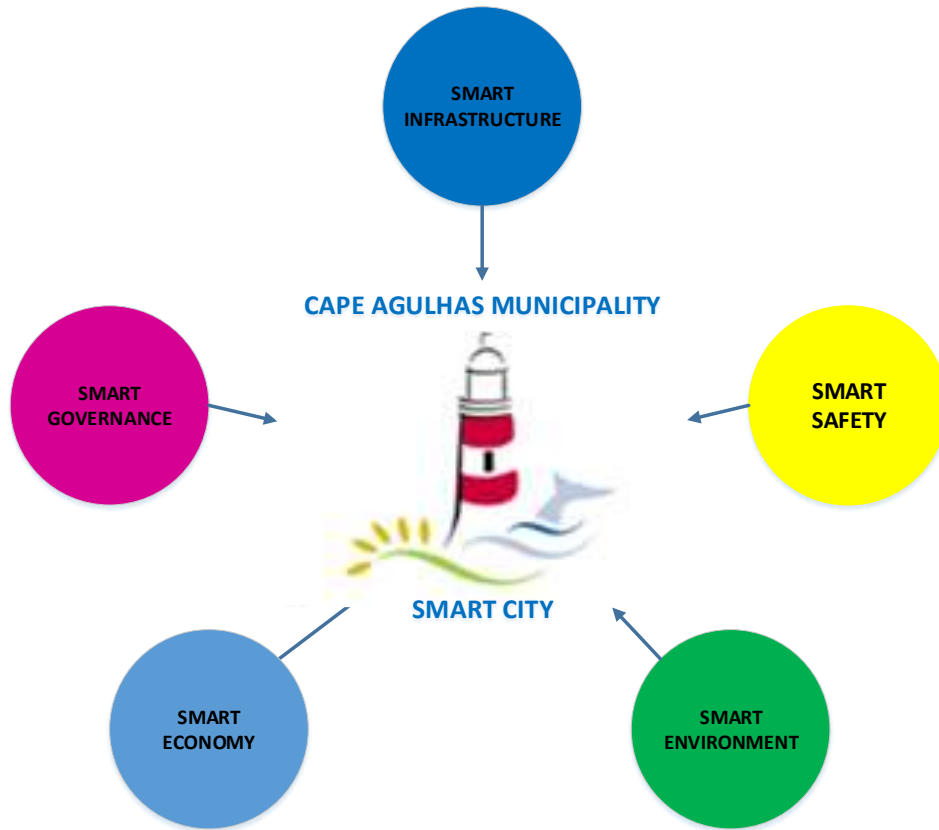
Expected outcomes to achieve through this process are to ensure that better services are available to the communities we serve, as well as potential investors who want to invest in our Municipal Area. We also want to improve the management and utilization of our resources to the point where we always 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 8 SMART CITY INITIATIVES



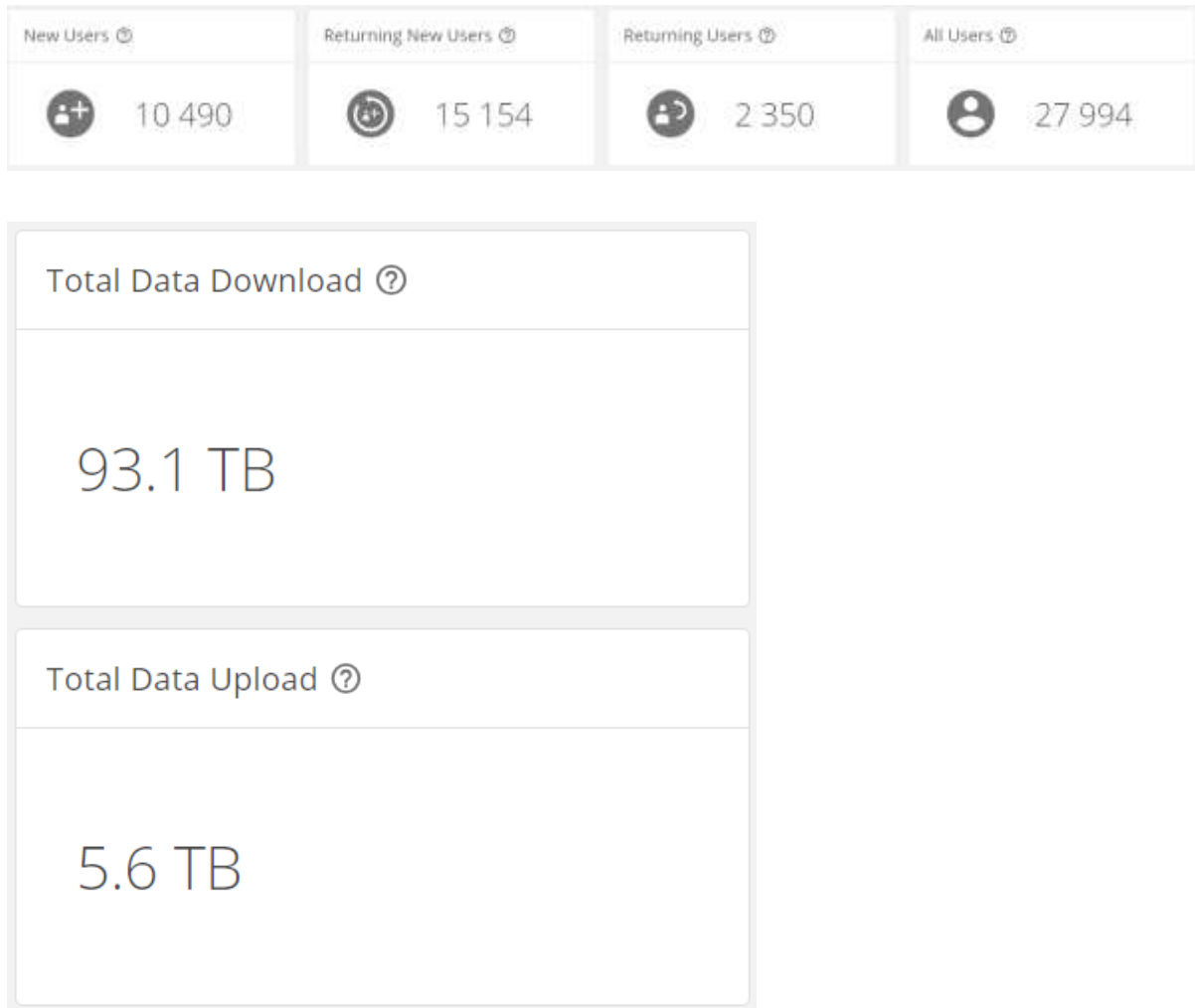
▪ **Public Wi-Fi and CCTV cameras**

The 4<sup>th</sup> phase of the Smart City project has been completed. 50 Cameras with 74 views that is public facing and 15 Access Points is now installed and functioning.

We also have an additional 31 cameras installed with 46 views looking at Municipal Infrastructure.

The Access Points utilization increased significantly from last year with 25 971 users to 27 994 users for this financial year, obviously one need to consider that a single user can use more than one device over the period, there were a decrease in data from 123.4TB to 98.7TB.

**FIGURE 9 WIFI USERS**



As mentioned above over the 12-month period 1 July 2022 to 30 June 2023, 27 678 devices accessed the Free public Wi-Fi. The public downloaded 98.7 TB of data during this period.

The cost to the Municipality to avail this service to the public equates to around R 900 000 for the financial year but considering that data cost reduced to around R85 per gigabyte and taking into account the 98.7 TB of data that was used over the financial year, the public did not have to spend around R 8 590 848 out of their own pocket on data.

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

**TABLE 64 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
Bredasdorp Informal Settlement	AP	1	3	Bredasdorp
Elim Library	AP	1	1	Elim
Klipdale Library	AP	1	2	Klipdale
L`Agulhas Resort	AP	1	5	L`Agulhas
Nuwerus Library	AP	1	1	Napier
C/O Adam & Joseph Street	AP	1	1	Napier
Napier Informal Settlement	AP	1	1	Napier
Protem Library	AP	1	4	Protem
Struisbaai Library	AP	1	5	Struisbaai
Struisies Play School	AP	1	5	Struisbaai
Arniston	CAMERA	3	6	Arniston
Bredasdorp	CAMERA	10	4	Bredasdorp
Bredasdorp	CAMERA	3	3	Bredasdorp
Bredasdorp	CAMERA	3	5	Bredasdorp
Elim	CAMERA	7	1	Elim
Klipdale	CAMERA	2	2	Klipdale
Napier	CAMERA	6	1	Napier
Napier / Klipdale	CAMERA	2	1	Napier
Protem	CAMERA	2	4	Protem
Rural Area	CAMERA	8	4	Bredasdorp
<ul style="list-style-type: none"> <li>- AP = Access Point / Wi-Fi</li> <li>- Camera is the sites where mostly LPR (License plate recognition) cameras are installed.</li> </ul>				

The LPR cameras made a significant difference in crime prevention and has been used for investigations and crime prevention over the past financial year by both the Protection Services unit of the Municipality as well as by the SAPS.

▪ **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. 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 past year a lot was done around the refinement of the system and implementations, specifically around water balance and other probable information that could be extrapolated from the data generated. We were also successful in applying for funding relating to Smart Meters to get as near to real time water balance as possible.

The smart meters were procured at the end of the financial year and is expected to be installed in the 2023/24 financial 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.

By the end of the financial year the following sites were included in the project.

TABLE 65 BOREHOLE / RESERVOIR MONITORING SITES

BOREHOLES				
BD3	1	1	1	1
BD7	1	1	1	1
BD10	1	1	1	1
BD11	1	1	1	1
BD12	1	1	1	1
LA1	1	1	1	1
LA2	1	1	1	1
NA6	1	1	1	1
NA8	1	1	1	1
NA9	1	1	1	1
NA10	1	1	1	1
SB1	1	1	1	1
SB2	1	1	1	1
SB3	1	1	1	1
SB4	1	1	1	1
SB6	1	1	1	1
SB8	1	1	1	1
SS1	1	1	1	1
SS2	1	1	1	1
Reservoirs				
BD1	1	1	1	
BD2	1	1	1	
LA1	1	1	1	
LA2	1	1	1	
LA1MEG	1	1	1	
NA1	1	1	1	
NA2	1	1	1	
NA3	1	1	1	
NAHP	1	1	1	
SB1	1	1	1	
SB2	1	1	1	
SB3	1	1	1	
SSTR	1	1	1	
WHK1	1	1	1	
WHK2	1	1	1	
Dams				
Sanddrif				1
Vleikloof				1

We also rolled out control meters that is now electronically monitored to the biggest water consumers in the Municipal area as per the Water Master plan and with the implementation thereof, we already identified numerous risks and losses that was not as achievable before.

One need to consider that there is no fit for purpose solution and a lot of planning, testing, acquisition of hardware and build of trust in data generated, still need to take place. We are however confident that during the initial planning and development of the Smart City roadmap we included all relevant stakeholders to work towards achieving a fully implemented water monitoring and management solution.

We will however still submit business plans to keep as closely as possible to the implementation plan for the coming book year.

With the completion of the first phase in the 2019/2020 financial year, the Municipality was contacted by Green Cape to do a case study on what the Municipality achieved in the infant stages of its Ground water monitoring and water Demand management implementation. The full case study is available at <https://www.greencape.co.za/content/case-study-transition-towards-a-smart-city/>

- **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.

A new version of a Cape Agulhas Municipal App was launched to include aspects such as registration to access your monthly account on the App, logging and following up on complaints and some more functionality.

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

The Collab Citizen app can now also be downloaded from the Android Play store and Apple iStore.

- **Conclusion**

As one may derive, the Smart City Project can be 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.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.1 INTRODUCTION

Chapter 3 and 4 constitute the Annual Performance Report of the Cape Agulhas Municipality for 2022/23 which has been compiled in accordance with Section 46 of the Local Government Municipal Systems Act, Act 32 of 2000, and which is submitted to the Auditor General for audit.

This report provides an overview of the actual performance of the Cape Agulhas Municipality for the period 1 July 2022 to 30 June 2023 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 2022/23 performance in relation to the actual 2021/22 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

Organisational 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 new performance management and development policy that was adopted on 14 June 2022. (R133/2022). This policy was developed in line with the Local Government Municipal Staff Regulations (MSR) that were published under Government Notice 890 on 20 September 2021. These new regulations took effect from 1 July 2022 with the exception of Chapters 2 and 4 which were deferred. Chapter 4 of these regulations deals with Performance Management and Development and requires all Municipalities to implement a compliant Performance Management and Development System which must integrate with the Municipal IDP and SDBIP, as well as the senior managers performance plans and all human resource policies.

The IDP, budget and performance management processes are integrated, and on 31 May 2022, the Municipal Council adopted the IDP of its predecessor with amendments for the period 2022/23 – 2026/27. (Resolution 97/2022). This annual report reflects on the performance of the Municipality in implementing the first year of this IDP cycle.

#### 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 1 July 2022. 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 an amended Top Layer SDBIP on 31 January 2023.

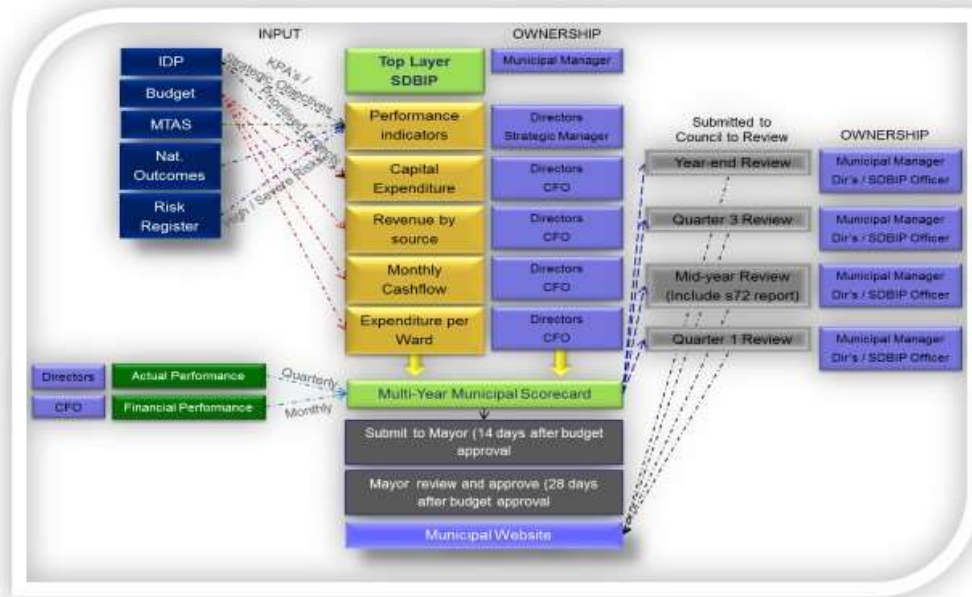
The 5 components of the SDBIP are:

- 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 2022/23 financial year were signed by 30 July 2022. 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 2022 to 31 December 2022) took place on 27 February 2023 and the final evaluation of the 2022/23 financial year (1 January 2023 to 30 June 2023) is pending.

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 Chairpersons;
- Municipal Manager (in case of the performance reviews of a Director);

- Chairperson of the Audit Committee;
- External Municipal Manager;
- Member of the Community (Ward Committee Member).

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#### 3.3.4 SERVICE PROVIDER STRATEGIC PERFORMANCE

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

- A service provider means "a person or institution or any combination of persons and institutions which provide a municipal service"
- An external service provider means "*an external mechanism referred to in Section 76(b) which provides a municipal service for a municipality*"
- A service delivery agreement means "*an agreement between a municipality and an institution or person mentioned in Section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality*"

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

**3.4 STRATEGIC PERFORMANCE 2022/23**

**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 66 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 NATIONAL KEY PERFORMANCE AREA

The following section provides an overview of the Municipality's overall performance for the 2022/23 financial year. The Municipality set 38 Key Performance Indicators (KPI's) for the financial year and met 28 (74%) of its targets. It failed to meet 10 (26%) by the due date. The Municipality's performance has improved steadily over the last four years as can be seen in the table below.

**TABLE 67 PERFORMANCE IMPROVEMENT**

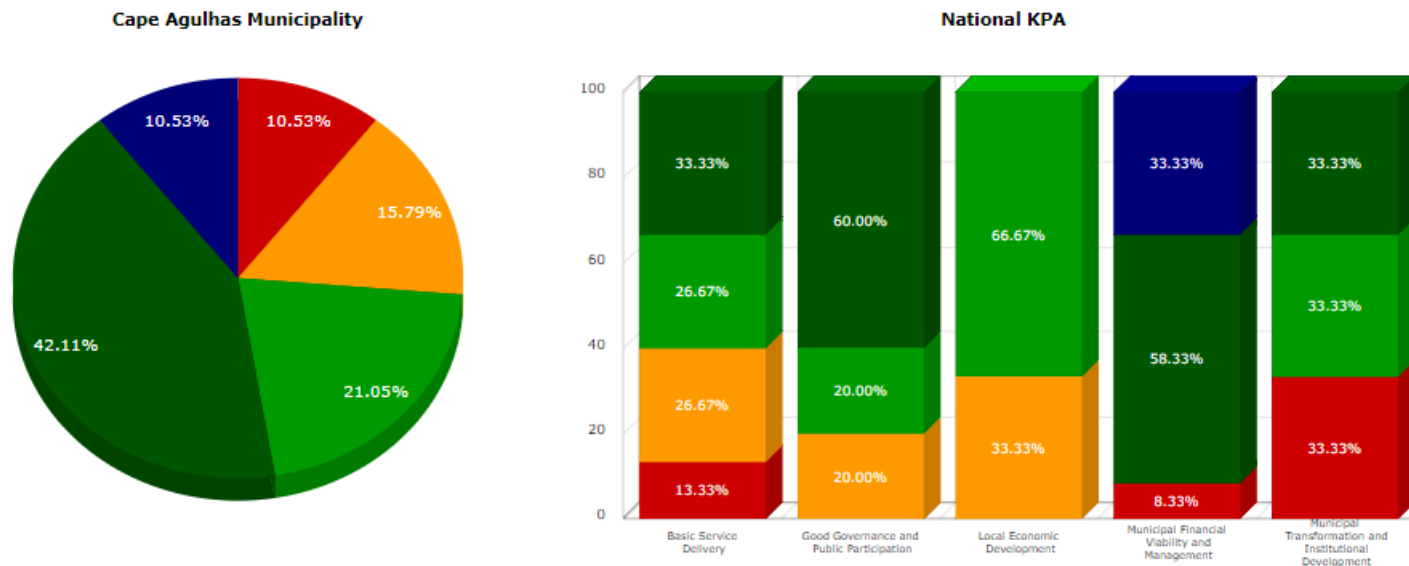
RATING	CATEGORY	2019-20	2020-21	2021-22	2022/23
R	KPI Not Met	7	7	5	4
O	KPI Almost Met	11	4	5	6
G	KPI Met	7	5	6	8
G <sub>2</sub>	KPI Well Met	18	13	16	16
B	KPI Extremely Well Met	4	4	4	4
<b>Total KPIs:</b>		<b>47</b>	<b>33</b>	<b>36</b>	<b>38</b>
<b>Total % achieved</b>		<b>62%</b>	<b>67%</b>	<b>72%</b>	<b>74%</b>

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

**TABLE 68 SDBIP MEASUREMENT CATEGORIES**

RATING	CATEGORY	EXPLANATION
R	KPI Not Met	0% <= Actual/Target <= 74.999%
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%
G	KPI Met	Actual meets Target (Actual/Target = 100%)
G <sub>2</sub>	KPI Well Met	100.001% <= Actual/Target <= 149.999%
B	KPI Extremely Well Met	150.000% <= Actual/Target

FIGURE 11 PERFORMANCE OVERVIEW 2022/23



	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	[Unspecified]
Not Yet Applicable	-	-	-	-	-	-	-
Not Met	4 (10.53%)	2 (13.33%)	-	-	1 (8.33%)	1 (33.33%)	-
Almost Met	6 (15.79%)	4 (26.67%)	1 (20.00%)	1 (33.33%)	-	-	-
Met	8 (21.05%)	4 (26.67%)	1 (20.00%)	2 (66.67%)	-	1 (33.33%)	-
Well Met	16 (42.11%)	5 (33.33%)	3 (60.00%)	-	7 (58.33%)	1 (33.33%)	-
Extremely Well Met	4 (10.53%)	-	-	-	4 (33.33%)	-	-
<b>Total:</b>	<b>38</b>	<b>15</b>	<b>5</b>	<b>3</b>	<b>12</b>	<b>3</b>	<b>-</b>
	<b>100%</b>	<b>39.47%</b>	<b>13.16%</b>	<b>7.89%</b>	<b>31.58%</b>	<b>7.89%</b>	<b>-</b>

### 3.4.3 DETAILED PERFORMANCE FOR 2022/23 PER NATIONAL KEY PERFORMANCE AREA

The following tables provide an overview of the Municipalities performance in terms of the National Key Performance Areas of Local Government.

#### 3.4.3.1 NATIONAL KPA 1: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL2	To ensure good governance	Implement 85% of the RBAP for 2022/23 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	81.10%	Quarterly Internal Audit progress report to the MM and Audit Committee	85%	92.60	12%	30%	55%	85%	88%	G2	RBAP 88% completed	None required
TL8	To ensure good governance	Submit an updated land audit with maps to Council by 30 September 2022.	Number of land audits submitted to Council	0	Council agenda	1	New KPI	1	0	0	0	1	G	Land audit submitted and approved on 30 September 2022. Resolution 220/2022.	None required
TL21	To ensure good governance	95% of the budget allocated for the implementation of the SMART CITY water monitoring project spent and committed by 30 June	% of the financial years project budget spent and committed	95%	Report generated from the financial system	95%	100	24%	44%	44%	95%	100%	G2	100% of the Smart City capital budget spent. Budget R 211989. Spent R 211989. Water monitoring project complete.	None required
TL32	To ensure good governance	95% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with	% of water samples compliant	95%	Lab results	95%	96.95	95%	95%	95%	95%	91.55%	O	An average of 91,55% of water samples complied with SANS241 micro biological indicators. Challenges were experienced with	Termination of the contract and inhouse management of the Spanjaardskloof water treatment works

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023					
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
		SANS241 indicators/Number of water samples tested)×100}															
TL33	To ensure good governance	65% average compliance of the Bredasdorp WWTW water quality to SANS 241 for the financial year	% average compliance of the quarterly waste water test results	58.33%	Lab results	65%	70.40	65%	65%	65%	65%	82.43%	G2	The average compliance of the Bredasdorp WWTW water quality to SANS 241 for the financial year is 82.43%	the Spanjaardskloof water treatment works which were managed by a service provider who underperformed.	None required.	

Summary of Results: Good Governance and Public Participation

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	1
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	3
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
	<b>Total KPIs:</b>		<b>5</b>

3.4.3.2 NATIONAL KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL1	To ensure institutional sustainability	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%	Report from financial system	0.40%	0.46	0%	0%	0%	0.40%	0.44%	G2	0.44% of the personnel budget spent on implementing the workplace skills plan. Personnel Budget (Employee costs) were R164 277 204. R721 125.54 was spent on implementing the workplace skills plan.	None required.
TL4	To ensure institutional sustainability	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	Letter of appointment	1	0	0	0	0	1	1	G	Director Management Services appointed on 30 June 2023.	None required
TL6	To ensure institutional sustainability	Conduct an organisational redesign and submit to Council by 30 June 2023	Number of organisational redesigns submitted to Council	0	Council agenda where organisational redesign is submitted	1	New KPI	0	0	0	1	0	R	Organisational structure could not be completed due to time constraints. Funding was received late and appointment of the service provider was only done in April.	Discussions were held with the service provider to determine revised deliverables that will ensure the



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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023					
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
																	best possible end product.

Summary of Results: Municipal Transformation and Institutional Development				
N/A	KPI Not Yet Applicable		KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met		0% <= Actual/Target <= 74.999%	1
O	KPI Almost Met		75.000% <= Actual/Target <= 99.999%	0
G	KPI Met		Actual meets Target (Actual/Target = 100%)	1
G2	KPI Well Met		100.001% <= Actual/Target <= 149.999%	1
B	KPI Extremely Well Met		150.000% <= Actual/Target	0
		<b>Total KPIs:</b>		<b>3</b>

3.4-3.3 NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT

KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL3	To promote local economic development in the Cape Agulhas Municipal Area	Create FTE's through government expenditure with the EPWP by 30 June	Number of FTE's created	102	Provincial report issued	104	147	0	0	0	104	89	O	89 FTEs created for the financial year. The Municipality did not reach its FTE target because of longer duration of some of the contracts.	Review EPWP policy and issue directives to ensure more effective utilisation of the EPWP Grant.
TL5	To promote local economic development in the Cape Agulhas Municipal Area	Submit an implementation plan that includes development, funding and allocation criteria for the Struisbaai Industrial Erven that are earmarked for emerging entrepreneurs to Council by 30 December 2022.	Number of implementation plans submitted to Council	1	Council agenda where implementation plan is submitted	1	New KPI	0	1	0	0	1	G	Implementation plan approved by Council on 13 December 2022. Resolution 323/2022	None required
TL22	To promote local economic development in the Cape Agulhas Municipal Area	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	Full Blue flag status certificate	1	1	0	1	0	0	1	G	Blue Flag Status was received for Duiker Street, Struisbaai on 3 November 2022.	None required

Summary of Results: Local Economic Development

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	2
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
		<b>Total KPIs:</b>	<b>3</b>

3.4.3.4 NATIONAL KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL16	To improve the financial viability of the Municipality and ensure its long term financial sustainability	The percentage of the municipality's capital budget spent and committed by 30 June {(Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% of the municipal capital budget spent and committed	95%	Report generated from the financial system	95%	99.08	8%	23%	43%	95%	95.22%	G2	95.2% of the total capital budget spent. Budget R 67361893,00. Spent R 64138697,82.	None required.
TL17	To improve the financial viability of the Municipality and ensure its long term financial sustainability	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total	% Debt to Revenue	25%	Annual Financial Statements and calculation sheet	30%	21.90	0%	0%	0%	30%	18.30%	B	% Debt to Revenue is 18.30% as at 30 June	None required.

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		Operating Revenue)														
TL18	To improve the financial viability of the Municipality and ensure its long term financial sustainability	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	11.77%	Annual Financial Statements and calculation sheet	10%	11.78	0%	0%	0%	10%	10.55%	R	Service debtors to revenue is 10.55% as at 30 June.	Ongoing implementation of credit control and debt collection policies and improved management of debt impairment.	
TL19	To improve the financial viability of the Municipality and ensure its long term financial sustainability	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding	Cost coverage	2.89	Annual Financial Statements and calculation sheet	1.50	4.18	0	0	0	1.50	3.63	B	Cost coverage is 3.63 as at 30 June	None required.	

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		(Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))														
TL20	To improve the financial viability of the Municipality and ensure its long term financial sustainability	Achieve a debtors payment percentage of at least 96% 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	94.85%	Annual financial statements and calculation sheet	96%	97.84	96%	96%	96%	96%	97.48%	G2	Debtors payment rate for the financial year is 97,48%.	None required	
TL23	To improve the financial viability of the Municipality and ensure its long term financial sustainability	95% of the total approved management services capital budget spent and committed by 30 June	% of management services budget spent and committed	95%	Report generated from the financial system	95%	91.12	1%	25%	42%	95%	98.81%	G2	98.8% of the total Management Services capital budget spent. Budget R 3140010,00. Spent R 3102621,34.	None required	
TL28	To improve the financial viability of the Municipality	95% of the roads and storm water capital budget	% of roads and storm water capital budget	95%	Report from financial system	95%	99.37	10%	20%	60%	95%	100%	G2	100 % of the total roads and stormwater budget spent.	None required.	

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023					
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
	and ensure its long term financial sustainability	spent and committed by 30 June {(Actual expenditure divided by the total approved roads and stormwater capital budget) x 100}	spent and committed														
TL29	To improve the financial viability of the Municipality and ensure its long term financial sustainability	95% of the approved refuse removal capital budget spent and committed by 30 June{(Actual expenditure divided by the total approved refuse removal capital budget) x 100}	% of refuse removal capital budget spent and committed	95%	Report from financial system	95%	92.28	10%	20%	60%	95%	98.16%	G2	98.1% of the total refuse removal capital budget spent. Budget R 11498471,00. Spent R 11287096,89.	None required.		
TL30	To improve the financial viability of the Municipality and ensure its long term financial sustainability	95% of the approved water capital budget spent and committed by 30 June {(Actual expenditure divided by the total approved water capital budget) x 100}	% of water capital budget spent and committed	95%	Report from financial system	95%	97.53	10%	20%	60%	95%	95.70%	G2	95.7% of the total water capital budget spent. Budget R 7844680,00. Spent R 7507725,55.	None required.		

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL31	To improve the financial viability of the Municipality and ensure its long term financial sustainability	Limit unaccounted for water to less than 20 % by 30 June {(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	18.51%	Annual Financial Statements, monthly water balance and calculation sheet	20%	17.30	20%	20%	20%	20%	19.68%	B	Water losses for the financial year are 19.68%	None required
TL35	To improve the financial viability of the Municipality and ensure its long term financial sustainability	Limit unaccounted for electricity to less than 8% 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	% unaccounted electricity	8%	Monthly account from Eskom, Report from the financial system and ONTEC report	8%	6.41	8%	8%	8%	8%	6.62%	B	Electricity losses for the financial year are 6.62%	None required

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		and/or Generated) X 100}														
TL36	To improve the financial viability of the Municipality and ensure its long term financial sustainability	95% of the electricity capital budget spent and committed by 30 June {(Actual expenditure divided by the total approved capital budget) x 100}	% of electricity capital budget spent and committed	95%	Report from financial system	95%	95.93	10%	40%	70%	95%	95.54%	G2	95.5% of the total electricity capital budget spent. Budget R 12707110,00. Spent R 12140062,81.	None required	

Summary of Results: Municipal Financial Viability and Management

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	1
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	7
B	KPI Extremely Well Met	150.000% <= Actual/Target	4
	<b>Total KPIs:</b>		<b>12</b>



3.4.3.5 NATIONAL KPA 5: BASIC SERVICE DELIVERY

KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL7	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	95% of the available budget (grant) spent and committed for the implementation of the RSEP Programme (Anene Booysen Urban Park) by 30 June	% of RSEP grant allocation for financial year spent and committed.	95%	Report from financial system	95%	72.41	0%	0%	0%	95%	93.93%	O	93.9% of the RSEP Grant for the Anene Booysen Urban Park spent. Budget R 1117400,00. Spent R 1049629,19. The project was fully completed. Expenditure reflects lower than the target due to the reclaiming of VAT. VAT is reclaimed and becomes part of the Municipality's revenue. There is no roll over.	Revise the manner in which reporting is done on grant expenditure with the mid-year SDBIP adjustments to accommodate the VAT allocation.
TL9	To ensure access to equitable affordable and sustainable municipal services for all citizens	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	Number of formal residential properties which are billed for water	9 841	Report generated from the financial system	9 841	9841	9 709	9 709	9 841	9 841	9 995	G2	9995 Formal residential properties receive piped water that is connected to the municipal water infrastructure network and were billed for the service.	None required
TL10	To ensure access to equitable affordable and sustainable municipal services for all citizens	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and	Number of formal residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	9 903	Report generated from the financial system	9 903	9903	9 732	9 732	9 903	9 903	10 116	G2	10116 Formal residential properties were connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and	None required

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023					
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
		billed for the service as at 30 June															
TL11	To ensure access to equitable affordable and sustainable municipal services for all citizens	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 for the service as at 30 June	Number of residential properties which are billed for sewerage	9 889	Report generated from the financial system	9 889	9889	9 746	9 746	9 889	9 889	10 027	G2	10027 Formal residential properties were connected to the municipal waste water sanitation/sewerage network (inclusive of septic tanks) and billed for the service)	None required		
TL12	To ensure access to equitable affordable and sustainable municipal services for all citizens	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	9 873	Report generated from the financial system	9 873	9873	9 647	9 647	9 873	9 873	10 003	G2	10003 Formal residential properties received a weekly refuse removal service and were billed for the service.	None required		
TL13	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provide 6kl free basic water per month to all formal households during the financial year	Number of formal Households receiving free basic water	9 873	Report generated from the financial system	9 841	9841	9 709	9 709	9 841	9 841	9 995	G2	All households in the Municipal Area receive free basic water, and 9995 households were provided with 6KL free water per month	None required		
TL14	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provide 50 kwh free basic electricity per month to registered indigent / poor households in terms of the equitable share requirements	Number of registered indigent / poor households receiving free basic electricity in terms of	3 711	Report generated from the financial system on registered indigents.	3 362	3362	3 711	3 711	3 362	3 362	3 214	O	3214 Indigent households were provided with 50 Kwh free electricity monthly. Indigent households must	Ongoing encouragement of indigent persons to register through awareness campaigns.		

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KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023				
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
		during the financial year	Councils indigent policy												register annually for free basic services.	
TL15	To ensure access to equitable affordable and sustainable municipal services for all citizens	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	3 711	Report generated from the financial system on registered indigents.	3 362	3362	3 711	3 711	3 362	3 362	3 214	O	3214 Indigent households were provided with free basic sanitation and refuse monthly. Indigent households must register annually for free basic services.	Ongoing encouragement of indigent persons to register through awareness campaigns.	
TL24	To ensure access to equitable affordable and sustainable municipal services for all citizens	Revise the Human Settlement Plan and submit to Council by 30 June	Revised Human Settlement Plan submitted to Council	1	Agenda of Council meeting where revised plan is submitted.	1	1	0	0	0	1	1	G	Revised Human Settlement Plan was submitted to Council and approved on 31 May 2023. (Resolution 100/2023)	None required.	
TL25	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	Convene the re-election of the Cape Agulhas Youth council by 30 June 2023	Election notice and register of nominees	1	Attendance register of participants	1	New KPI	0	0	0	1	1	G	The Youth Council Election was held on 03 June 2023. The new youth Council was successfully elected.	None required.	
TL26	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	Submit a CAM Law Enforcement strategy to Council for approval by 30 September 2022	Number of CAM Law Enforcement Plans submitted for approval	0	Council agenda	1	New KPI	1	0	0	0	1	G	Law Enforcement Strategy submitted to Council on 30 September 2022. Resolution 218/2022	None required	
TL27	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	Submit an implementation plan for the short-term animal intervention strategy to Council by 30 September	Number of implementation plans submitted to Council	0	Council agenda	1	New KPI	1	0	0	0	1	G	Implementation plan for the short-term animal intervention strategy to Council by 30 September 2022. Resolution 219/2022.	None required	

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2022/23

KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023			
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL34	To ensure access to equitable affordable and sustainable municipal services for all citizens	95% of the available budget for the upgrade of the Napier WWTW spent and committed by 30 June	% of project allocation for financial year spent and committed	0	Report from financial system	95	99.74	10	20	60	95	84.38	O	84.3% of the total capital budget for the upgrade of the Napier WWTW spent. Budget R 12500000,00. Spent R 10548052,57. The project was fully completed.	Revise the manner in which reporting is done on grant expenditure with the mid-year SDBIP adjustments to accommodate the VAT allocation.
TL37	To ensure access to equitable affordable and sustainable municipal services for all citizens	Construction of a drop off facility and associated civil works by 30 June 2023.	Number of drop off facilities constructed	0	External completion certificate	1	New KPI	0	0	0	1	0	R	Project incomplete. Contractor appointed on 20 January 2023 and was on site by 13 February 2023. Program indicated completion by 15 June 2023. From the start contractor was behind schedule. Numerous engagements with contractor did not resolve the problem. Started with process to terminate contract and blacklist contractor.	Application has been made to MIG for a roll over. Conclude process of terminating contract and blacklist contractor and put out a new call for tenders. All the tenders for MIG funds are already adjudicated and construction will commence at the start of September 2023. We plan to spend all the MIG funds by December 2023.
TL38	To ensure access to equitable affordable and sustainable municipal	95% of the MIG capital budget spent and committed by 30 June {(Actual expenditure divided	% of MIG Grant budget spent and committed	0%	Report from financial system	95%	New KPI	10%	40%	70%	95%	57.79%	R	MIG funded two projects in the financial year, namely the rehabilitation of roads in Bredasdorp	Application has been made to MIG for a roll over. Conclude process of terminating

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2022/23

KPI Ref	Strategic goal	KPI	Unit of Measurement	Baseline	Source of Evidence	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall Performance for year ending June 2023					
								Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
	services for all citizens	by the total approved capital budget) x 100}														and the material recovery park. A total of 57.7% of the total MIG capital budget was spent. Budget R 9854391,00. Spent R 5694614,83. The roads project was completed but the material recovery park could not be completed due to non-performance by the contractor. (Refer to comments under TL 37 above)	contract and blacklist contractor and put out a new call for tenders. All the tenders for MIG funds are already adjudicated and construction will commence at the start of September 2023. We plan to spend all the MIG funds by December 2023.

Summary of Results: Basic Service Delivery			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	2
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	4
G	KPI Met	Actual meets Target (Actual/Target = 100%)	4
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	5
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
	<b>Total KPIs:</b>		<b>15</b>

### 3.5 MUNICIPAL FUNCTIONS

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

TABLE 69 MUNICIPAL FUNCTIONS

MUNICIPAL FUNCTION	MUNICIPAL FUNCTION (YES / NO)
<b>Constitution Schedule 4, Part B functions</b>	
Air pollution	Yes (currently run-in conjunction with the Overberg District Municipality (ODM) due to capacity constraints. The ODM is also responsible for the licensing function)
Building regulations	Yes
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)
<b>Constitution Schedule 5, Part B functions:</b>	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes (burials done by the veterinarian)
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	No (managed by the District Municipality)
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes

Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

### 3.6 OVERVIEW OF PERFORMANCE PER WARD / TOWN

The Municipal Area was delimited into six wards for purposes of the 2021 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 and addressed per ward during the IDP process.

#### 3.6.1 BASIC SERVICE DELIVERY PER TOWN

The table below gives an indication of the detail of basic service delivery per town:

TABLE 70 BASIC SERVICE PROVISION PER TOWN

SERVICE LEVEL	TOWN	WATER	SANITATION	ELECTRICITY	REFUSE
Formal Households with minimum service delivery	Bredasdorp	4512	4699	10116	4695
	Napier	1166	1138		1139
	Struisbaai	2750	2668		2661
	L'Agulhas	753	714		710
	Waenhuiskrans	607	604		593
	Protem	2	23		23
	Klipdale	21	22		22
	Suiderstrand	184	159		160
<b>Subtotal: Formal households</b>		<b>9995</b>	<b>10027</b>	<b>10116</b>	<b>10003</b>
All informal areas in CAM		700	826	826	826
<b>Households with access to minimum levels of service delivery</b>		<b>10821</b>	<b>10853</b>	<b>10116</b>	<b>10829</b>
<b>Households without minimum levels of service delivery</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL HOUSEHOLDS</b>		<b>10821</b>	<b>10853</b>	<b>10116</b>	<b>10829</b>

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

The following tables depict the most significant capital projects per ward as well as the top four priority needs of each ward and the extent to which they were addressed during the 2022/23 financial year.

##### 3.6.2.1 WARD 1

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

TABLE 71 PRIORITY CAPITAL PROJECTS OF WARD 1

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Construction of ablution facility at soccer field in Napier	July 2022	June 2023	51 346,00
Rehabilitation of Napier Wastewater Treatment Works (Napier)	July 2022	June 2023	10 548 052,57
Playpark (open air gym) in Elim	July 2022	June 2023	135 500,00
Construction of roads in Napier	July 2022	June 2023	2 360 000,00



**TABLE 72 TOP FOUR SERVICE DELIVERY PRIORITIES FOR WARD 1**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2022/23
1	New low-cost housing development	Low-cost housing for Napier in progress
2	Bus stops	No provision made on budget.
3	Upgrading of roads	Currently in progress with highest priority roads, which are budgeted for continuously.
4	Streetlights at Station and Mont Santo way / Stasie road)	Provision made in 2023/24 budget to finalise

### 3.6.2.2 WARD 2

Ward 2 comprises part of Bredasdorp (Including Mill Park and Parkview) and Klipdale.

**TABLE 73 PRIORITY CAPITAL PROJECTS OF WARD 2**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Improved the acoustics at the Thusong Hall	July 2021	June 2022	R90 500,00
Playpark (open gym) in Klipdale	July 2022	June 2023	R135 500,00

**TABLE 74 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 2**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2022/23
1	New Primary school	This is a National Public Works project. 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.
2	Indoor bathrooms in Duinelaan and private toilets in Rivier street and Queenstown	Bathroom in Duinelaan is finalized. No provision in current budget for bathrooms in the outstanding houses.
3	Tarring of streets ( all 5 streets in Klipdale) and access road to Carolineville	No provision made on budget
4	Upgrading of pavements	Sidewalks were upgraded in Mill Park (New low-cost housing area)

### 3.6.2.3 WARD 3

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

**TABLE 75 PRIORITY CAPITAL PROJECTS OF WARD 3**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Anene Booysen urban park development (RSEP Project)	July 2022	June 2023	1 049 629,19
Rehabilitation Of Roads (BD)	July 2022	June 2023	3500000

**TABLE 76 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 3**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2022/23
1	Tarring of all gravel roads	All gravel roads were upgraded
2	Upgrading of sidewalks	Provision to be made on budget in next financial year
3	Upgrading of front porch of Nelson Mandela Hall (Memory wall, etc)	No provision made in budget
4	Home for people with disabilities	No provision made in budget

### 3.6.2.4 WARD 4

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

TABLE 77 PRIORITY CAPITAL PROJECTS OF WARD 4

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Playpark (open gym)	July 2022	June 2023	135 500,00
Streetlights (Arniston road in Bredasdorp) – Purchasing of materials	July 2021	June 2022	361 093,80

TABLE 78 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 4

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2022/23
1	Upgrading of sidewalks at Suideroord	No provision made on budget
2	Tarring /Paving of last portion of Viljoen Street	Completed
3	Youth development (Life skills programmes and recreation facilities for the youth in existing halls)	Youth programmes are being rolled out annually
4	Sustainable feeding scheme and vegetable gardens at schools	No provision made in current budget

### 3.6.2.5 WARD 5

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

TABLE 79 PRIORITY CAPITAL PROJECTS OF WARD 5

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Upgrading of steps - Small tidal pool Agulhas	July 2022	May 2023	230 050,00
Upgrade Suiderstrand Road	July 2022	June 2023	3 987 004,42

TABLE 80 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 5

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2022/23
1	Relocation / Solution to problem of Sewer pump station that overflows during power outages	A mobile generator was installed at the 1 pump station that causes the problem. Future plan is to replace the 3 pump stations in Struisbaai North with a single one when the new housing development is done.
2	Water borne sewerage in phases starting with - Struisbaai CBD	No provision made on budget

3	Ongoing measures to address water supply	Two new boreholes were installed in Struisbaai. A business plan was submitted for a new reservoir.
4	Construction of storm water system according to master plan. Priorities: Wessel str, Industrial area, SBN	Stormwater was done in Industrial area.

### 3.6.2.6 WARD 6

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

**TABLE 81 PRIORITY CAPITAL PROJECTS OF WARD 6**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Roads Infrastructure: Upgrading of sidewalk (Afrikalaan)	July 2022	June 2023	499 262,47

**TABLE 82 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 6**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2022/23
1	Bulk services for erven in Kassiesbaai	No provision made on current budget
2	Upgrading sidewalks in whole ward Paving of Steenbras, Geelstert, Krans streets; Tarentaal, Afrikalaan, Meyer, Oktober, Baatjes, Thomas (below Thomas str)	Afrikalaan sidewalks upgraded
3	Community Hall for Bredasdorp Ward 6	No provision made in budget
4	Upgrading of Community Hall in Arniston (Acoustics and kitchen).	No provision made in current budget

### 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 waste management. An overview will also be provided of human settlement (housing) which differs from the 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. Detail will also be provided on the provision of free basic services through the Municipality's indigent support programme.

#### 3.7.1 WATER

##### a) Introduction to water

The Municipality supplies water to consumers in its area of jurisdiction through the Uitvlucht Spring, Sanddrif Dam, Vleikloof Dam and various boreholes. Additional boreholes will have to be developed to keep up with future increased water demand.

The Municipality supplies potable water to the entire municipal area through a network and infrastructure consisting of 32 reservoirs and a 7 water pump stations. Reservoir levels are monitored by a telemetry system. Currently the Municipality operates an 8Ml/day water purification plant in Bredasdorp and one purification plant in Spanjaardskloof. Arniston and Suiderstrand receive purified water from reverse osmosis plants operated by private operators.

The water network in some areas is very old causing pipe bursts. A pipe replacement programme has been developed to guide the annual budget for renewal of the water network.

**TABLE 83 DAM LEVELS AS AT 30 JUNE**

FINANCIAL YEAR	SANDDRIF	VLEIKLOOF
2021/22	25%	80%
2022/23	100%	100%

To date 2023 has been a very wet year and dams were at a 100% level by the end of June. Most of the boreholes in Bredasdorp were switched off so that ground water levels could recover for abstraction during summer.

The Municipality has an updated water master plan to improve water demand management and provide a greater level of control over the constraints related to limited water resources. These plans ensure improved management and decision-making to enable economic development and growth.

##### ▪ Service delivery highlights for 2022/23

- Ongoing implementation of the Cape Agulhas Municipality water master plan.
- Installing new bulk water meters - ongoing
- Installing new bulk monitoring equipment - ongoing
- Water pipe replacements
- Implement Water conservation and Demand Management Plan
- Refurbishment of the Bredasdorp Water Treatment Works
- Water quality results indicate that the Municipality's water quality is generally good and complies with SANS 241

▪ **Service delivery challenges for 2022/23**

- The peak water demand during the summer holiday season in coastal town’s remains a challenge despite mitigation measures already implemented.
- Resources for implementation of the groundwater management plan.
- Larger reverse osmosis plants need to be installed in Arniston and Suiderstrand to accommodate peak demands.
- Load shedding, particularly the higher stages have an impact on reservoirs and dams.

**b) Service statistics**

▪ **Unaccounted for water (Losses)**

Non-revenue or unaccounted for water has increased to 19.68 %, from 17.30 % in the previous year. This is still below the target set by the Municipality and well within the National norm. The Municipality has implemented various measures to monitor its water losses more accurately. The Municipality’s ageing infrastructure contributes significantly to the increased figure as pipe bursts occur on a regular basis. The Municipality is busy with a pipe replacement programme and the bulk water monitoring programme has been implemented to reduce non- revenue water and enable us to monitor and manage water losses more effectively. The recent installation of Pressure Reducing Valves (PRV’s) has contributed significantly to reducing leaks. We also make use of a leak detector to identify where leakages are.

**TABLE 84 UNACCOUNTED FOR WATER**

YEAR	PURIFIED (KL)	LOSSES (KL)	%	RAND VALUE
2020/21	2 226 656	366 018	16.44%	R1 453 090
2021/22	2 346 561	406 014	17.30%	R1721 499
2022/23	2459800	484188	19.68%	R2149 794

▪ **Household access to water**

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

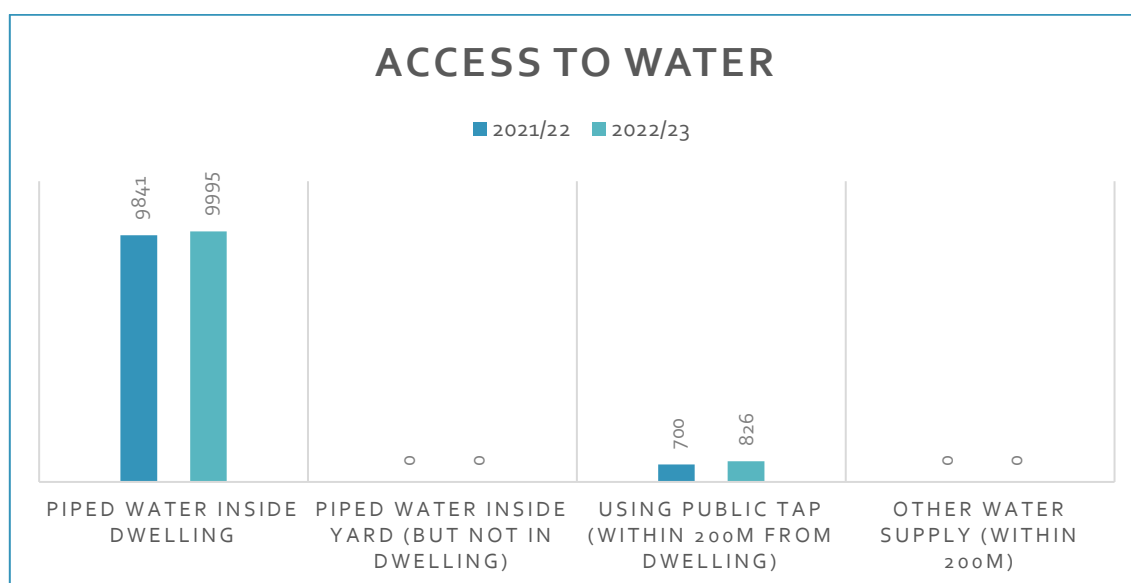
**TABLE 85 ACCESS TO WATER**

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
2021/22	8.3%	97.1%	100%
2022/23	7.6%	92.4%	100%

TABLE 86 WATER SERVICE DELIVERY LEVELS: HOUSEHOLDS

DESCRIPTION	HOUSEHOLDS	
	2021/22	2022/23
	ACTUAL NO	ACTUAL NO
<b>Water: (above min level)</b>		
Piped water inside dwelling	9841	9995
Piped water inside yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling)	700	826
Other water supply (within 200m)	0	0
<b>Minimum Service Level and Above sub-total</b>	<b>10541</b>	<b>10821</b>
Minimum Service Level and Above Percentage	<b>100%</b>	<b>100%</b>
<b>Water: (below minimum level)</b>		
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
<b>Total number of households</b>	<b>0</b>	<b>0</b>

FIGURE 12 WATER SERVICE DELIVERY LEVELS



c) Human resources

TABLE 87 EMPLOYEES WATER SERVICES

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	22	22	22	0	0%
4 to 8	27	29	27	2	7%
9 to 13	11	11	10	1	9%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>61</b>	<b>63</b>	<b>60</b>	<b>3</b>	<b>5%</b>

These employees also perform the sanitation function.

## d) Financial performance: Capital expenditure

TABLE 88 CAPITAL EXPENDITURE: WATER SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Reservoir and pump station safety (Fencing)	250000	-510	249490,00	249490,00	0%
Machinery and equipment: water treatment instrumentation	100000	-8170	91830,00	91825,11	0%
Replacement of fridge / microwave	0	5220	5220,00	5215,65	0%
Small tools	25000	46390	71390,00	38367,52	46%
Water treatment works - refurbishment of Bredasdorp WTW	3000000	-95000	2905000,00	2601707,84	10%
Water: bulk mains - upgrade and replace bulk water meters	250000	-250000	0,00	0,00	-
New motor control centre for pumpstation and boreholes	250000	0	250000,00	250000,00	0%
Water conservation and demand management (SC)	800000	-703000	97000,00	96953,01	0%
Water: Distribution - Capacity Grant (Smart Metering system)	0	700000	700000,00	700000,00	0%
Cameras	150000	-20	149980,00	149973,21	0%
Water distribution: old water mains (Replacement)	3000000	-167000	2833000,00	2832425,96	0%
Boreholes, installation, pumps, electrical and associated works	500000	-8230	491770,00	491767,25	0%
<b>TOTAL</b>	<b>8325000</b>	<b>-480320</b>	<b>7844680,00</b>	<b>7507725,55</b>	<b>4%</b>

## 3.7.2 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 2022/23**
  - The commissioning of the upgraded Bredasdorp WWTW and accompanying improvement in wastewater quality.
  - The upgrading of Napier WWTW to 0.6MI/day.
  - Sewer pipe replacements
- **Service delivery challenges for 2022/23**

- The quality of the effluent from Arniston WWTW is below standard but will improve with upgrading of the plant in future.
- Maintenance of communal sanitation infrastructure in informal settlements.
- Load shedding, particularly the higher stages have an impact on our ability to pump and we have to resort to generators which have a high operating cost.

**a) Service statistics**

▪ **Household access to sanitation**

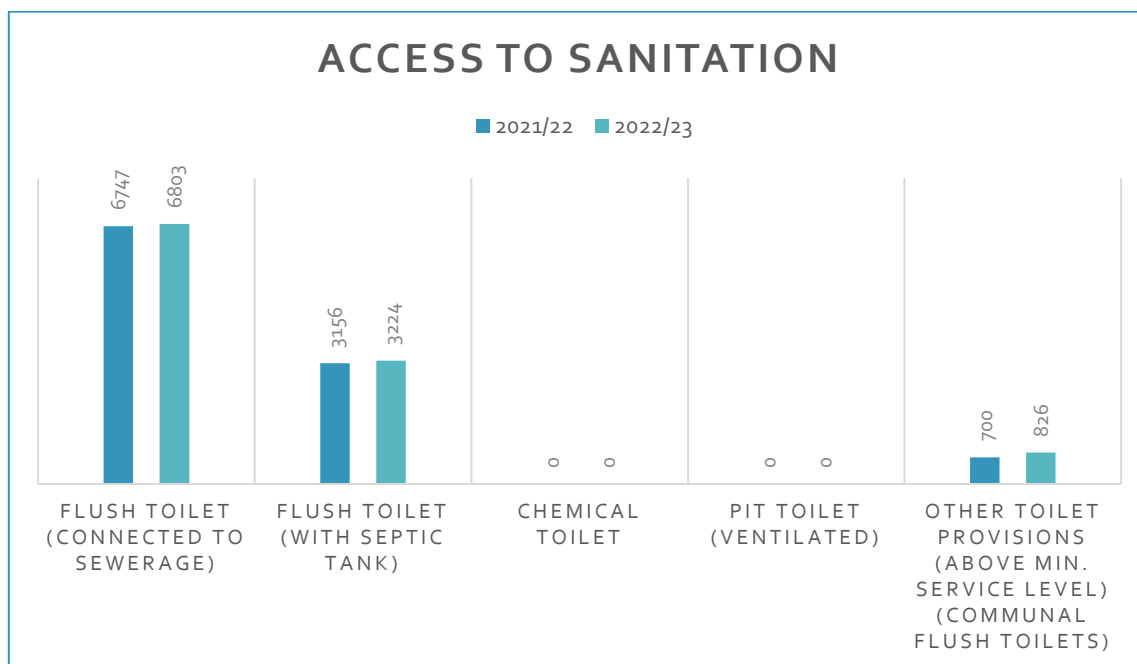
Access to minimum sanitation services is defined as a ventilated pit latrine (VIP). All urban households within the Municipality’s area of jurisdiction have access to minimum sanitation levels.

**TABLE 89 SANITATION SERVICE DELIVERY LEVELS**

DESCRIPTION	HOUSEHOLDS	
	2021/22	2022/23
	ACTUAL NO	ACTUAL NO
<b>Sanitation/sewerage: (above minimum level)</b>		
Flush toilet (connected to sewerage)	6747	6803
Flush toilet (with septic tank)	3156	3224
Chemical toilet	0	0
Pit toilet (ventilated)	0	0
Other toilet provisions (above min. service level) (Communal flush toilets)	700	826
<b>Minimum Service Level and Above sub-total</b>	<b>10603</b>	<b>10853</b>
<b>Minimum Service Level and Above Percentage</b>	<b>100%</b>	<b>100%</b>
<b>Sanitation/sewerage: (below minimum level)</b>		
Bucket toilet	0	0
Other toilet provisions (below min. service level)	0	0
No toilet provisions	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
<b>Total number of households</b>	<b>0</b>	<b>0</b>



FIGURE 13 SANITATION SERVICE DELIVERY LEVELS



b) Human resources

TABLE 90 EMPLOYEES SANITATION SERVICES

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	22	22	22	0	0%
4 to 8	27	29	27	2	7%
9 to 13	11	11	10	1	9%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>61</b>	<b>63</b>	<b>60</b>	<b>3</b>	<b>5%</b>

The same employees are utilised for the water service.

c) Financial performance: Capital expenditure

TABLE 91 CAPITAL EXPENDITURE: SANITATION SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Replace vehicle - CS 4581	310000	-1120	308880,00	308871,39	0%
Replace vehicle - CS 13736	310000	-1120	308880,00	308871,39	0%
New Digger	1200000	-285020	914980,00	914978,27	0%
Informal toilet structure	500000	-132000	368000,00	367200,00	0%
Upgrading of Napier WWTW	17000000	-4500000	12500000,00	10548052,57	16%
<b>TOTAL</b>	<b>19320000</b>	<b>-4919260</b>	<b>14400740,00</b>	<b>12447973,62</b>	<b>14%</b>

### 3.7.3 ELECTRICITY

#### a) Introduction to electricity

- **Distribution areas**

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

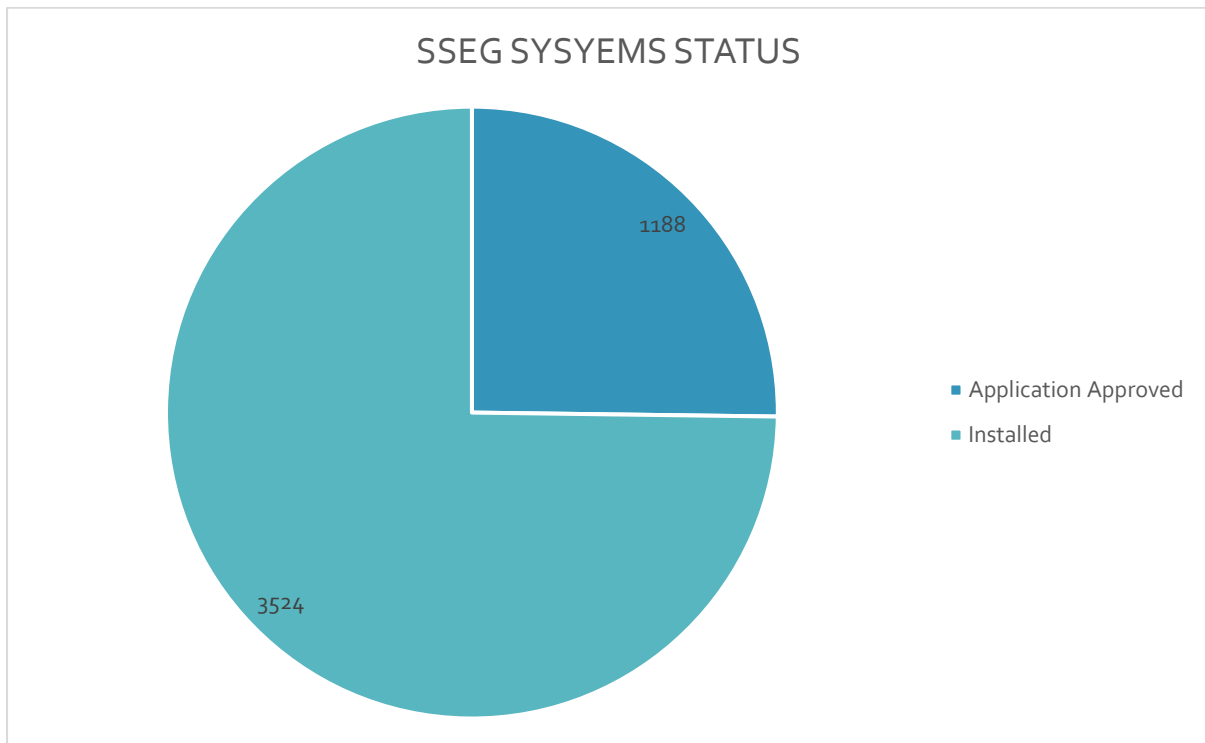
**TABLE 92 ELECTRICITY DISTRIBUTION AREAS**

CAPE AGULHAS	ESKOM
- Bredasdorp	- Klipdale
- Napier	- Protem
- Struisbaai	- Struisbaai North
- L'Agulhas	- Kassiesbaai
- Waenhuiskrans	- Elim
- Suiderstrand	- 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 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. Cape Agulhas Municipality has an online SSEG platform for the application and approval of all systems, this eases the application process and allows for far lower Municipal processing times . The link to the site is: [HTTPS://apply.sseg.org.za](https://apply.sseg.org.za). The status of the current systems are depicted below graph, 1188 are awaiting final commissioning documents from the installer to connect to the infrastructure.

FIGURE 14 SSEG SYSEMS STATUS



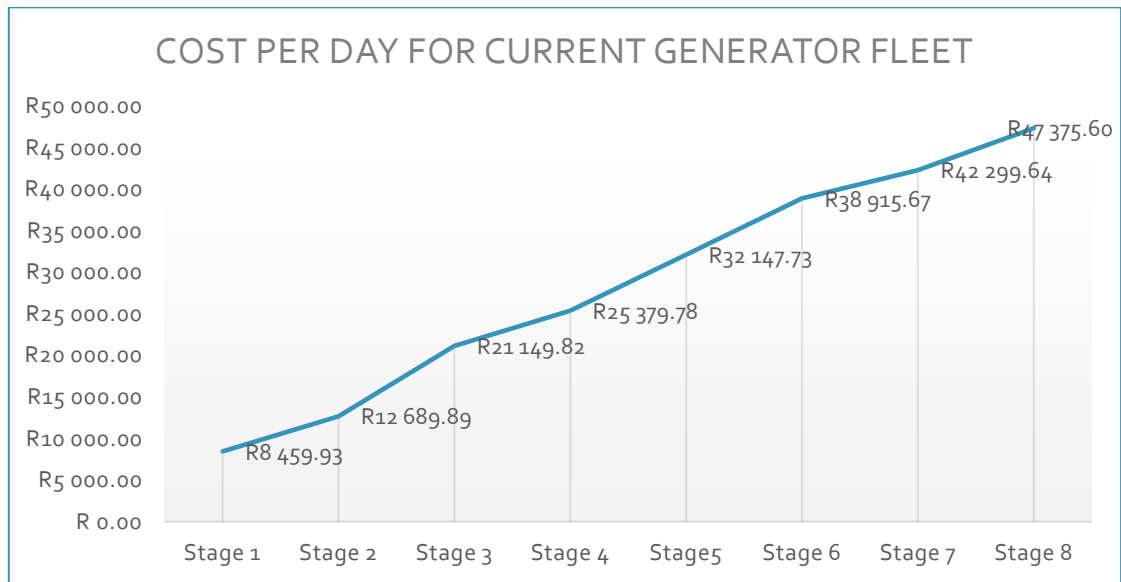
▪ **Service delivery highlights for 2022/23**

- Maintenance of streetlights in the Eskom supply areas in accordance with an agreement concluded with ESKOM
- The Municipality is part of the MEMS (Municipal Energy Management System) program, and all internal energy consumption is collated monthly in a purpose-built tool and dashboard, that tracks trends and clearly indicates any problem account. The dashboards are located at the bottom of this section.
- The Municipal Council approved an energy management policy
- Distribution losses are limited to 6.62% which when compared with the industry standard of 10% is an achievement and can be attributed to the massive cold start loads experienced after loadshedding which is dissipated as heat losses in transformers and conductors.
- Continuous upgrading of ageing infrastructure in accordance with the Municipality’s 20-year master plans for the towns within our area of supply.
- The Municipality was invited to make a presentation to the Premier of the Western Cape and his energy advisory team on the willingness and readiness to implement a possible solar PV containerized battery solution. A final outcome is being awaited from the Premiers Office.
- The Municipality has embarked on a Public Private Partnership (PPP) process to obtain financing for an alternative energy generation project. This is a complicated highly regulated process and requires experienced professionals in the field to implement, we applied for funding via SALGA and SAEP for the feasibility study and appointment of both a project officer and transaction advisor, as required by national Treasury. Due to our previous successes and participation in alternative energy training, we were approved for this funding. The PPP project is registered with National Treasury.

▪ **Service delivery challenges for 2022/23**

- 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.
- Eskom’s ageing infrastructure in the rural areas causing quality of supply issues and continuity of supply problems.
- A decline in revenue from electricity sales
- The impact of loadshedding on our infrastructure as well as the high costs associated with alternative energy supplies to keep our boreholes and purification plants running during loadshedding. Below is a table of diesel costs to maintain minimum service levels during loadshedding.

TABLE 93 COST PER DAY FOR CURRENT GENERATOR FLEET



\*Litres per hour 147.13. Rand per hour 3383.97

**b) Service statistics**

▪ **Unaccounted for electricity (Losses)**

The Municipality’s electricity losses increased to 6.62%, compared to the 6.41% of the previous year. Our unaccounted electricity remains well below the norm and this increase is negligible.

TABLE 94 ELECTRICITY LOSSES

YEAR	UNITS PURCHASED (kWh)	LOSSES (kWh)	%	RAND VALUE (APPROXIMATE)
2020/21	73 435 236	4 579 634	6.24%	R4 167 467
2021/22	72 889 166	4 674 940	6.41%	R5 048 935
2022/23	62 770 111	4 152 849	6.62%	R 4 858 834

▪ **Household access to electricity**

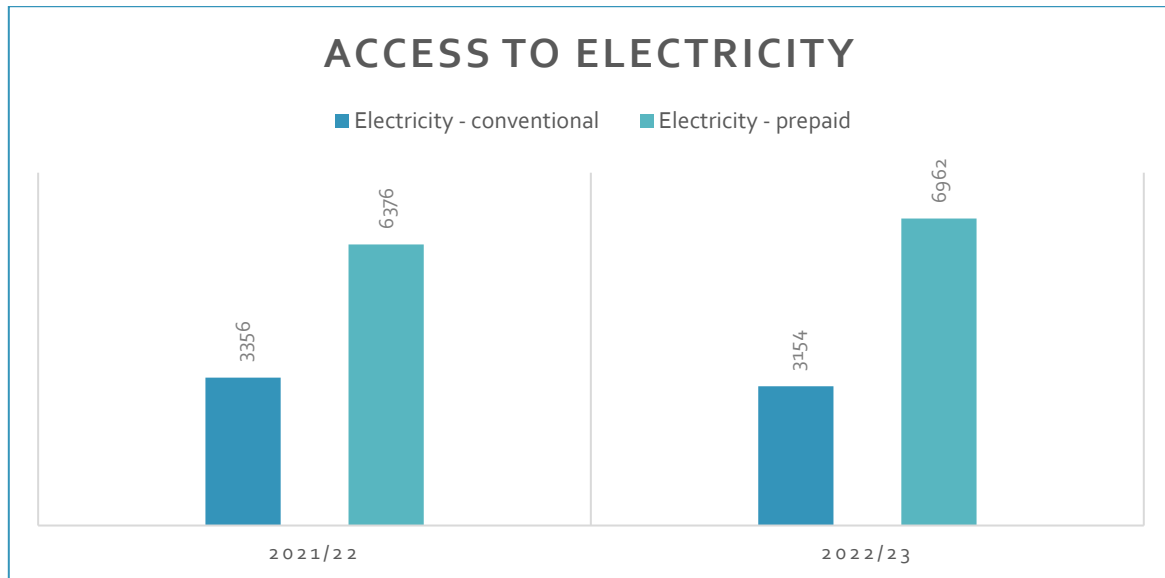
Access to minimum electricity standards is defined as an electricity connection at the dwelling. National policy also requires that poor households should receive 50kWh of free basic electricity per month. All formal households as well as households in informal settlements have access to electricity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

**TABLE 95 ELECTRICITY SERVICE DELIVERY LEVELS**

DESCRIPTION	HOUSEHOLDS	
	2021/22	2022/23
	ACTUAL NO	ACTUAL NO
<b>Energy: (above minimum level)</b>		
Electricity - conventional	3356	3154
Electricity - prepaid	6376	6962
<b>Minimum Service Level and Above sub-total</b>	<b>9732</b>	<b>10116</b>
<b>Minimum Service Level and Above Percentage</b>	<b>100%</b>	<b>100%</b>
<b>Energy: (below minimum level)</b>		
Electricity (< min. service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
<b>Total number of households</b>	<b>0</b>	<b>0</b>

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

**FIGURE 15 ELECTRICITY SERVICE DELIVERY LEVELS**



**c) Human resources**

**TABLE 96 EMPLOYEES: ELECTRICITY SERVICES**

CAPE AGULHAS MUNICIPALITY ANNUAL REPORT 2022/23

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	4	4	3	1	25%
4 to 8	9	7	7	0	0%
9 to 13	13	12	12	0	0%
14 to 18	1	1	1	1	100%
<b>TOTAL</b>	<b>27</b>	<b>24</b>	<b>23</b>	<b>2</b>	<b>7%</b>

## d) Financial performance: Capital expenditure

TABLE 97 CAPITAL EXPENDITURE: ELECTRICITY SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Office furniture - white boards	6500	-210	6290,00	6281,76	0%
Air conditioner - office	8000	-1270	6730,00	6728,90	0%
Tools	37500	-12130	25370,00	1473,91	94%
Aerial platform - cherry picker	1600000	-396880	1203120,00	1203114,41	0%
Master plan implementation - RMU Du Preez, replace rabbit co	2711019	-2364579	346440,00	346438,50	0%
Master plan implementation - Sub 4 Replace with HARE OHL - B	0	88020	88020,00	88012,20	0%
Master plan implementation - Sub 8 Replace with GMT 800 KVA	0	479809	479809,00	476632,46	1%
Master plan implementation - Generators (SB Sewer pumps / SC	0	757810	757810,00	757804,00	0%
Master plan implementation - Station Road - Replace Gooseneck	0	557980	557980,00	642582,39	-15%
Master plan implementation - Replace GMT T main road with ty	0	630770	630770,00	630591,12	0%
Master plan implementation - Generators (SB Sewer pumps / SC	0	3092670	3092670,00	2992670,00	3%
Master plan implementation - Generators (Cogta grant)	0	350000	350000,00	350000,00	0%
Change transformers minisubs	585572	-585572	0,00	0,00	-
Replace Med/Low Volt Overhead lines	772265	-772265	0,00	0,00	-
Master plan *Struisbaai	1500000	-615000	885000,00	883905,80	0%
Integrated National Electrification Programme (INEP)	3947425	-411302	3536123,00	3012855,56	15%
Electrification - informal settlement	155800	-57750	98050,00	98050,00	0%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Electricity LV network: street lights - new	284000	-2170	281830,00	281828,00	0%
Street lights - Arniston Road (BD)	361788	-690	361098,00	361093,80	0%
Street lights - West street and Eskom street Napier	185752	-185752	0,00	0,00	-
<b>TOTAL</b>	<b>12155621</b>	<b>551489</b>	<b>12707110,00</b>	<b>12140062,81</b>	<b>4%</b>



### 3.7.4 WASTE MANAGEMENT

#### a) Introduction to waste management

The Waste Management function is defined as the activities associated with collection, transport, processing and disposal of waste. This includes awareness to minimize waste generated, recycling and re-use of waste with value, composting and work opportunities in waste.

##### ▪ 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 and Napier is transported to the Bredasdorp landfill.

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

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

The Karwyderskraal regional landfill will be the most suitable option in the medium to long term and this has been included as a priority project in the District One Plan or Joint District Approach. In the interim the Municipality has conducted a survey of the Bredasdorp landfill site, and an application has been made to the Department of Environmental Affairs and (DEADP) for a height extension and the reduction of the buffer zone which will extend the lifetime of the site.

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 in the previous financial year, and we are now able to effectively monitor groundwater quality.

##### ▪ Refuse collection

All households in the Municipal Area have access to a weekly refuse collection service. In the informal settlements the bags are carried out to the nearest collection point. New housing developments have a significant impact on the amount of refuse that must be collected.

##### ▪ Street Cleaning

Street cleaning takes place on a continuous basis throughout the year. The escalation of illegal dumping is hampering the Municipalities efforts to keep the towns clean and attractive. Street cleaning and clearing of illegal dumping are executed through the Expanded Public Works Programme (EPWP), which creates jobs.

##### ▪ 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 EPWP. Coastal Clean-up operations were done with the Overberg District Municipality and recycling bins were distributed to various schools to promote the project. The Municipality partnered the Zero Waste Association of South Africa (ZWASA) to implement a successful pilot organic waste diversion pilot project in Bredasdorp that will continue in the 2023 / 24 financial year. This project was funded through corporate social investment.

▪ **Awareness**

The following awareness campaigns were rolled out:

- "Youth in Waste" Projects aim to create awareness on recycling and illegal dumping. Illegal dumping is a major challenge for the Municipality and door to door awareness formed part of an EPWP education programme.
- Awareness campaigns on recycling were also held at businesses, shopping malls and schools.
- The Municipality has an ongoing 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. One Environmental Officer, seven Awareness workers and fifteen General workers were appointed through this EPWP initiative in the Cape Agulhas Municipal Area.
- The Municipality received R 1 000 000 for various projects including Waste Management from the Province, which had apposite impact on job creation and our ability to create a clean and healthy environment.

▪ **Service delivery highlights for 2022/23**

- The implementation of a successful pilot organic waste diversion pilot project in Bredasdorp that can be continued in the new financial year and eventually be rolled out to all towns.

▪ **Service delivery challenges for 2022/23**

- The Municipality was unable to complete the construction of the MIG funded waste material recovery park due to non-performance of the contractor.
- Illegal dumping remains an ongoing challenge.
- Compliance with permit conditions remains an ongoing challenge.
- New residential developments put pressure on the resources of the Municipality.

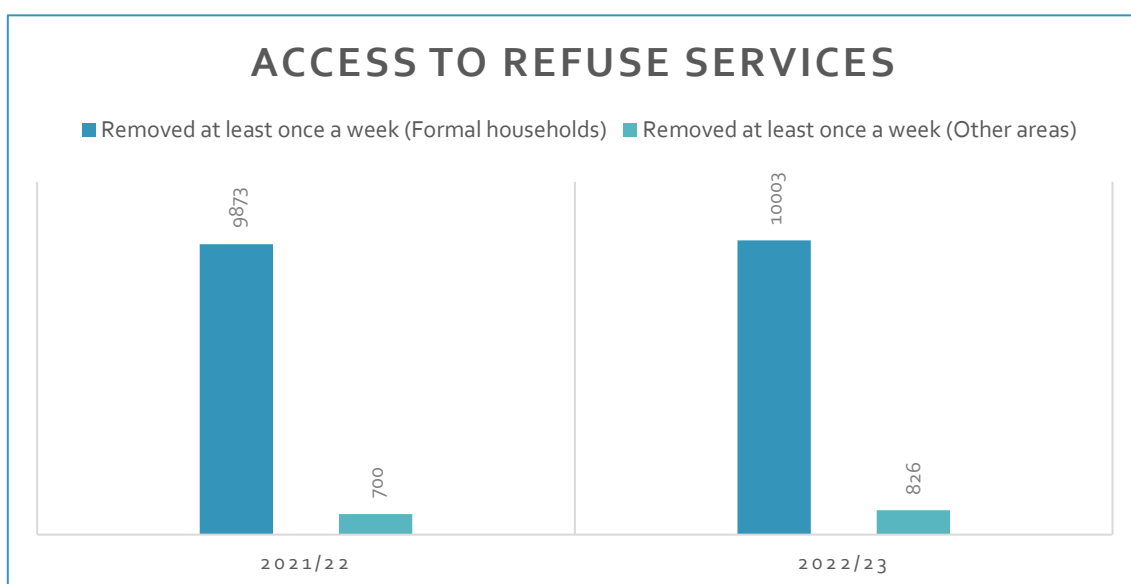
**b) Service statistics**

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 98 WASTE MANAGEMENT SERVICE DELIVERY LEVELS

DESCRIPTION	HOUSEHOLDS	
	2021/22	2022/23
	ACTUAL NO	ACTUAL NO
<b>Solid waste removal (Minimum level)</b>		
Removed at least once a week (Formal households)	9873	10003
Removed at least once a week (Other areas)	700	826
<b>Minimum Service Level and Above sub-total</b>	<b>10573</b>	<b>10829</b>
<b>Minimum Service Level and Above percentage</b>	<b>100%</b>	<b>100%</b>
<b>Solid waste removal (Below minimum level)</b>		
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
<b>No rubbish disposal</b>	<b>0</b>	<b>0</b>
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level percentage	0	0
<b>Total number of households</b>	<b>0</b>	<b>0</b>

FIGURE 16 WASTE MANAGEMENT SERVICE DELIVERY



c) Human resources

TABLE 99 EMPLOYEES: WASTE MANAGEMENT

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	29	30	30	0	0%
4 to 8	7	7	7	0	0%
9 to 13	2	2	2	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>39</b>	<b>40</b>	<b>40</b>	<b>0</b>	<b>0%</b>

**d) Financial performance: Capital expenditure****TABLE 100 CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Material recovery park (MIG)	6354391	0	6354391,00	2194614,83	65%
Material recovery park	0	0	0,00	0,00	-
Air conditioner <b>Offices</b>	8000	-1270	6730,00	6728,90	0%
Front end loader (MIG application WIP)	1800000	-220210	1579790,00	1579789,29	0%
Rehabilitation Provision - landfill site	0	3086820	3086820,00	7035229,33	-128%
Fencing at waste facilities (BD)	500000	-29260	470740,00	470734,54	0%
<b>TOTAL</b>	<b>8662391</b>	<b>2836080</b>	<b>11498471,00</b>	<b>11287096,89</b>	<b>2%</b>

**3.7.5 HUMAN SETTLEMENT****a) Introduction to human settlement**

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) Human Settlement Planning**

The Municipal Council approved the review of the Human Settlement Plan on 31 May 2023 (Council Resolution 100/2023). The Human Settlement Plan is reviewed annually to assess progress made on housing delivery in terms of the pipeline deliverables and the business plan of the Western Cape Department of Human Settlements (WCDoHS). It also 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 Human Settlement 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.
- Coordination and alignment between municipal and provincial strategies, policies, and delivery systems
- 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 restructuring of the institutional architecture of housing through coordinated and integrated planning, funding and capacity building efforts at different spheres and sectors of government.
- Alignment between housing policy instruments, and their implementation agencies 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.
- 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.
- Identification, prioritization and implementation of housing and land for housing projects on the pipeline.
- Reinforcement of planning and measuring housing delivery.

An Informal Settlement Management Plan was approved by Council on 31 May 2023 (Resolution 101/2023). The plan highlights the state of Informal Settlements and the management interventions that are proposed. It specifically highlights challenges and defines clear roles and responsibilities.

When developing the Human Settlement Plan the extensive migration of people into the Cape Agulhas Municipal Area was considered. South Africa as a country that 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.
- Most people travel by foot to school and work. This has an implication for delivery of future housing, which should be near existing work opportunities and education facilities.

The following progress was made in the 2022/23 financial year:

Projects in Implementation stages:

▪ **Struisbaai: Oukamp / Blompark and Area A / IRDP**

- A housing outreach was held in Struisbaai on 3 and 4 March 2023. The focus was backyard dwellers and middle-income groups on the waiting list.
- A housing meeting was held on 6 March 2023 with the local Housing Committee and the Ward Councillor.
- A housing community meeting was held in Struisbaai on 16 March 2023 where the Manager made a presentation on the progress of projects, feedback was also given about funding that was released for planning of the projects.
- The Social Compact (community-based planning, feasibility studies) were explained.
- Funds for the planning phase were secured and an environmental consultant appointed to conduct the EIA linked to bulk stormwater.
- Costing of the stormwater plan was concluded.
- The Basic Assessment Report in respect of the IRDP project in Struisbaai comprising 441 houses was submitted to the Department of Environmental Affairs and Development Planning and a positive outcome was received.
- The design of the long-term project is complete, and the EIA process commenced.
- There is currently uncertainty regarding the linkage of the storm water route, and this will be redesigned to meet the province's submission date.
- An in-house survey was done at Oukamp, Struisbaai and it is planned 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.
- We are in the planning phase of the Blompark precinct and Insitu upgrade of the Oukamp informal settlement.

▪ **Bredasdorp - Zwelitsha: Upgrading of Informal Settlement**

- Funding approval was granted by the Department of Human Settlement (DoHS) on 11 March 2023 for the planning of 1175 sites.
- Feedback was given to the community on the funding approval and the Social Compact (community based - planning, feasibility studies) was also explained.
- A meeting was held with the local informal settlements committee and the Ward Councillor on 14 March 2023 to explain the planning process that need to be compiled with such as NEMA and town planning processes.
- On 18 June an illegal landgrab was attempted on Municipal land adjoining the Swellendam road by aggrieved residents of Zwelitsha. The administration, Mayor and Deputy Mayor had a meeting that

afternoon with a committee representing the aggrieved residents. This was followed by a community meeting on 22 June 2023 where feedback was given on a plan for short and long-term interventions including the immediate availability of land to erect shacks.

- Funding for the pre-planning phase was approved by Western Cape Department of Infrastructure on 21 June 2023 to the amount of R2 214 095 for approximately 1175 sites. The funding provides for the following:
  - o Air flow path study
  - o Contour survey
  - o Desktop / preliminary Geotech Assessment
  - o Preliminary services assessment
  - o Preplanning studies (environmental and town planning)
- A group of residents from Zwelitsha marched to the Municipality and handed a set of demands to the Mayor. One of the demands was the release of land for residential purposes. It was agreed that the Manager Human Settlements and representatives of the Human Rights Commission would investigate potential open land for residential purposes. Two temporary relocation sites were recommended, namely an open pocket of land opposite Charlotte Maxexi Street, as well as a pocket of land next to the current serviced sites in Zwelitsha. Four community members and a supervisor were employed under the EPWP, to verify the need for plots in Zwelitsha, and to assist the Department Human Settlements with a survey and a report regarding shack farming.

▪ **Napier: Informal Settlement Site B and Site A2 IRDP**

- Approval was granted by DoHs for the planning of 400 sites in Napier Informal Settlement Site B
  - o Feedback was given to the community on the funding approval and the Social Compact (community based - planning, feasibility studies) was also explained.
  - o A meeting was held with the informal settlements committee to explain the planning process that need to be compiled with such as NEMA and town planning processes.
- The Municipality commenced with planning for 150 IRDP houses.
  - o Feedback was given to the community in terms of funding for the planning of the project and the Social Compact (community based - planning, feasibility studies) was also explained.
  - o A meeting was held with the informal settlements committee to explain the planning process that need to be compiled with such as NEMA and town planning processes.

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 Department of Human Settlement are busy with an outreach programme within all the towns of Cape Agulhas Municipality to address the outstanding title deeds. The Municipality is participating in the Title Deed Restoration Programme which is ongoing. A survey is being done to establish the title deed status of houses built pre-1999.

The current housing projects in Bredasdorp, namely Parkview and Millpark are complete. A total of 149 of the 158 transfers in respect of Parkview are complete. The 9 outstanding ones are due to beneficiaries that are deceased some of which are intestate. A total of 552 transfers of the Millpark project are in process of being

registered at the deed's office. The 17 outstanding ones are due to beneficiaries that are deceased some of which are intestate.

**d) Deferred Ownership**

The Municipality submitted a business plan to the MEC for the implementation of a Deferred Ownership Project. The intention of this project is to find an alternative to cater for the middle-income group within our area. We received an amount of R10 000000,00 for the implementation of the first phase of the project which commenced in 2021/22. In 2022/23 we received a further R 15 000 000 bringing the total to R 25 000 000.00. At the end of June R6 911 259.57 was spent and R18 088 740.43 was still available. The first phase comprised 30 units and by 30 June 10 direct sales and 14 rent to buy agreements were concluded.

**e) Landgrabs**

Attempted land grabs have increased in the financial year under review, and all relate to the need for serviced sites. The impact of land grabs has a negative effect on the planning for any upgrade of an Informal Settlements or any other township development or Human Settlement projects and any land use planning in general. Examples of land invasions at neighbouring Municipalities had a negative effect on the socio-economic circumstances on communities, basic service delivery, public disorder, and investment. The Municipality submitted a business plan to the Provincial Department of Human Settlement for funding under the Upgrading of Human Settlements Programme and planning funds were secured for the 2022/2023 financial year.

**f) Service statistics**

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

**TABLE 101 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
2021/22	10573	9873	6.7%	700
2022/23	10890	9875	6.9%	1800

Source : Statistics SA – Census 2011 / Informal settlement register

The following table indicates the number of housing applicants on the waiting list.

**TABLE 102 HOUSING WAITING LIST**

FINANCIAL YEAR	HOUSING APPLICANTS	% HOUSING WAITING LIST (INCREASE/DECREASE)
2021/22	3635	8.48
2022/23	3985	10.50

The following table indicates the number of houses / stands serviced

**TABLE 103 HOUSES BUILT / STANDS SERVICED**



FINANCIAL YEAR	NUMBER OF HOUSES BUILT	NUMBER OF SITES SERVICED
2021/22	0	0
2022/23	27	120

The following table indicates the allocations received and amounts spent.

**TABLE 104 ALLOCATIONS RECEIVED AND EXPENDITURE**

FINANCIAL YEAR	ALLOCATION OPENING BALANCE	FUNDS RECEIVED	SPENT	BALANCE
2021/22	10 655 415	4747111	5121398	10 281 128
2022/23	10281129	17627129	7895353	20 012 905

The following has been 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
- Planning Phase of the Upgrading of Informal Settlements Programme, (Zwelisha, Napier and Ou Kamp)

**g) Human resources**

**TABLE 105 EMPLOYEES: HOUSING SERVICES**

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	1	1	1	0	0%
9 to 13	3	3	3	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0%</b>

**h) Financial performance**

No capital projects in the year under review.

**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 50% or 100% for water depending on household income;
- Rebate 50% or 100% for refuse removal depending on household income;
- Rebate 50% or 100% for sanitation depending on household income;

In accordance with the approved Indigent Policy of the Municipality, all households earning less than R4 000.00 for indigents and R6 000.00 for poor households 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 106 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	%
2021/22	10589	3362	31.81	3362	31.81	3362	31.81	3362	31.81
2022/23	10727	3214	29.96	3214	29.96	3214	29.96	3214	29.96

**TABLE 107 COST TO THE MUNICIPALITY OF FREE BASIC SERVICES DELIVERED**

VOTE DESCRIPTION	PREVIOUS AUDITED ACTUAL	BUDGET ORIGINAL	FINAL ADJUSTMENT BUDGET	YEAR TO DATE ACTUAL
Free Basic Services - Water	10 232 600,00	10 723 800,00	10 723 800,00	11 663 465,00
Free Basic Services - Sanitation	5 795 100,00	6 073 300,00	6 073 300,00	5 417 680,52
Free Basic Services - Refuse Removal	8 256 100,00	8 652 400,00	8 652 400,00	7 698 543,58
Free Basic Services - Electricity	153 700,00	601 650,00	601 650,00	593 582,07
Free Basic Services - Electricity (Eskom)	499 300,00		-	31 152,51
<b>TOTAL</b>	<b>24 936 800,00</b>	<b>26 051 150,00</b>	<b>26 051 150,00</b>	<b>25 404 423,68</b>

### 3.8 COMPONENT B: ROAD TRANSPORT AND WASTEWATER MANAGEMENT

This component includes roads and wastewater management (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 Municipality's strategy 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 2022/23

- Numerous roads in Bredasdorp have been rehabilitated and re-sealed.
- Van de Byl Street in Napier has been upgraded.
- Sidewalks have been upgraded in Wards 6 and 4.
- Stormwater infrastructure in Main Road, L'Agulhas has been upgraded to prevent flooding of private property.
- Phase 2 of the Suiderstrand Road has been upgraded to a paved surface. (±1 km)

##### ▪ Service delivery challenges for 2022/23

- Funding to address the backlogs in road maintenance and rehabilitation remains a challenge.
- Capital budgets were cut due to the cost loadshedding.

##### b) Service statistics

TABLE 108 GRAVEL ROAD INFRASTRUCTURE

YEAR	TOTAL GRAVEL ROADS (KM)	NEW GRAVEL ROADS CONSTRUCTED (KM)	GRAVEL ROADS UPGRADED TO TAR (KM)	GRAVEL ROADS GRADED/MAINTAINED KM
2021/22	38.50	0	1.80	38.50
2022/23	37.50	0	1.00	37.50

TABLE 109 TARRED ROAD INFRASTRUCTURE

YEAR	TOTAL TARRED ROADS (KM)	NEW TAR ROADS (KM)	EXISTING TAR ROADS RE-TARRED (KM)	EXISTING TAR ROADS RE-SEALED (KM)	TAR ROADS MAINTAINED (KM)
2021/22	189.45	1.80	0.50	0	189.45
2022/23	190.45	1.00	0	4.30	190.45

TABLE 110 COST OF CONSTRUCTION AND MAINTENANCE

YEAR	GRAVEL			TAR		
	NEW (R' 000)	GRAVEL – TAR (R' 000)	MAINTAINED (R' 000)	NEW (R' 000)	RE-WORKED (R' 000)	MAINTAINED (R' 000)
2021/22	0	8 700	250	0	0	1 600
2022/23	0	4 000	270	0	8 500	1 800

c) Human resources

TABLE 111 EMPLOYEES: ROADS AND STORMWATER

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	16	15	15	0	0%
4 to 8	12	13	10	2	20%
9 to 13	12	12	12	0	0%
14 to 18	1	2	2	0	0%
<b>TOTAL</b>	<b>41</b>	<b>42</b>	<b>39</b>	<b>2</b>	<b>5%</b>

These employees also perform the stormwater function.

d) Financial performance: Capital expenditure

TABLE 112 CAPITAL EXPENDITURE ROADS

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Machinery and equipment - Cutter (x1)	20000	-20000	0,00	0,00	-
Plate compactor	20000	-20000	0,00	0,00	-
Roller trailer	50000	-50000	0,00	0,00	-
Generator (Roads)	10000	-10000	0,00	0,00	-
Roads Infrastructure: Reseal Roads - Master plan	3000000	-39250	2960750,00	2960745,44	0%
Rehabilitation Of Roads (BD)	3500000	0	3500000,00	3500000,00	0%
Sidewalks - Ward 6 (Afrikalaan and Fabrieksweg)	500000	-730	499270,00	499262,47	0%
Upgrade Suiderstrand Road	4000000	-12990	3987010,00	3987004,42	0%
Construction of Roads (NP)	2000000	360000	2360000,00	2360000,00	0%
Sidewalks upgrade Struisbaai / L'Agulhas	500000	-28450	471550,00	471451,20	0%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
<b>TOTAL</b>	<b>13600000</b>	<b>178580</b>	<b>13778580,00</b>	<b>13778463,53</b>	<b>0%</b>

### 3.8.2 STORMWATER MANAGEMENT

#### a) Introduction to stormwater management

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 stormwater infrastructure specifically in Struisbaai. Most of the stormwater problems in Bredasdorp have been addressed. The stormwater master plan has been finalised and will guide council to identify projects to address storm water problems.

- **Service delivery highlights for 2022/23**

- The stormwater infrastructure in Main Road, L'Agulhas has been upgraded.
- The design for the upgrading of the Struisbaai North stormwater system has been completed and the EIA is in progress.

- **Service delivery challenges for 2022/23**

- Insufficient financial resources
- High risk of flooding in certain areas in Arniston and Struisbaai.
- Storm water infrastructure in numerous areas in Struisbaai is inadequate and needs to be upgraded urgently.

#### 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 113 STORMWATER INFRASTRUCTURE**

YEAR KM	TOTAL STORM WATER MEASURES (KM)	NEW STORM WATER MEASURES (KM)	STORM WATER MEASURES UPGRADED (KM)	STORM WATER MEASURES MAINTAINED (KM)
2021/22	78.40	0.600	0	78.40
2022/23	78.60	0.200	0	78.60

**TABLE 114 STORM WATER INFRASTRUCTURE COST**

YEAR	STORM WATER MEASURES		
	NEW (R'000)	UPGRADED (R'000)	MAINTAINED (R'000)
2021/22	800	0	Part of roads budget
2022/23	1000	0	Part of roads budget

#### c) Human resources

TABLE 115 EMPLOYEES: ROADS AND STORMWATER

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	16	15	15	0	0%
4 to 8	12	13	10	2	20%
9 to 13	12	12	12	0	0%
14 to 18	1	2	2	0	0%
<b>TOTAL</b>	<b>41</b>	<b>42</b>	<b>39</b>	<b>2</b>	<b>5%</b>

*These employees also perform the road function.*

d) **Financial performance: Capital expenditure**

TABLE 116 CAPITAL EXPENDITURE STORMWATER

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Storm Water Master Plan - Struisbaai	1000000	0	1000000,00	1000000,00	0%
<b>TOTAL</b>	<b>1000000</b>	<b>0</b>	<b>1000000,00</b>	<b>1000000,00</b>	<b>0%</b>

### 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.

##### ▪ Adoption of Integrated Development Plan of Predecessor with amendments (2022/23 – 2026/27)

The IDP of the predecessor with amendments (2022/23 – 2026/27) was approved on 31 May 2022. 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 Time Schedule which outlines the key deadlines for the preparation, tabling, and approval of the annual budget as well as any amendments to the IDP, had to be adopted by 31 August 2021. The previous council adopted a Time schedule on 26 August 2021 (Resolution 180/2021). Municipal elections took place on 1 November 2021 and the new Council then commenced with the compilation of its own IDP process in July 2022 which was tabled end of March 2022 and adopted on 31 May 2022.

This approach was promoted by National and Provincial Government and was alluded to in MFMA circular 108 of 2021 which addressed transitional processes for the development and adoption of IDPs during the 2021 election year.

The purpose of the time schedule is to indicate and manage the planned activities and strategies that the municipality will follow to review / amend its 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. The MEC was satisfied with the Integrated Development Plan of the Predecessor with amendments as submitted.

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### 3.9.2 SPATIAL PLANNING

#### a) Introduction to spatial planning

Spatial planning is the responsibility of the Town and Regional Planning Department, which is mandated to manage and guide land uses within the municipality's area of jurisdiction in accordance with the Cape Agulhas Municipal Land Use Planning and Zoning Scheme By-Laws.

Town and Regional 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.

The Town and Regional Planning Department has three main sub-sections namely: Land Use Planning, Spatial Planning and GIS

- Land Use Planning includes:
  - Processing of various land use applications such as rezonings, departures and consent uses in line with the applicable zoning scheme and spatial development framework.
  - Applications for house shops in terms of the by-laws.
  - Enforcement of town planning scheme by-laws and prosecution of illegal land uses.
  - Effective service delivery and networking with the public.
  - Issuing zoning certificates, information, and business licences.
  - Site inspections.
  - Attending to complaints on illegal land use.
- Spatial Planning includes:
  - Ensuring the linkage between the SDF (Spatial Development Framework) and the IDP (Integrated Development Framework) as the SDF is a spatial representation of the 5-year IDP
  - Future development and alignment of the SDF with our Zoning Scheme and Municipal Planning By-laws
- GIS includes:
  - Computer-Aided Design (CAD) technicians create electronic design plans for buildings and site plans using computer software.



- CAD technicians work together with building architects and professional draftsmen in order to design technical plans and create 2D and 3D computer models.

**b) Spatial Development Framework (SDF)**

Section 26 of the Municipal Systems Act (MSA) as well as Section 20 of the Spatial Planning and Land Use Management (SPLUMA) 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 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.). The SDF guides development through principles set by legislation and the prescribed public participation process. The Planning Department apply the mentioned spatial principles through consultation with private developers and relevant government departments to ensure the SDF and IDP objectives are achieved through planning.

The 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. During 2022/23 the process of redrafting the SDF started and will be finalized during 2023/24 financial year for the term 2023-2028.

The following progress was made with the revision of the SDF in the 2022/23 financial year:

- (a) A notice was published on the 22nd of July 2022, giving notice of the intention to compile a new 5-year SDF; and the process to be followed, in accordance with section 28(3) and 29 of the Municipal Systems Act.
- (b) The Municipality registered interested and affected stakeholders, to comment on the draft SDF as part of the process.
- (c) The SDF process aligns to the IDP and budget process and is included in the IDP’s Process Plan.
- (d) Public participation for the SDF took place concurrently with the IDP Process during August / September 2022. The following engagements took place:
  - i. Preparatory meeting with all Ward Committees where we provided background information as well as planning templates for members to complete with their sectors.
  - ii. Special Ward Committee meetings with each ward committee to assess their needs and spatial priorities in detail and establish linkages with the SDF.
  - iii. Inclusion of a IDP / SDF item on the Ward Councillors Feedback Meeting agendas to affirm the needs identified by Ward Committees and pose additional needs and spatial priorities.
  - iv. Sector engagements with the following sectors to assess needs and spatial priorities.
    - 1. Faith-based cluster
    - 2. Youth cluster
    - 3. Sport cluster
    - 4. Business cluster
    - 5. Agriculture cluster
    - 6. Fishing community Arniston
    - 7. Fishing community Struisbaai
    - 8. Social Cluster: (Including but not limited to safety, gender, the aged, people with disabilities, substance abuse and LDAC)
- (e) A comprehensive needs analysis was developed and mapped, and draft Status Quo Report was submitted on the 28th of October 2022.

- (f) A CAMAF meeting was held on the 8th of November 2022, discussions focused on CAM’s progress with IDP & SDF, vision, mission, and priorities as identified per Ward.
- (g) The **1st Stakeholder Engagement** was held in Struisbaai on the 12th of December 2022 from 12:00-20:00. The Status Quo Report was discussed with municipal departments, public entities, community representatives and all other related bodies based on the context of the municipality.
- (h) On the 13th of December 2022 progress was given on the SDF to Council. It was decided that the Status Quo Report be updated for approval by Council in January 2023.
- (i) The Municipality may establish a project committee to assist to compile or amend its SDF. The project committee must consist of the Municipal Manager, or a municipal employee designated by the Municipal Manager; and municipal employees appointed by the Municipal Manager from relevant internal departments. (A Project Steering Committee was established and consist of all Directors and relevant Managers)
- (j) Council approved the Status Quo Report in terms of Section 7(1)(b) of the Municipal Land Use Planning By-Law, 2022, on the 31st of January 2023.
- (k) The First Draft of the SDF was approved by Council for the publication thereof for public comment on the 8th of March 2023
- (l) The Second Draft of the SDF was approved by Council (to include a Draft Capital Expenditure Frameworks (CEF) as a key component of the SDF) for the publication thereof for public comment on the 31st of March 2023
- (m) Both the first and second Draft SDF were submitted to the Provincial Minister for comment in terms of section 13 of the Land Use Planning Act;
- (n) The **2nd Stakeholder Engagement** was held in Bredasdorp on the 18<sup>th</sup> of April 2023 at the Glaskasteel from 12:00- 20:00. The second Draft SDF was discussed with municipal departments, public entities, community representatives and all other related bodies based on the context of the municipality.

**c) 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. The Cape Agulhas Municipal Land Use Planning and Zoning Scheme By-Laws, 2022 were approved by Council and were gazetted in July 2022. These by-laws are regarded as compliant with the Constitution, SPLUMA, LUPA, Municipal Systems Act and other legislation.

The Municipality has appointed an Authorised Official and Appeal Authority and successfully constituted its Municipal Planning Tribunal (MPT). In terms of the categorisation of land use planning applications, the MPT mainly considers applications that are not in alignment with the SDF and all applications in respect of municipal land. The turnaround time for processing of land use applications has been expedited through this process.

The Municipal Planning Tribunal comprises the following members:

**TABLE 117 MEMBERS OF THE MUNICIPAL PLANNING TRIBUNAL**

MEMBER	SECUNDI
Eben Phillips (Chairperson)	Tracey Stone
Abdul Aziz Jacobs (Deputy Chairperson)	Deon Wasserman
Hendrik Kröhn (Internal)	Ron Brunnings (External)
Mr Jeremy Benjamin (External) until 10 February 2023	
Delene Carstens (External) from 10 February 2023	
Francois Kotze (External)	

The Municipal Planning Tribunal derives its authority from the categorisation of applications approved by the Municipal Council in terms of SPLUMA.

**TABLE 118 MEETINGS OF THE MUNICIPAL**

DATE	MATTERS DISCUSSED
29 November 2022	<ul style="list-style-type: none"> <li>- Revised Municipal Planning Tribunal Terms of Reference and Rules</li> <li>- Application for rezoning, subdivision, consolidation and departure (Erven 6690, 6691, 6448 &amp; 6449 Bredasdorp (Millpark) - MTRP (Ward 2)</li> </ul>
25 March 2023	<ul style="list-style-type: none"> <li>- Application for subdivision and rezoning - portion of erf 1148 Bredasdorp (unregistered erf 5783) (ward 3)</li> <li>- Application for closure of a public place and registration of a right of way servitude L'Agulhas erf 953 (ward 5)</li> </ul>

▪ **Service delivery highlights for 2022/23**

- Various guest accommodation and business land use applications have been considered favourably, thus promoting economic development.
  - o Application for Subdivision, Consolidation, Rezoning and Special Consent: Erven 852 and 857 Struisbaai – (shopping mall (Supermarket (OK), hardware store and several other retail stores)
  - o Application for consolidation, departures, consent use, amendments of subdivisional and site development plan: Erf 230 Struisbaai
  - o Shopping mall (luxury supermarket, 23 shops and 8 commercial), Hotel (120 apartments) and 13 medium residential erven.
  - o L'Agulhas Lifestyle and Retirement Estate: (Application for Rezoning, consolidation, and subdivision: Erven 678, 679 and 680 Agulhas.
  - o Langezandt Langevelei Retirement Village: Application for subdivision, consolidation, rezoning, consent use and departure: Erven 922 and 3732 Struisbaai
  - o Retirement village of 164 erven, assisted living complex, hospital/ medical facility, Club House for the Retirement Village, with a consent to operate a creche.
  - o Application for rezoning and subdivision: Portion of the Remainder of Erf 922 Struisbaai
  - o Second Phase of Langezandt Fishermans Village, residential development
- We have been making efficient use of technology to enable clients to upload applications electronically on the Ovivo portal.

▪ **Service delivery challenges for 2022/23**

- 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.
- Postal services are not fully functional, making it difficult to ensure that public participation processes are fully implemented.
- Delays in finalising the new SDF.

**b) Service statistics**

TABLE 119 APPLICATIONS FOR LAND USE DEVELOPMENT

DESCRIPTION	FORMALIZATION OF TOWNSHIPS		REZONING		AUTHORISED OFFICIAL		MUNICIPAL PLANNING TRIBUNAL MPT		PLANNING APPEAL COMMITTEE MAYOR	
	21/22	22/23	21/22	22/23	21/22	22/23	21/22	22/23	21/22	22/23
Planning Applications received	0	0	12	14	139	145	4	3	1	2
Decisions made in current year	0	0	9	12	112	113	4	3	1	2
Applications withdrawn	0	0	0	0	2	5	0	0	0	0
Applications outstanding at year end	0	0	3	2	24	26	0	0	0	0

c) **Human resources**

TABLE 120 EMPLOYEES SPATIAL PLANNING

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	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	3	0	0%
<b>TOTAL</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0%</b>

d) **Financial performance: Capital expenditure**

TABLE 121 CAPITAL EXPENDITURE SPATIAL PLANNING

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Chairs	8000	-2610	5390,00	5385,00	0%
<b>TOTAL</b>	<b>8000</b>	<b>-2610</b>	<b>5390,00</b>	<b>5385,00</b>	<b>0%</b>

### 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 scrutiny 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 (NBR) and Standards Act, Air Quality Control and Noise Management, which in turn ensures a safe and healthy environment for the Cape Agulhas community.

Building control comprises:

- Networking with the public and providing information on building control matters.

- Providing recommendations on plans, specifications, and documents and executing instructions in terms of the National Building Regulations (NBR) and related legislation on behalf of the Municipality.
- Every building plan passes through a clearly structured sequence of well-defined milestones from the receipt of the application right through to the approval or rejection.
- Addressing illegal building work and signage, issuing the necessary compliance notices, and instituting legal action if need be.
- Building inspections as required.
- Management of correspondence and complaints.
- Issuing of occupancy certificates (include 3 months Temporary).
- Air quality control - Dust, Noise and Odour.

The Building Control Officer (BCO) is the local representative of the building industry and represents the responsible Minister in the enforcement of the NBR. Building control ensures that all buildings comply with the NBR.

The following improvements were implemented to improve the service delivery of the Building Control Department:

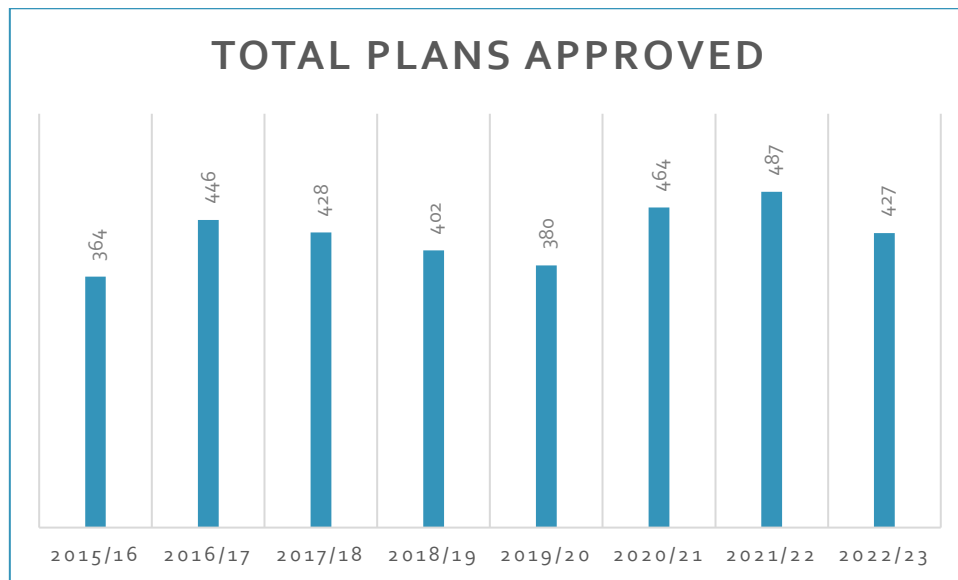
- Workshops and training of staff in terms of new legislation and policies.
- Consideration of building plans within 15 days of submission.
- An electronic building plan register, and plan submission process was created on the Ovvio portal to encourage a transition to a paperless environment.
  
- **Service delivery highlights for 2022/23**
  - Electronic submission of plans on the Ovvio portal has worked well and 95% of all plans are submitted electronically and approved which contributes to environmental conservation.
  - SMS notification of plan approvals.
  - Staff are knowledgeable to improve service delivery.
  - Complaints are dealt with immediately within the 7-day timeframe.
  - Legal requirements and processes are strictly adhered to.
  - Doing site visits and giving advice in terms of building work regularly
  - Approval of a new schedule of fines and levies for contraventions of the NBR
  - Procurement of equipment to do ambient air quality monitoring and ensure compliance with the Municipality's Air Quality Management Plan.
  - Procurement of equipment to do noise monitoring.
  - Active participation on the following forums:
    - National Steering Committee for Building Control SA (acting capacity as acting manager)
    - Regional Tourism Liaison Committee (RTLIC)
    - Air Quality Provincial Forum and working 3 different working groups (Air Quality Management & Climate Change Working Group; Air Quality Education & Awareness Raising Working Group; Compliance Monitoring & Enforcement Working Group)
  
- **Service delivery challenges for 2022/23**
  - Illegal building operations with other role-players like Law Enforcement, Housing, SAPS, SARS etc
  - Long legal processes associated with illegal activities.
  - Joint Case flow meetings - Cooperation with courts to address illegal building work.

a) Service statistics

TABLE 122 NUMBER AND VALUE 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
2020/2021	R418 952 000	448	16	464
2021/2022	R515 251 365	265	22	487
2022/2023	R468 935 000	416	11	427

FIGURE 17 BUILDING PLAN APPROVALS



b) Human resources

TABLE 123 EMPLOYEES BUILDING CONTROL

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	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	0	1	100%
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>20%</b>

c) Financial Performance: Capital expenditure

TABLE 124 CAPITAL EXPENDITURE: BUILDING CONTROL

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Notice Board	2500	-815	1685,00	1685,89	0%
Lazer meter (Height / Distance)	6000	-2760	3240,00	3234,78	0%
<b>TOTAL</b>	<b>8500</b>	<b>-3575</b>	<b>4925,00</b>	<b>4920,67</b>	<b>0%</b>

### 3.9.4 LOCAL ECONOMIC DEVELOPMENT AND TOURISM

#### a) Introduction to local economic development

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.

Economic development is severely curtailed by the macro environment where we live. It is exacerbated by things such as loadshedding which impacts on local business and the operations of the Municipality, limiting the resources that are available for economic development and tourism. Despite this we are constantly exploring new ideas, pursuing funding opportunities and potential partnerships to mitigate the poor economy in which we find ourselves.

#### b) Strategy

The Municipal Council approved a LED Strategy on 27 June 2017. This strategy has been reviewed multiple times with the last review being in 2019/20 when 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. The 2019/20 LED Strategy was expanded to include Tourism as well as an action plan. In 2020/21 an Economic Recovery Plan was approved by Council in response to the Covid 19 pandemic. In the year under review, a strategy to empower local entrepreneurs was approved by the Municipal Council. We have approached institutions such as Dedat to assist us with the formulation of a new LED/Tourism strategy. Engagements were held with a provincial team to this effect. The drafting of such a strategy is in progress.

#### c) Entrepreneurship Development

Entrepreneurship development and support is done in partnership with other stakeholders such as SEDA and SEFA, as well as Provincial Government Departments such as the Department of Agriculture (DOA), Department of Economic Development and Tourism (DEDAT) and National Government Departments such as the Department of Rural Development and Land Reform (DRD&LR).

Initiatives during the year under review include:

- A Memorandum of Agreement (MOA) was entered into with the Seda to solicit more development programmes aimed at the empowerment of SMME's
- The Municipality continued with the street markets and supported their steering committees in all the major towns and provided them with the necessary resources to encourage entrepreneurship. The entrepreneurs were also put on training programmes and assisted with funding applications.
- A small business development summit was hosted in collaboration with DEDAT, SARS, and SEDA with a view to exposing participants to funding and training opportunities.
- Two contractor development workshops were hosted which were aimed at empowering emerging contractors.
- Funding workshops were hosted in partnership with the Department of Small Business Development.
- An entrepreneurial summit was held which was well attended. Stakeholders such as Government Communication Information Services, the Department of Small Business Development, the Construction Industry Development Board, and various other provincial departments shared some vital information to the entrepreneurs at this summit.
- Funding proposals were submitted to Dedat
- We have entered into an agreement with Province to provide alternative energy solutions to upcoming entrepreneurs
- Business development programmes were rolled out to SMME's in partnership with SEDA
- Funding proposals were submitted to NDA/SEDA to assist upcoming entrepreneurs.
- Implementation of the Local Empowerment Policy that was approved by Council in 2021/22 commenced.

TABLE 125 ENTREPRENEURSHIP REGISTRATIONS

REGISTRATIONS	2021/22	2022/23
Co-operatives registered	6	5
Companies registered	9	10
Non-profit Company	1	2
SARS related matters	211	300
CIDB	9	20
COIDA	13	19
UIF	40	55
Supplier data bases	20	42
National Credit Regulator	2	0
Access to finance through CASIDRA/SEDA Department of small Business development	110	200

**d) Rural development programmes**

The following rural development programmes are being implemented:

- **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. We have audited the usage of land allocated for small scale farming and are in the process of developing a programme to be implemented to ensure optimal use of land and re-allocate



land to other beneficiaries if necessary. We have put plans in action which will see the establishment of a piggery on our commonage with the ultimate aim of commercialising small-scale pig-keeping.

- **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. We have facilitated the completion of applications which was submitted to the board as a part of efforts to promote food security.

- **Informal Traders**

The Municipality owns a property in the central business area of Bredasdorp, which has been developed into an informal community market where traders can sell their products in a protected environment. This aligns to our commitment to broaden the scope of our upcoming entrepreneurs and to assist them to become sustainable. The site was covered with shade-ports to provide shelter and was also fitted with an ablution facility. The municipality is in process of concluding a town planning application to also allow for a taxi pick up point on the premises, which will bring more feet to the market.

- **Market Days**

We are hosting one market day per quarter on each of the council owned properties which accommodates emerging entrepreneurs, to promote local products. Market Days were hosted on the Lesedi- and Ou Meule Square, as well as the newly establish community market in Bredasdorp. Many vendors are making use of this opportunity to market 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 emerging entrepreneurs. The idea is to introduce local products to a bigger market whilst utilising these facilities. We have managed to secure an agreement with Super Spar in terms of which we are supplying them with products to be sold on the informal traders / local entrepreneurs' behalf.

- **Supply Chain Open Days**

Supply chain open days were hosted in Bredasdorp and Struisbaai to introduce potential and upcoming entrepreneurs to the requirements of doing business with government. They were also afforded the opportunity to register their businesses on the relevant supply chain databases.

- **Composting Project**

Our office is working in close partnership with the Zero Waste Association of South Africa (ZWASA) on a composting project close to the landfill site, to turn waste into compost. This project was funded through a corporate social investment initiative and is proving to be successful.

- e) **Tourism**

During the year the Lighthouse in Cape Agulhas was listed as the most popular tourism attraction in the Western Cape and listeners of KFM-radio voted Cape Agulhas as one of the top 10 destinations in the Western Cape.

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

▪ **Colour Fun Run**

The aim of this Run is to enhance our tourism economy through sports. A significant number of local people and visitors participated in this fun run. It has since been established as an annual event.

▪ **Schools Project**

We introduced tourism to high school learners during a career exhibition to showcase the various possibilities on offer in the tourism sector. This exhibition was attended by local high school learners as well as unemployed youth.

▪ **Partnering with Community Festivals**

We have partnered and participated in the following community events:

- Voet van Afrika-marathon,
- Southern Tip Festival,
- Napier Patat Festival.
- Elim Festival (in progress)
- Wilma Stockenstrom Festival Napier (in progress)

▪ **Local Tours Initiative**

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

▪ **Filming Desk**

We have established a filming desk with the aim of attracting more filming productions to our area. We engaged with the production management team of the Kokkedoor-Kyknet series to discuss the possibility of a shooting location in Cape Agulhas. The engagement was fruitful and culminated in the first of a series of seasons which was filmed in Struisbaai. This venture has brought much needed publicity to Cape Agulhas in its entirety, and thousands of rands was pumped into the local economy.

▪ **Skills Development**

We have hosted several training sessions in the following disciplines:

- Customer care training
- Co-operative training

- Tender readiness
- Basic business skills
- Workshops in costing and tendering

**f) Marketing**

We have undertaken the following marketing initiatives:

- The Municipality has invited representatives of various tour agencies to a working holiday during which we showcased our tourist attractions, with the view to convincing these agencies to extend their tour packages to our area.
- We have upgraded our social media platforms in order to reach as many people as 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 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.
- Our brochures were redesigned to make them more market friendly.
- Newspaper advertisements were placed in mainstream media to promote Cape Agulhas

**g) Red tape reduction**

We have solicited the services of the Provincial Red Tape Reduction Team to assist us in our Ease-of doing Business with the municipality initiative. Various workshops with internal stakeholders were conducted to establish what the red tape issues are within the municipality.

A service provider has been appointed by province on our behalf to assist with the drafting of a Citizens Charter, with a strong ease-of-doing business element contained therein.

A Customer Care Training programme was also rolled out internally, as a culmination of this whole package.

**h) Human resources**

**TABLE 126 EMPLOYEES LED AND TOURISM**

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	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%
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0%</b>

**i) Financial performance: Capital expenditure**

**TABLE 127 CAPITAL EXPENDITURE LED AND TOURISM**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
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Tourism Frame - Steel Selfie Picture Frames	25000	-6170	18830,00	18830,00	0%
Informal Vendor Steel Structures	100000	-1860	98140,00	98135,64	0%
<b>TOTAL</b>	<b>125000</b>	<b>-8030</b>	<b>116970,00</b>	<b>116965,64</b>	<b>0%</b>

### 3.9.5 REGIONAL SOCIO-ECONOMIC PROGRAMME (RSEP)

The Municipality successfully applied to the RSEP Programme of the Department of Environmental Affairs and Development Planning to develop the Ou Meule Corridor.

The Anene Booysen Urban Park (ABUP) project is the second nodal development and commenced on 1 July 2020. The project was divided into three phases. The third phase was completed in the 2022/23 financial year.

**TABLE 128 ANENE BOOYSEN URBAN PARK PHASES**

PHASE 1: 2020/21	PHASE 2: 2021/22	PHASE 3: 2022/23
- Civil Works (focal nodes/seating, parking area, pathways, lighting)	- 5-a-side Soccer Field	- Skate Park
- Outdoor Gym	- Ablution Facility	- Security Container
	- Soccer Field Flood Lights	- Art project (Stipends and prizes)
	- Playpark	
	- Art Project (Walls)	

During 2022/23, the art project was completed, the project involved local artists from the community as well as artists assistants who were assigned to them to be mentored. A total of 14 walls were painted including a Cape Agulhas Municipality wall with emergency contact numbers.

The skate park was completed at a cost of R777 825,40 and is proving to be a popular attraction for young and old.

The last component of the project was a double storey security container. The intention is to avail this to the Community Police Forum (CPF) as a base from where to operate in the neighbourhood and roll out community projects. It is furthermore intended that the CPF will contribute to securing the area and ultimately reduce the amount that the Municipality is spending on security services to prevent vandalism in the area.

**TABLE 129 RSEP BUDGET AND EXPENDITURE**

BUDGET	AMOUNT
- RSEP funding (Including previous years roll over)	R1 117 400,30
- Provision on adjustment budget (Own funds)	R285 000,00
<b>TOTAL BUDGET</b>	<b>R1 402 400,30</b>
- Community Art project	R52 150,00
- Skatepark	R777 825,40
- Container office	R423 966,60
<b>TOTAL SPENT</b>	<b>R1 253 942,00 (Excluding VAT)</b>

### 3.10 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes libraries, cemeteries, human development and sport and recreation.

#### 3.10.1 LIBRARIES

##### a) Introduction to libraries

The Municipal Library Service consists of nine libraries. Internet is available in eight of the libraries. The usage of internet facilities is free, and costs are covered by the Provincial Library Services. The only library that does not have internet, is the Struisbaai Library .

TABLE 130 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
<b>TOTAL</b>	<b>9</b>	

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.

The Library Project for the Blind is also getting more use as it is being better advertised by our libraries. There are people in the community who are getting their daisy players directly from the Grahamstown Library for the Blind. We also receive "audio tapes" from them.

##### ▪ Service delivery highlights for 2022/23

- The Libby app was used extensively, and the number of users is still climbing. It is a free digital platform where members can borrow e-books, audiobooks, and magazines from the library and access books on their mobile devices. Anyone with a library card can register.

##### ▪ Service delivery challenges for 2022/23

- The funding for the library staff from Provincial Library Services is still a challenge that needs to be addressed each year with Provincial Treasury. It leads to a lot of uncertainty and hinders planning of library programmes.

## b) Service statistics

TABLE 131 SERVICE STATISTICS FOR LIBRARIES

TYPE OF SERVICE	2021/22	2022/23
Library members	12677	15038
Books circulated	61060	99 989
Exhibitions held	218	233
Internet users	4	118
Children programmes	124	100
Visits by school groups	17	14
Book group meetings for adults	16	19
Primary and Secondary book education sessions	-	1*
Libby Users	119	2614

It should be noted that:

- 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. The statistics do show that there was an increase in non-library members using the facilities.
- Book Education sessions are automatically part of visits by school groups as well as library programmes for children.

## c) Human resources

TABLE 132 EMPLOYEES: LIBRARIES

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	8	10	10	-2	-25%
9 to 13	3	3	3	0	0%
14 to 18	3	0	0	3	0%
<b>TOTAL</b>	<b>14</b>	<b>13</b>	<b>13</b>	<b>1</b>	<b>7%</b>

## c) Financial performance: Capital expenditure

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Libraries - Fencing	0	211980	211980,00	199009,83	6%
Libraries: Office Equipment	0	30000	30000,00	25800,00	14%
ICT computer related equipment (Grant)	0	237960	237960,00	237957,17	0%
Microwave Oven	2500	-1260	1240,00	1238,30	0%
<b>TOTAL</b>	<b>2500</b>	<b>478680</b>	<b>481180,00</b>	<b>464005,3</b>	<b>4%</b>

### 3.10.2 CEMETERIES

#### a) Introduction to cemeteries

The Municipality has eight cemeteries within its Municipal Area.

**TABLE 133 CEMETERIES PER TOWN**

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

- **Service delivery highlights for 2022/23**
  - EIA ROD completed for expansion of Struisbaai-North Cemetery. Rezoning and subdivision provided for on 2023/24 budget.
- **Service delivery challenges for 2022/23**
  - Vandalism and theft
  - Shortage of cemetery space in Arniston (next 2 to 4 years)

**b) Service statistics**

**TABLE 134 SERVICE STATISTICS FOR CEMETERIES**

TYPE OF SERVICE	2021/22	2022/23
Pauper burials	25	25
Ordinary burials	206	132

**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**

There were no capital projects in the year under review.

### 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.

Human Development 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 2022/23

##### - Youth Employment

- Appointed a Youth Coordinator to implement youth development programmes in the 2022/23 financial year.
- Introduced youth entrepreneurs to the programmes of the National Youth Development Agency (NYDA).

##### - Youth Development Programmes / Projects

- Managed multiple successful Youth Council programmes including:
  - Tutoring Programme
  - Youth Camp
  - Youth Clubs
- Conducted roadshows in the various towns in the Cape Agulhas municipal area to recruit youth council members for the 2023/25 term.
- Elected a new youth council for the term (2023- 2025) which is fully functional.
- Youth Council having monthly meetings.
- Distribution of information for employment and study opportunities
- Youth entrepreneurs were introduced to the National Youth Development Agency (NYDA) and accessed the following services: Business management training/ Mentorship/ Voucher programme and grant programme.

##### - Gender Based Violence:

- Managed the JDMA gender-based project at the Bredasdorp Safehouse successfully.

##### - Substance Abuse:

- Established the Local Drug Action Committee
- Coordinated the substance abuse support group training in partnership with an external service provider.
- Established substance abuse support groups in 4 towns.



- Established sub- LDAC's.
- **Soup kitchens:**
  - Facilitated the implementation and monitoring of the 11 soup kitchens in the Municipal Area during the winter season.
- **Sport Development:**
  - Introduced the club development programme to various sport codes.
  - Facilitate funding for elite athletes.
  - Established the Interim Cape Agulhas Sports Council
  - Approved Sport Policy
  - Elite athletes competing at Regional/ provincial and National level.
  - Facilitated a process for youth to develop themselves as referees.
  - Facilitated various training opportunities such as first aid and good governance for local sports codes through partnering with DCAS.
- **Service delivery challenges for 2022/23**
  - Limited capacity within organisational structure in relation to the mandate of the Department.

**b) Human resources**

**TABLE 135 EMPLOYEES: HUMAN DEVELOPMENT**

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	1	1	1	0	0%
9 to 13	0	2	0	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>0%</b>

**c) Financial performance: Capital expenditure**

**TABLE 136 CAPITAL EXPENDITURE: HUMAN DEVELOPMENT**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Tables for Thusong Hall	15000	-1240	13760,00	13755,00	0%
Safehouse project - Operational Equipment	0	72120	72120,00	55804,73	23%
Acoustics of Thusong Hall	0	90500	90500,00	90500,00	0%
<b>TOTAL</b>	<b>15000</b>	<b>161380</b>	<b>176380,00</b>	<b>160059,73</b>	<b>9%</b>

**3.10.4 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 highlights for 2022/23**

- Outdoor gyms in all wards
- RSEP funding was received for a skate park and security container at Anene Booysen Urban Park, Bredasdorp (See Paragraph 3.9.5)
- Struisbaai Duiker Street Beach was awarded Blue Flag status

▪ **Service delivery challenges for 2022/23**

- Vandalism and theft
- Security is a challenge at all municipal buildings
- High-cost of 24/7 security at Anene Booysen Urban Park to prevent vandalism

**a) Service statistics**

**TABLE 137 SPORT AND RECREATION SERVICE STATISTICS**

TYPE OF SERVICE	2021/22	2022/23
Number of parks with play park equipment	21	20
Number of wards with community parks	6	6
R-value collected from visitation and/or accommodation fees	R7 696 517.95	R7 131 053.96
Number of wards with sport fields	6	6
Number of sport associations utilizing sport fields	11	12
Number of wards with community halls	6	6
Number of sport associations utilizing community halls	7	7
Revenue collected from rental of sport halls	R9 247.76	R10 687.03

**b) Human resources**

**TABLE 138 EMPLOYEES: SPORT AND RECREATION**

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	12	11	11	0	0%
4 to 8	28	29	29	0	0%
9 to 13	16	14	14	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>57</b>	<b>55</b>	<b>55</b>	<b>0</b>	<b>0%</b>

The same personnel are also responsible for cemetery maintenance.

**c) Financial performance: Capital expenditure**

**TABLE 139 CAPITAL EXPENDITURE: SPORT AND RECREATION**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Blower	8000	-310	7690,00	11320,00	-47%
Brush cutter / Weed-eater	32000	-4170	27830,00	24200,00	13%
Tractors (Parks)	420000	21620	441620,00	441613,91	0%
Tip Truck 4T (Parks)	875000	-47970	827030,00	827021,95	0%
Playparks - Elim / Ward 4 [Open gyms]	150000	-14500	135500,00	135500,00	0%
Construction - Soccer Field (Napier) - Ablution	80000	-28650	51350,00	51346,00	0%
<b>TOTAL</b>	<b>1565000</b>	<b>-73980</b>	<b>1491020,00</b>	<b>1491001,86</b>	<b>0%</b>

### 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.

#### 3.11.1 AIR QUALITY AND NOISE CONTROL

##### a) Introduction to air quality control and noise 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 several duties in terms of this legislation including:

- Development of 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.
- Ensure compliance with relevant legislation.
- 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 do our own ambient Air Quality monitoring. Cape Agulhas municipality also has an Air Quality By-Law that was Gazetted it in 2015.

The Environment Conservation Act, 1989 Western Cape Noise Regulations was promulgated in 2013. Noise control has become a National priority and Cape Agulhas municipality must ensure compliance to the relevant laws. Building Control is responsible for Noise Control and work jointly with the ODM

Our officials participate in the following forums:

- Overberg Air Quality Control Forum (inactive due to resignation and retirement of officials in key positions)
  - Provincial Air Quality and Noise Management Forum and three working groups (Air Quality Management & Climate Change Working Group; Air Quality Education & Awareness Raising Working Group; Compliance Monitoring & Enforcement Working Group)
  - Member of the National Association for clean Air (NACA).
- **Service delivery highlights for 2022/23**
- Air Quality / noise awareness banners / pamphlets were made and distributed to 8 libraries.
  - Air quality measuring and monitoring equipment is fully operational.
  - Awareness programs to promote saving the ocean from plastic is an ongoing campaign

- Printed waste awareness posters “Don’t Trash Our Future” for waste disposal is an ongoing campaign

▪ **Service delivery challenges for 2022/23**

- Capacity to implement awareness and education programmes for local schools and the workplace
- Creating awareness about indiscriminate felling of trees.
- Increased complaints in respect of dust and noise

**b) Human resources**

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

**c) Financial performance: Capital expenditure**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Monitoring Unit for Waste Site (Compliance)	340000	-340000	0,00	0,00	–
Tripods x3	2000	-260	1740,00	1734,79	0%
<b>TOTAL</b>	<b>342000</b>	<b>-340260</b>	<b>1740,00</b>	<b>1734,79</b>	<b>0%</b>

**3.11.2 BIO-DIVERSITY AND LANDSCAPE**

Critical biodiversity areas (CBAs), ecological support areas (ESAs), and other natural areas (ONAs) in the municipal area have been mapped in the Western Cape Biodiversity Spatial Plan, 2017 (WCBSP). The WCBSP is a systematic biodiversity planning assessment that identifies areas which require safeguarding to ensure the continued existence and functioning of species and ecosystems, including the delivery of ecosystem services. These spatial priorities are used to inform sustainable development in the Western Cape. The 2017 WCBSP replaces all previous systematic biodiversity planning products and sector plans. These categories are defined and linked to objectives and associated land uses in the Diagram below.

CBAs in the CAM area include:

- River corridors and wetlands
- Remnant Renosterveld patches in the Rûens
- Parts of the Agulhas Plain adjacent to the Agulhas National Park and along the coast near the De Hoop Nature Reserve

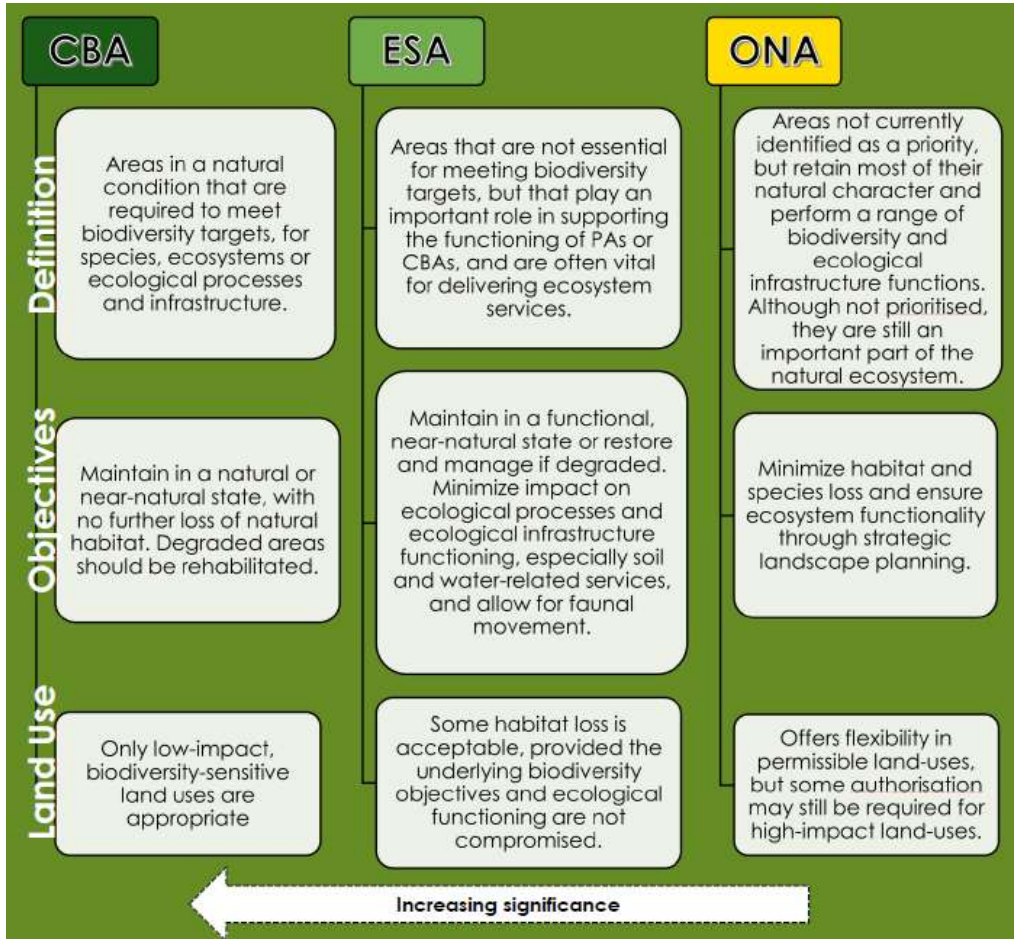
Land uses within CBAs and ESAs must be carefully reviewed for suitability; development within a CBA would require strong motivation and is likely to be subject to an environmental authorisation process.

Six critically endangered, two endangered and one vulnerable vegetation type occur within the municipal area. Very little remains of the critically endangered Rûens Shale Renosterveld vegetation types that once covered the north of the municipal area but which area is now extensively farmed for cereal crops. The remnants of these areas are designated as critical biodiversity areas with priority clusters that have been identified for conservation. The largely intact Overberg Sandstone Fynbos dominates the Bredasdorp mountains and Elim Ferricrete Fynbos grows in patches south-west of the Municipality

Three important bird and biodiversity areas (IBAs) occur in the municipal area. IBAs are designated (by Birdlife South Africa) on the basis that they are critical for the long-term survival of bird species that are globally threatened, have a restricted range, and are restricted to specific biomes/vegetation types. The Overberg

Wheatbelt IBA, a habitat for Blue Cranes, makes up much of the northern part of the Municipality, including the large areas of intensive agriculture. The Agulhas Plain-Heuningnes Estuary IBA incorporates the wetlands south-west of the study area and is a habitat for several globally and locally threatened bird species, while the De Hoop IBA is located within the De Hoop Nature Reserve. The Cape vulture, a threatened species, breeds in this reserve.

FIGURE 18 DEFINITIONS, OBJECTIVES AND DESIRED LAND USES OF CBAS, ESAS AND ONAS



### 3.11.3 COASTAL PROTECTION

The Municipal Area has approximately 170 km of coastline, much of which is under formal protection. The low-lying Agulhas Plain is very vulnerable to sea level rise and other associated climate change impacts, including groundwater pollution, inundation, erosion, and storm surges. 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.

Coastal management lines illustrate the limit of development along ecologically sensitive or vulnerable areas or an area where natural processes pose a hazard or risk to coastal management lines. The coastal management (setback) line and accompanying management zones are proposed to give specific direction with respect to the management of property with existing land use rights, and the planning of proposed activities and land uses. The technical determination of the lines is completed; they are, however, yet to be adopted by the provincial government. The Cape Agulhas Coast has several large bays of which 43% are sandy beaches, 39% rocky and 18% wave cut rocky platforms.

The Heuningnes River discharges to the sea through a large estuary on the Agulhas Plain east of Struisbaai, and is listed as a Ramsar wetland. It extends for approximately 12 km across the coastal plain of the Zoetendals Valley. The estuary is under pressure from habitat loss, changes in hydrology and pollution and is in a poor ecological state. A draft Estuary Management Plan and an Estuary Advisory Forum are in place for the estuary, managed by CapeNature. Floodline determination for the estuary was completed in 2017.

Access to the coast is limited within the Municipality due to the formally protected areas along the coast. The Overberg District is the subject of a pilot coastal access strategy prepared by the Western Cape Government. Proclaimed fishing harbours with public slipways are situated at Arniston/Waenhuiskrans and Struisbaai. The Suiderstrand slipway was listed by MEC: Local Government, Environment 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, June 2015. The license expired and will be renewed. Council confirmed that Suiderstrand Public Launch Site is a listed site during July 2022.

### 3.11.4 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 Cape Agulhas Municipality 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.

According to the Overberg Climate Change Response Framework (2017), the area between L'Agulhas and Arniston/Waenhuiskrans is considered to be at a modest risk of the hazards of erosion and inundation related to sea level rise, while the Struisbaai area is most at risk of extreme coastal events such as large storm surges. The report notes that losses of coastal public and private property to coastal erosion have already been experienced at Struisbaai Nostra, north of the Struisbaai Harbour. Cape Agulhas is implementing and participating in programmes that are considered as climate change preparedness, mitigation and adaptation.

The projects that are implemented are:

- A collaboration with the USAID Southern Africa Energy Programme that will assist the municipality to register a new energy generation project as well as funding required for the project. Council approval for the USAID Southern Africa Energy Programme was granted in June 2022;
- All streetlights have been retrofitted with LED lights, which will also be rolled out to municipal sports grounds;
- Municipality as a part of the Municipal Energy Management System, which entails continuous monitoring of municipal-own land energy consumption and institutional uses;
- Approximately 800 low-cost houses have been fitted with solar geysers;
- Implementation of Smart Environment Programme which relates to water conservation and demand management;
- The first phase of the DBSA Asset Care Programme has been completed. The aforesaid DBSA Asset Care Programme entails improving resilience to climate change preserving town for future generations forming part of asset management.



### 3.12 COMPONENT F: SAFETY AND SECURITY

Safety and security are the responsibility of the Protection Services Department under the Management Services Directorate. This component includes Traffic and Municipal By-Law Enforcement, Driver's Licence Testing Centre (DLTC), Vehicle Testing Station (VTS) and Disaster Management which include a shared service function on Fire Services with Overberg District Municipality based in Bredasdorp.

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 drivers licensing, fines, motor registration and licensing
- Maintaining public order.
- Enforcing Municipal By-Laws
- Protecting and securing the inhabitants and their property.
- Combating specific crime generators
- Enforce animal control to monitor animal population and spread of diseases
- Improving traffic flow and avoid motor vehicle accidents
- 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 PROTECTION SERVICES (TRAFFIC, LICENSING, LAW ENFORCEMENT AND ANIMAL CONTROL)

##### a) Introduction to traffic services and law enforcement

The Protection Services Division is operational from Monday to Friday for its administration function and the traffic and law enforcement function is available seven (7) days a week with a standby function after hours. All the enforcement activities are being operated outside under the watchful eye of a 24-hour Operational Centre where all CCTV / LPR cameras and complaints systems are monitored and manage with communication between the officers and the public by radio control and telephone assistance.

**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 in an integrated manner 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 the Municipal Communication Unit for issuing and loud hailing during emergency situations.
- **Traffic Control**

- Traffic Officers operate on a shift system to ensure that the National Road Traffic Act (NRTA) is enforced during the day and night-time.
- Escorting of abnormal loads, funerals, VIPs, and other dignitaries
- Do visible traffic policing and writing of fines to offenders.
- Integrated Roadblocks are 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 the communication unit 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 properties
- Inspections of 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

▪ **Law Enforcement: Animal Control Unit**

- Attend to complaints regarding animal control.
- Educate the community about the safekeeping and caring for animals.

- Operate the Municipal Dog Kennel for stray dogs on a 7-day caring plan,
  - Assist with euthanizing of dogs and cats where needed.
  - Ensure that dog and cat 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.
  - Quarterly sterilization campaigns with AACL and other NGO's
  - The Animal Control unit had bi-annual educational programs with local Vets where the importance of sterilization was prioritised. The prizes and funds for the programs was sponsored by Bredasdorp local 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 on an agency basis for the Department of Transport.
      - Registering new, used or build-up vehicles (Different types of registration: Estates, home- build, build-up, and imported vehicles)
      - Handle 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 EC1 and EC
    - Do payments on learners and driver's license test application on NaTIS System
    - Renewal or replacement of Divers License Cards
    - Renewal of Professional Driver's License Permits (PRDP)
    - Issue Learners Licenses
    - Issue Drivers Licenses
    - Recording of learners and driver's license test results
    - 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 discontinues notices – where vehicles is found to be unroadworthy,
    - Re- testing within 14 days of original test date
    - Issue Roadworthy Certificate where vehicles passed the tests,
    - Fail tests in case of serious Chassis or other defects,
    - All transactions must be done on NaTIS system,
    - Do vehicle fitness tests in case of 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 2022/23**
  - **Community Safety**
    - A Community Safety plan was approved by Council in the previous financial year and implementation commenced.
    - A Law Enforcement Strategy was approved on 30 September 2022
    - A more integrated approach to community safety was adopted with SAPS and other External role players.
    - A Safety Forum was established in the previous financial year and became operational during the financial year under review.
    - Approved seasonal readiness plans
    - A land invasion By-Law and a Social Conflict Management Plan are in draft form
  
  - **Traffic and Law enforcement**
    - The law enforcement function is successfully decentralised to Napier and Struisbaai with permanently stationed Law Enforcement Officers in each town.
    - The department appointed two Traffic Officers in the vacant positions which become available after the department completed their succession plan process.
    - Upgrades to operational vehicles which were budgeted for in the 2022/2023 financial year.
  
  - **Animal Control**
    - An Animal Control Strategy was approved by Council on 31 May 2023
  
- **Service delivery challenges for 2022/23**

- **Community Safety**
  - o The department needs to render a 24/7 service to ensure that the safety experiences challenges during the year and festive season period December /January with overcrowded beach areas such as Duiker Street, Nostra beachfront and parking areas with day campers.
  - o More law enforcement officers are needed during the holiday season to assist with the large numbers of holidaymakers and vehicles within our coastal towns.
  - o Non-Nationals in Informal Settlements leading to xenophobic incidents.
  - o Competition for jobs between Non- Nationals and Local Labour
  - o Provision of a formal taxi interchange
  
- **Animal control**
  - o A fully functional pound is needed for all types of animals.
  - o Additional Law enforcement needed in respect of Animal Control
  - o Resources to implementation of Animal Control Strategy
  - o Roaming animals, specifically pigs who are a hazard to health and environment

**b) Service statistics**

**TABLE 140 TRAFFIC SERVICES AND LAW ENFORCEMENT AVAILABILITY**

DETAIL	2021/22	2022/23
Number of Traffic and Law Enforcement Officers in the field on an average day	5	10
Number of Traffic and Law Enforcement Officers on duty on an average day	5	10
Number of EPWP Law Enforcement Officers in the field on an average day	8	10
Number of K53 Examiners of Drivers Licenses and Examiners of Vehicles on duty on an average day	2	2

**TABLE 141 TRAFFIC SERVICES AND LAW ENFORCEMENT SERVICE STATISTICS**

SERVICE	DESCRIPTION	2021/22	2022/23
Traffic	Number of road traffic accidents during the year	36	24
	Fines issued for traffic offenses	1754	3 188
	R-value of fines	2081950.00	3 110 450
	Roadblocks held	72	171
	Special Functions – Escorts	36	71
Law enforcement	Awareness initiatives on public safety	2	8
	Number of by-law infringements attended to	461	897
	Animals impounded	680	786
	Number of Animals handled	1654	2 548
Licensing	Motor vehicle licenses processed and registration	37526	45 079
	Learner driver licenses processed and issued	1787	1 764
	Driver licenses processed	3016	3 336
	Driver licenses issued	3306	1 673

**c) Human resources**

**TABLE 142 EMPLOYEES: TRAFFIC AND LAW ENFORCEMENT**

JOB LEVEL	POSTS 2021/22	POSTS 2022/23	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	1	1	1	0	0%
4 to 8	4	4	4	0	0%

9 to 13	22	22	22	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>0</b>	<b>0%</b>

**d) Financial performance: Capital expenditure**

**TABLE 143 CAPITAL EXPENDITURE: TRAFFIC AND LAW ENFORCEMENT AND LICENCING**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	TOTAL BUDGET	YEAR TO DATE	VARIANCE
Chair - Manager	5000	-1020	3980,00	3976,96	0%
Air conditioners X3	24000	-7000	17000,00	17000,00	0%
Transport Assets: Vehicles: x1 Mini-Bus (Law Enforcement)	285000	-285000	0,00	0,00	-
Vehicles: Double Cab Bakkie (Law Enforcement) [replacement]	430000	-36360	393640,00	389874,85	1%
Firearms	195000	-195000	0,00	0,00	-
Office Equipment: Note Counter	35000	-35000	0,00	0,00	-
Machinery & Equipment: Two Way Radios	20000	-1180	18820,00	18818,50	0%
Animal Control Project - Fencing Etc.	1000000	-1000000	0,00	0,00	-
Upgrade And Extension Of Dog Kennels	350000	-350000	0,00	0,00	-
<b>TOTAL</b>	<b>2344000</b>	<b>-1910560</b>	<b>433440,00</b>	<b>429670,31</b>	<b>1%</b>

**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 reports to the Provincial and National Disaster Management Centres on the activities occurring during the 2022/23 financial year. The following incidents were reported on:

▪ **Fires**

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.

The municipal area experiences a total of thirteen (13) household fires of which six (6) were informal settlement structures and seven (7) were buildings that burned down during the 2022/23 financial year. Most of the fires occurred in the Zwelitsha, Bredasdorp and Napier Informal Settlement areas.

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.

**TABLE 138 HOUSE FIRES**

DATE	TOWN	TYPE	NUMBER AFFECTED
14 July 2022	Struisbaai	Structure	4
23 September 2022	Bredasdorp	Structure	1
03 October 2022	Bredasdorp	House	6
30 October 2022	Bredasdorp	House	4
28 November 2022	Napier	House	4
22 December 2022	Napier	House	4
07 November 2022	Bredasdorp	Structure	2
14 November 2022	Bredasdorp	Structure	2
17 December 2022	Bredasdorp	Crèche	2 Deceased
02 February 2023	Napier	Structure	11
08 February 2023	Bredasdorp	Business	0
06 March 2023	Napier	House	7
08 March 2023	Napier	House	2
<b>TOTAL</b>			<b>49</b>

▪ **Rain and Floods**

During the 2022/23 raining season the department only experienced flooding on the Arniston road and Struisbaai road. No serious incidents were reported for households within the municipal area.

**b) Service statistics**

**TABLE 141 SOCIAL ASSISTANCE PROVISION STATISTICS**

SOCIAL ASSISTANCE DESCRIPTION	2021/22	2022/23
Total number of families assisted during disasters / incidents	624	192
Number of people receiving social assistance	81	192
Number of people receiving assistance with accommodation	64	3
Number people receiving assistance with structure material after fires	58	9
Number people receiving assistance with plastic sheeting to mitigate leaking structures	588	192

**c) Human resources**

The disaster management function at local level is performed by the Protection Services staff

**d) Financial performance: Capital expenditure**

There were no capital projects for disaster management

**3.13 COMPONENT G: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES 2023/24**

This section provides an overview of the Municipalities Key Performance Indicators for the 2023/24 Financial Year.

TABLE 153 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES PER KPA FOR 2023/24

**3.13.1 NATIONAL KPA 1: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

REF	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET
TL2	Implement 85% of the RBAP 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	55%
TL20	95% of the budget allocated for the implementation of the SMART CITY project spent and committed by 30 June	% of the financial years project budget spent and committed	95%
TL33	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%
TL34	70% average compliance of the Bredasdorp WWTW water quality to SANS 241 for the financial year	% average compliance of the quarterly waste water test results	70%

**3.13.2 NATIONAL KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT**

REF	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET
TL1	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}. (Reg 796)	% of the personnel budget spent on training	0%
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 equity plan for the financial year. (Reg 796)	Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management	0
TL6	Comply with the Municipal Staff Regulations and enhance organisational efficiency through the conclusion of performance agreements with all staff as set out in Section 32 by 30 July.	% of performance agreements concluded with staff	100%

**3.13.3 NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT**



REF	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET
TL3	Create FTE's through government expenditure with the EPWP by 30 June. (Reg 796)	Number of FTE's created	0
TL5	Review the Municipality's LED Strategy and implementation plan annually by 31 March	Number of reviews of the LED Strategy and implementation plan submitted to Council	1
TL22	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

### 3.13.4 NATIONAL KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

REF	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET
TL15	The percentage of the municipality's capital budget spent and committed by 30 June $\{(Actual\ amount\ spent\ on\ projects / Total\ amount\ budgeted\ for\ capital\ projects) \times 100\}$ . (Reg 796)	% of the municipal capital budget spent and committed	81%
TL16	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). (Reg 796)	% Debt to Revenue	0%
TL17	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)), (Reg 796)	% Service debtors to revenue	0%
TL18	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)). (Reg 796)	Cost coverage	0
TL19	Achieve a debtors payment percentage of at least 98% by 30 June $\{(Gross\ Debtors\ opening\ Balance + Billed\ Revenue - Gross\ Debtors\ closing\ Balance - Bad\ Debts\ Written\ Off) / Billed\ Revenue\} \times 100\}$	% debtors payment ratio achieved	90%
TL23	95% of the total approved management services capital budget spent and committed by 30 June	% of management services budget spent and committed	93%
TL29	95% of the roads and storm water capital budget spent and committed by 30 June	% of roads and storm water capital budget spent and committed	90%

REF	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET
	{{Actual expenditure divided by the total approved roads and stormwater capital budget} x 100}		
TL30	95% of the approved refuse removal capital budget spent and committed by 30 June{{Actual expenditure divided by the total approved refuse removal capital budget} x 100}	% of refuse removal capital budget spent and committed	80%
TL31	95% of the approved water capital budget spent and committed by 30 June {{Actual expenditure divided by the total approved water capital budget} x 100}	% of water capital budget spent and committed	60%
TL32	Limit unaccounted for water to less than 20 % by 30 June {{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	20%
TL35	Limit unaccounted for electricity to less than 8% 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%
TL36	95% of the electricity capital budget spent and committed by 30 June {{Actual expenditure divided by the total approved capital budget} x 100}	% of electricity capital budget spent and committed	84%

### 3.13.5 NATIONAL KPA5: BASIC SERVICE DELIVERY

REF	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET
TL7	95% of the available budget (grant) spent and committed for the implementation of the RSEP Programme by 30 June	% of RSEP grant allocation for financial year spent and committed.	45%
TL8	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 (Reg 796)	Number of formal residential properties which are billed for water	9 841
TL9	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 (Reg 796)	Number of formal residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas)	9 903
TL10	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	Number of residential properties which are billed for sewerage	9 889

REF	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET
	water closets (toilets) and billed for the service as at 30 June (Reg 796)		
<b>TL11</b>	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June. (Reg 796)	Number of formal residential properties which are billed for refuse removal	9 873
<b>TL12</b>	Provide 6kl free basic water per month to registered indigent / poor households in terms of the equitable share requirements during the financial year (Reg 796)	Number of registered indigent / poor households receiving free basic water in terms of Councils indigent policy	3 362
<b>TL13</b>	Provide 50 kwh free basic electricity per month to registered indigent / poor households in terms of the equitable share requirements during the financial year. (Reg 796)	Number of registered indigent / poor households receiving free basic electricity in terms of Councils indigent policy	3 362
<b>TL14</b>	Provide free basic sanitation and refuse to registered indigent / poor households in terms of the equitable share requirements during the financial year. (Reg 796)	Number of registered indigent / poor households receiving free basic sanitation and refuse in terms of Councils indigent policy	3 362
<b>TL21</b>	Review the Municipalitys Disaster Management Plan annually by 31 March	Number of Disaster Management Plan reviews submitted for approval	1
<b>TL24</b>	Review the Human Settlement Plan and submit to Council by 30 March	Revised Human Settlement Plan submitted to Council	1
<b>TL25</b>	Host an annual youth summit for the Cape Agulhas Municipal Area by 30 March.	Number of youth summits held.	1
<b>TL26</b>	Implement 4 quarterly joint actions between CAM, SAPS and other relevant stakeholders to control illegal foreign nationals by 30 June.	Number of joint actions implemented	1
<b>TL27</b>	Approve a social conflict management and implementation plan by 30 September	Number of social conflict management and implementation plans reviewed	1
<b>TL28</b>	Bi annual submission of seasonal readiness plans by 30 March (Winter) and 30 October (Summer)	Number of seasonal readiness plans submitted	1
<b>TL37</b>	95% of the MIG capital budget spent and committed by 30 June {(Actual expenditure divided by the total approved capital budget) x 100}	% of MIG Grant budget spent and committed	95%
<b>TL38</b>	Report on the implementation of the Water Service Development plan in terms of section 18 of the Water Services Act by the end of October	Number of reports submitted to relevant organs of state	1
<b>TL39</b>	95% of the available WSIG grant for the Struisbaai / L'Agulhas reservoir spent and committed by 30 June	% of project allocation for financial year spent and committed	49%

## 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.

The Local Government Municipal Staff Regulations (MSR) published under Government Notice 890 on 20 September 2021 took effect from 1 July 2022 with the exception of Chapters 2 and 4 which were deferred until 1 July 2023. These regulations changed the playing field to a uniform way of operating and factors have emerged that affect readiness, in depth knowledge and experience of human resources practitioners in local government. These factors relate to questioning or testing the ability to implement all chapters of the new legislation, in a short space of time.

During the implementation of the MSR and post implementation of the regulations, an analysis was conducted of current capabilities, knowledge and experience in sample categories of municipalities to determine whether further capacitating is needed. More so, in under-capacitated municipalities and ultimately creating a framework to forge uniformity within the local sphere of government.

Human resources management policies were reviewed and implemented in order to comply with the new uniform regulations. New policies were approved on 14 June 2022 in record time so as to be ready for the effective date.

The Municipality is currently in a process of completing the implementation of Chapters 2 and 4. This entails a redesign of the staff establishment and the implementation of individual performance management and development.

Employee wellness has become a risk area and as such this risk is part of our risk register in the new financial year 2023-2024. Subsequent to the COVID period the municipality experienced quite a number of employees who presented with conditions related to fatigue and also issues related to wellness problems. The Municipality is focusing on the workforce to ensure that our employees are supported in order to advance productivity as well as sound mental and emotional wellness in the workplace and also at home. This is also supported by our social workers in the area who work collaboratively with the Municipality.

Despite challenges, the Municipality continued its training initiatives, although not all could be completed. Employment equity targets and organizational performance targets in respect of recruitment and selection were achieved. All labour relations cases were dealt with in the 2022/23 financial year. Dealing with discipline and unfair labour practices is ongoing within any organization. Awareness training for both managers and employees takes place with the assistance of South Africa Local Government Association (SALGA). The Local Labour Forum and Management work in collaboration and strive to achieve common ground when there is disagreement.

- **Organisational development highlights for 2022/23**

- Increased utilisation of the Anene Booysen Skills Centre through partnerships with private business and other government departments.
- Increased recruitment and appointments in terms of the female gender classification of 5.07% in terms of Employment Equity Plan 2020-2025.
- Economic Reconstruction and Recovery Plan (ERRP) funding allocation from CETA for 400 learners amounting to R 13 600 000.00
- Timeous implementation of the Municipal Staff Regulations (MSR) in preparation for the implementation date of 1 July 2022.
- Stability within the senior management structure with no vacancies during the year.

- **Organisational development challenges for 2022/23**

- High employee costs bordering on the National Treasury norm, necessitating shifting focus to optimal utilisation of staff and reduction of employee related costs strategies to be applied.
- Implementation of succession and mentorship coaching at department level.
- Vertical/gender gaps in terms of compliance to the Employment Equity Act.
- Training budget for 2022/23 has been cut and planned interventions could not be implemented and must roll over to the next financial year.
- The absence of a simulation plant for practical training in the district. Technical training interventions could not be fully implemented and were deferred to the new financial year.
- EPWP Work Opportunity targets could not be met due to cost containment.

## 4.2 THE MUNICIPAL WORKFORCE

The Cape Agulhas Municipality currently employs 364 permanent employees (excluding the Municipal Manager and 3 Directors) which brings the total to 367. 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 Division is to render an innovative human resource service that addresses both strategic human resource development and human resource administration.

- **Organisational Structure**

The current organisational structure was approved by Council on 30 March 2021. The design of the Macro Structure aligns to the needs of the community as well as the financial position and sustainability of the Municipality, which the Municipal Council committed to in terms of its Long- Term Financial Plan and Integrated Development Plan. 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, EEAg Occupational Levels guides organisations on "fair and equal pay for equal work of the same value".

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.

**TABLE 144 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

**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 2020-2025 which was approved on 29 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.

**a) Employment equity targets**

The organizational structure made provision for the occupational level of two African males in the Senior Management Category. Cape Agulhas Municipality still needs to reach the target at this level. The approved Employment Equity Plan 2020-2025 makes provision for targets by racial classification for the Top Three Levels of Management. One vacancy occurred on this level during the financial year. A coloured female was appointed on 30 June 2023, with commencement of services in July 2023.

The following table shows progress in terms of achievement of numerical goals of the 2020-2025 plan for all employees, including people with disabilities in relation to occupational levels, race, gender and foreign nationals.

**TABLE 145 WORKFORCE PROFILE, TASK & NUMERICAL TARGETS AND GOALS: 2020-2025**

OCCUPATIONAL LEVELS	MALE				FEMALE				TOTAL PERMANENT	VACANCIES	TOTAL POSTS
	A	C	I	W	A	C	I	W			
<b>Top Management Workforce as at June 2023</b>	1	5	0	5	0	2	0	1	14	1	15
Goals: 2020 to 2025	1	1(1)		0	1(0)						3(1)
<b>Senior Management Workforce as at June 2023</b>	0	0	0	0	1			1	2	1	3
Goals: 2020 to 2025	1				0	1				0	2
<b>Professional qualified Workforce as at June 2023</b>	1	9	0	8	1	3	0	2	24	1	25
Goals: 2020 to 2025	1	1		0	1(1)	1		1(1)			5(2)
<b>Skilled Technical Workforce as at June 2023</b>	7	63	0	8	8	40	0	13	139	3	142
Goals: 2020 to 2025	3(1)	2(8)		1	3(1)	2		1			12(10)
<b>Semi-skilled Workforce as at June 2023</b>	20	62	0	0	7	28	0	0	117	6	123
Goals: 2020 to 2025	3(2)	3(8)			3(1)	2(2)					11(13)
<b>Unskilled Workforce as at June 2023</b>	18	54	0	1	1	8	0	0	82	1	83
Goals: 2020 to 2025	8(6)	7(16)		0(+1)	3(1)	3(2)					21(26)
<b>Total Permanent</b>	<b>47</b>	<b>193</b>	<b>0</b>	<b>22</b>	<b>18</b>	<b>81</b>	<b>0</b>	<b>17</b>	<b>378</b>	<b>13</b>	<b>391</b>

\*Actuals reflect workforce inclusive of 11 Councillors + 1 Municipal Manager and 2 Directors

The following has been achieved in all occupational levels of the employment equity plan cycle:

- Five internal movements / promotions in terms of talent management / succession planning objectives:

- Succession planning: internal movements: Semi-Skilled: 1 African males, 3 Coloured males and 1 Coloured female
- Attraction and retaining of Skilled Technical: finance internships; 1 African female & 1 African male.
  - One African female target in terms of occupation level skilled technical category
  - One African male target in terms of occupation level skilled technical category
  - One coloured female target in terms of occupation level skilled technical category
  - Four coloured male targets in terms of occupation level skilled technical category
  - One African female target in terms of occupation level semi-skilled category
  - Four African male target in terms of occupation level semi-skilled category
  - Three Coloured female target in terms of occupation level semi-skilled category
  - Nine Coloured male targets in terms of occupation level semi-skilled category
  - Overachievement of 9 in unskilled level targets in coloured male category.
  - 6 Promotions in terms of job evaluation in terms of the following occupational levels namely:
    - Professional level: 1 African female
    - Skilled Technical level: 2 Coloured Male and 3 Coloured Female

**4.2.2 VACANCY RATE**

The approved organogram for the Municipality has 376 funded posts, of which 364 posts were filled as 30 June 2023. 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 overall vacancy rate (including the Municipal Manager and Directors) is 3.54% for the 2022/23 financial year which compares favorably to the 2021/22 vacancy rate of 5.02% in the previous year. The vacancy rate excluding the Municipal Manager and Directors is 3.29%. 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.

**TABLE 146 ANNUAL VACANCY RATE PER OCCUPATIONAL CATEGORY**

POST LEVEL	2021/2022		2022/2023	
	FILLED	VACANT	FILLED	VACANT
MM & MSA section 57 & 56 (Top Management)	4	0	3	1
Senior Management	3	0	2	1
Professionally qualified and experienced specialists and middle management	24	0	24	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	139	7	139	3
Semi-skilled and discretionary decision making	113	6	117	6
Unskilled and defined decision making	79	5	82	1
<b>TOTAL</b>	<b>358</b>	<b>18</b>	<b>367</b>	<b>13</b>
<b>PERCENTAGE</b>		<b>5.02%</b>		<b>3.54%</b>



TABLE 147 VACANCY RATE PER DEPARTMENT

DEPARTMENT	2021/2022		2022/2023	
	FILLED	VACANT	FILLED	VACANT
Office of the Municipal Manager	37	1	35	3
Financial Services	54	0	53	1
Management Services	98	8	106	0
Infrastructure Services	169	9	170	8
<b>TOTAL</b>	<b>358</b>	<b>18</b>	<b>364</b>	<b>12</b>

\*Excluding 11 Councillors, Municipal Manager and Directors

TABLE 148 VACANCY RATE FROM MONTH TO MONTH

MONTH	TOTAL FUNDED POSTS	FILLED POSTS	VACANCIES	% VACANCY RATE
July 2022	376	359	17	4.52%
August 2022	376	352	24	6.38%
September 2022	376	355	21	5.59%
October 2022	376	354	22	5.85%
November 2022	376	354	22	5.85%
December 2022	376	352	24	6.38%
January 2023	376	360	16	4.26%
February 2023	376	360	16	4.26%
March 2023	376	361	15	3.99%
April 2023	376	360	16	4.26%
May 2023	376	360	16	4.26%
June 2023	376	364	12	3.29%

\*Excluding 11 Councillors, Municipal Manager and Directors

TABLE 149 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	1	0.50%
Senior management	0	3	1	0.33%
<b>TOTAL</b>	<b>0</b>	<b>7</b>	<b>2</b>	<b>0.85%</b>

#### 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 2021/22 to 2022/23. 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. Talent management and succession planning is key to retain and attract scarce and critical skills. The table below indicates the staff turnover rate over the last 3 years:

**TABLE 150 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
2020/21	355	16	9	2.43%
2021/22	358	19	16	4.46%
2022/23	364	32	22	6.04%

*\*Excluding 11 Councillors, Municipal Manager and Directors*

#### 4.2.4 EXPANDED PUBLIC WORKS PROGRAMME AND COMMUNITY WORK PROGRAMME

The Municipality continued to implement the Expanded Public Works Programme (EPWP) in the 2022/23 financial year.

The Municipality was allocated a grant of R1 773000.00 for the 2022/23 financial year and 34 EPWP projects were implemented. The Municipality did not achieve its targets in terms of its full time equivalent (FTE) and work opportunity targets for 2022/23 financial year. A total of 378 Work Opportunities (WO) were created and of these 64% were allocated to youth employment and 54% to women. Nine EPWP beneficiaries were appointed permanently within the 2022/23 financial year.

**TABLE 151 JOB OPPORTUNITIES CREATED THROUGH EPWP**

CATEGORY	TARGET	ACTUAL ACHIEVED	%	TARGET	ACTUAL ACHIEVED	%
	2021/22			2022/23		
Job Opportunities	569	656	115%	583	378	65%
Full time Equivalents	102	147	144%	105	89	85%

The downward trend is due to system reporting challenges and budget allocations from Treasury, which have an effect on reaching targets. It is recommended that planning of projects be based on capital budgets, with the grant allocations received as an additional support to implement projects.

Cape Agulhas Municipality aims to create 2849 job opportunities over 5 years from 2019/20 – 2023/24. We have already achieved 2418 work opportunities and overachieved our 5-year target by +80 (FTE) full time equivalents. This will be done collectively with participating departments and includes our own funded projects as well as grant funded projects. The Municipality also supports the Community Works Programme (CWP) and Coastal Management Programme.

### 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

The 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.

The 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 and monitor individuals for adverse health effects and determine the effectiveness of exposure prevention strategies. Employees working at heights undergo medical evaluation and Hepatitis B is administered to employees who could be potentially exposed such as those working at sewerage plants.

The Directors of Infrastructure, Management service and Finance, or his/her designee, are 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 INJURIES ON DUTY

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. An amendment was made whereby employee can now claim from the compensation commissioner. COIDA 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) to claim compensation. The employee will however only be entitled to a fixed amount of compensation. All injuries and incidents must in terms of OHSA 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.

The following table shows the number of injuries on duty for 2022/23 as compared to 2021/22

**TABLE 152 INJURIES ON DUTY BY DIRECTORATE**

DIRECTORATES	2020/21	2021/22	2022/23
Office of the Municipal Manager	1	1	4
Financial Services	4	3	1
Management Services	8	3	8
Infrastructure Services	4	16	24
<b>TOTAL</b>	<b>17</b>	<b>23</b>	<b>37</b>

The following table distinguishes between minor and major injuries for 2022/23 as compared to 2021/22. 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 153 INJURIES ON DUTY BY SERIOUSNESS**

DIRECTORATES	MINOR INJURIES	MAJOR INJURIES	MINOR INJURIES	MAJOR INJURIES
	2021/22		2022/23	
Office of the Municipal Manager	1	0	4	0
Financial Services	3	0	1	0
Management Services	3	0	8	0
Infrastructure Services	16	0	24	0
<b>TOTAL</b>	<b>23</b>	<b>0</b>	<b>37</b>	<b>0</b>

From the above it can be concluded that the injuries for the 2022/23 financial year have increased, but all injuries were minor, and the total rand value decreased.

#### 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 2022/23 financial year shows an overall decrease. The following table provides a breakdown per Directorate

**TABLE 154 SICK LEAVE**

DEPARTMENT	2020/21	2021/22	2022/23
Office of the Municipal Manager	243.50	312.69	290.50
Financial Services	278	298.43	312.50
Management Services	490.30	829.19	874.95
Infrastructure Services	530.75	858	629.59
<b>TOTAL</b>	<b>1542.55</b>	<b>2298.31</b>	<b>2107.54</b>

#### 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 2022/23.

TABLE 155 LOCAL LABOUR FORUM

NAME OF REPRESENTATIVE	CAPACITY	MEETING DATES
E Phillips	Municipal Manager	28 July 2022
H Van Biljon	Director Financial Services and ICT	18 August 2022
H Krohn	Director Infrastructure	01 September 2022
M Moelich (Acting)	Director: Management services	13 October 2022
K Donald	Councillor	17 November 2022
R Ross	Councillor	16 February 2023
J Marthinus	Councillor	26 March 2023
R Mokotwana	Councillor	13 April 2023
F Xinela	SAMWU	21 June 2023
C Ahrendse	SAMWU	15 June 2023
R Jansen	SAMWU	
S Hendricks	SAMWU	
P Jacobs	SAMWU	
S Graaff	IMATU	
H Jonas	IMATU	
E Plaatjies	IMATU	

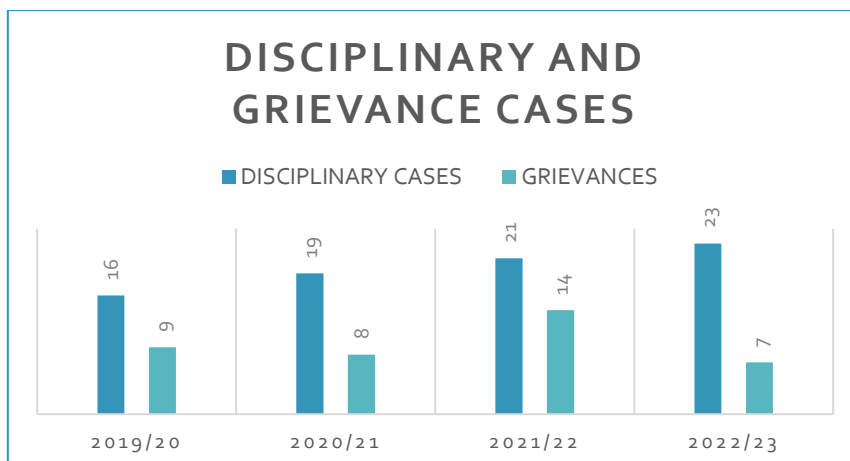
The Divisional Head: HR and Organisational Development, and The Labour Relations Specialist participate in all Labour Forum meetings and play advisory role.

#### 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.

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

FIGURE 19 DISCIPLINARY HEARINGS AND GRIEVANCES



#### 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, 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.

There were no policies and plans adopted during 2022 / 23 as all human resource policies were reviewed on 14 June 2022 in line with the Local Government Municipal Staff for implementation from 1 July 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 finalised.

TABLE 156 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	0
Asian	Female	0	0	0

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	Male	0	0	0
Coloured	Female	0	0	0
	Male	2	2	50
White	Female	0	0	0
	Male	2	2	50
Disability	Female	0	0	0
	Male	0	0	0
<b>TOTAL</b>		<b>4</b>	<b>4</b>	<b>100</b>



**4.4 SKILLS DEVELOPMENT**

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 2022/23 Workplace Skills Plan (WSP), and continues to capacitate employees and encourages job specific skills training and development on an extensively to deliver quality services to the community. 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. The priority focus for this financial year was on technical compliance training as well as development training targeted for succession planning employees.

**TABLE 157 TECHNICAL COMPLIANCE AND DEVELOPMENT TRAINING**

TRAINING PROGRAMME	DEPARTMENT
SANS101400 & 10142	Infrastructure Services
Digger Loader	Infrastructure Services
Mounted Elevating Work Platform (MEWP)	Infrastructure Services
ISO45001	Infrastructure Services
Examiner of Vehicles	Management Services
Sect 26 D Trade test	Infrastructure Services
N1-N3 Electrical: Heavy Current	Infrastructure Services
Municipal Minimum Competency (MMC)	Financial & IT Services

The Anene Booysen Skills Centre has opened opportunities for technical and administrative training to our officials in various disciplines in terms of both academic and skills training. The municipality, other government departments and external stakeholders utilise the Skills centre to deliver training for the community and government employees as can be seen in below table:

**TABLE 158 ANENE BOOYSEN SKILLS DEVELOPMENT CENTRE**

DEPARTMENT	INTERNAL / EXTERNAL	TOTAL LEARNERS	PURPOSE	SERVICE PROVIDER
WCETC	External	1430	Adult Education	WCETC
TOURISM	External	122	Small medium Business Enterprise	Economic Development & Tourism
CAM: Infrastructure	Internal	6	Mobile Elevating Work Platform	Tshireletso Multi-Skills & Training (PTY)LTD
CAM: Infrastructure	Internal	15	Handling of Hand & Power Tools	Tshireletso Multi-Skills & Training (PTY)LTD
CAM: Infrastructure	Internal	10	Operating Digger Loader training for Employees	Tshireletso Multi-Skills & Training (PTY)LTD
Overberg Cluster Community Police Board	External	120	Holiday Programme for children and youth	Overberg Community Police Board
Human Development	External	506	Yeboneers - Training for Youth	Community Action Partners & Future Fit
Human Development	External	25	Data Literacy & Public Participation Workshop	CAM & OPEN UP (CodeBridge)

DEPARTMENT	INTERNAL / EXTERNAL	TOTAL LEARNERS	PURPOSE	SERVICE PROVIDER
CPUT & PSETA & CAM	External	9	CPUT & PSETA Meeting/Workshop	CPUT & PSETA
Law Enforcement	External	3	Placement Visit & Aftercare Session	Chrysalis Academy
CAM: Human Resource	Internal	10	HR Pulse Webinar	SALGA
ODM	Internal	16	Convey Dangerous Goods by Roads	ODM
ODM & CAM	Internal	112	Public Accountability	School of Public Leadership (SPL)
CEF Group	External	17	Solar Geyser Installation	CEF Group
Human Development	External	5	Introduction of the Excelsior Wind Farm Community Trust	PELE & Human Development
Management Services	External	22	Lotto Application Workshop	Lotto & Management Services
DSD	External	69	Substance Abuse Awareness	Department of Social Development
NYDA	External	11	Life Skills Nyda Meeting	NYDA
<b>TOTAL</b>		<b>2493</b>		

#### 4.4.1 SKILLS MATRIX

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

TABLE 159 SKILLS MATRIX

MANAGEMENT LEVEL	GENDER	NUMBER OF EMPLOYEES IDENTIFIED FOR TRAINING AT START OF THE YEAR	NUMBER OF EMPLOYEES THAT RECEIVED TRAINING
Legislators	Female	3	1
	Male	8	1
MM and S57, snr Managers	Female	6	6
	Male	28	21
Professionals	Female	14	6
	Male	16	8
Technicians and Associate Professionals	Female	18	4
	Male	26	8
Clerical Support Workers	Female	46	11
	Male	6	2
Service and Sales Workers	Female	10	2
	Male	12	0
Skilled Agricultural, forestry, Fishery, Craft and related Trade workers	Female	3	1
	Male	8	4
Plant and Machine Operators and Assemblers	Female	3	1
	Male	61	31
Elementary Occupations	Female	17	1
	Male	61	14
<b>Sub total</b>	<b>Female</b>	<b>120</b>	<b>89</b>
	<b>Male</b>	<b>227</b>	<b>33</b>

MANAGEMENT LEVEL	GENDER	NUMBER OF EMPLOYEES IDENTIFIED FOR TRAINING AT START OF THE YEAR	NUMBER OF EMPLOYEES THAT RECEIVED TRAINING
<b>TOTAL</b>		<b>347</b>	<b>122</b>

#### 4.4.2 SKILLS DEVELOPMENT

The Skills Development Act (1998) and the MSA require employers to supply employees with the necessary training 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. We have trained more employed employees than unemployed learners as funding for unemployed is dependent on Discretionary grants from the Sector Education and Training Authorities.

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

TABLE 16o SKILLS DEVELOPMENT

OCCUPATION CATEGORY	GENDE R	EMPLOYE E COUNT	LEARNERSHIP EMPLOYED			SKILLS EMPLOYED			SHORT SKILLS EMPLOYED			TOTAL EMPLOYED		OTHER UNEMPLOYED	
			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	3	0	0	0	0	0	0	0	6	1	6	1	0	0
	Male	8	0	0	0	0	0	0	0	16	1	16	1	0	0
MM and S57, Snr Managers	Female	6	0	0	0	1	2	2	2	16	4	18	6	0	5
	Male	29	0	0	0	1	9	4	10	23	17	32	21	0	0
Professionals	Female	14	0	0	0	2	4	2	4	10	4	14	6	68	19
	Male	16	0	0	0	1	5	1	4	43	7	48	8	67	12
Technicians and Associate Professionals	Female	20	0	2	0	0	4	4	12	6	0	12	4	0	2
	Male	26	0	4	0	0	3	4	9	20	4	27	8	0	3
Clerical Support and Workers	Female	36	0	0	0	0	29	5	38	39	6	68	11	25	0
	Male	7	0	0	0	0	4	1	2	12	1	16	2	20	0
Services and Sales	Female	13	0	0	0	0	1	2	1	28	0	29	2	5	0
	Male	12	0	0	0	0	0	0	2	19	0	19	0	10	0
Skilled Agricultural, forestry, Fishery, Craft and related Trade workers	Female	3	0	0	0	0	0	1	2	1	0	1	1	10	1
	Male	9	0	0	0	0	3	0	4	2	4	5	4	10	5
Plant and Machine Operators and Assemblers	Female	3	0	0	0	0	3	0	4	6	1	9	1	0	1
	Male	66	0	10	0	1	22	0	32	32	31	64	31	0	0
Elementary	Female	27	0	3	0	0	1	0	5	14	1	18	1	0	0
	Male	77	0	19	0	1	16	0	13	18	14	53	14	0	0

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OCCUPATION CATEGORY	GENDE R	EMPLOYE E COUNT	LEARNERSHIP EMPLOYED			SKILLS EMPLOYED			SHORT SKILLS EMPLOYED			TOTAL EMPLOYED		OTHER UNEMPLOYED	
			ACTUAL PREVIOUS	TARGET	ACTUAL CURRENT	ACTUAL PREVIOUS	TARGET	ACTUAL CURRENT	ACTUAL PREVIOUS	TARGET	ACTUAL CURRENT	TOTAL TARGET	TOTAL ACTUAL	TOTAL TARGET	TOTAL CURRENT
<b>TOTAL</b>	<b>Male</b>	<b>250</b>	<b>0</b>	<b>33</b>	<b>0</b>	<b>4</b>	<b>62</b>	<b>10</b>	<b>76</b>	<b>185</b>	<b>79</b>	<b>280</b>	<b>89</b>	<b>107</b>	<b>20</b>
	<b>Female</b>	<b>125</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>3</b>	<b>43</b>	<b>16</b>	<b>68</b>	<b>126</b>	<b>17</b>	<b>175</b>	<b>33</b>	<b>108</b>	<b>28</b>
<b>TOTAL</b>		<b>375</b>	<b>0</b>	<b>38</b>	<b>0</b>	<b>7</b>	<b>106</b>	<b>26</b>	<b>173</b>	<b>311</b>	<b>96</b>	<b>455</b>	<b>122</b>	<b>215</b>	<b>48</b>

## Gender Mainstreaming in terms of skills development

The above table also illustrates how many employees have been given training opportunities, by gender. Out of the employees identified for training in 2022/23 financial year 35% were females and 65% were males.

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 161 TRAINING IN TERMS OF GENDER**

OCCUPATIONAL CATEGORY	GENDER	2021/22	2022/23
Top Management	males	48%	48%
	females	35%	40%
Middle Management	males	33%	21%
	females	59%	27%
Lower Management	males	35%	0.31%
	females	19%	0.07%

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 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."

Cape Agulhas Municipality's newly appointed interns (2) and non-financial officers (5) completed the Municipal Minimum Competency Programme in the year under review.

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

**TABLE 162 FINANCIAL COMPETENCY DEVELOPMENT PROGRESS REPORT**

DESCRIPTI ON	A. TOTAL NUMBER OF	B. TOTAL NUMBER	CONSOLIDAT ED: TOTAL OF A AND B	CONSOLIDAT ED: COMPETENC	CONSOLIDAT ED: TOTAL NUMBER OF	CONSOLIDAT ED: TOTAL NUMBER OF
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	OFFICIALS EMPLOYED BY MUNICIPALITY (REGULATION 14(4)(A) AND (C))	OF OFFICIALS EMPLOYED BY MUNICIPAL ENTITIES (REGULATION 14(4)(A) AND (C))		Y ASSESSMENTS COMPLETED FOR A AND B (REGULATION 14(4)(B) AND (D))	OFFICIALS WHOSE PERFORMANCE AGREEMENTS COMPLY WITH REGULATION 16 (REGULATION 14(4)(F))	OFFICIALS THAT MEET PRESCRIBED COMPETENCY LEVELS (REGULATION 14(4)(E))
<b>Financial Officials</b>						
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	50	0	50	40	NA	40
<b>Supply Chain Management Officials</b>						
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

The total employee costs for the year were R164,277,204. R 913 900.00 was allocated for the 2022/23 financial year however after budget cuts it decreased to R 738 400.00 of which R721 125.54 was spent on training. Mandatory Grants received during the 2022/23 financial year from the Local Government Seta were allocated towards capacity building for employed and Internship opportunities for unemployed.

TABLE 163 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT

YEAR	TOTAL PERSONNEL BUDGET	TOTAL SPENT	% SPENT
2021/22	R156 403 030	R712 153	0.46%
2022/23	R164,277,204	R721 125.54	0.44%

#### 4.4.5 COMMUNITY SKILLS DEVELOPMENT

The Municipality received an allocation from the Construction SETA in 2023 to the community of Cape Agulhas, in order to training the unemployed persons on infrastructure development programmes. The Allocation of 400 Learning Pathways was at a value of R13 600 00.00. Cape Agulhas in our endeavour to ensure that the allocation is spent, shared the Learning Pathways with Municipalities within the Overberg District, which is one of the elements of the District Development Model (DDM) , to ensure that the pattern of working in Silos and Collaborating and Coherence in Planning and Implementation of this allocation will be realised 100% . Currently the uptake of 100% of the various Learning Pathways has been taken up by mostly in the Cape Agulhas Municipality, Overberg District Municipality, Theewaterskloof Municipality and Swellendam Municipalities, Overstrand Municipality in the Overberg Region. The Municipality endeavours to ensure in our quest for upskilling through such programmes, more so scarce and critical skill, which will ensure that the unemployed is employable in the region and outside the region.



#### 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%.

TABLE 164 TOTAL PERSONNEL EXPENDITURE

FINANCIAL YEAR	TOTAL EXPENDITURE SALARY AND ALLOWANCES R'000	TOTAL OPERATING EXPENDITURE R'000	PERCENTAGE %
2021/22	156 403 030	388 922 918	40.2%
2022/23	164 277 204	423 832 993	38.8%

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.

TABLE 165 DETAIL OF PERSONNEL EXPENDITURE

FINANCIAL YEAR	2021/22	2022/23		
DESCRIPTION	ACTUAL R'000	ORIGINAL BUDGET R'000	ADJUSTED BUDGET R'000	ACTUAL R'000
<b>Councillors (Political Office Bearers plus Other)</b>				
Salary	3 374	3 645	3 450	3 353
Pension contributions	515	377	509	529
Medical aid contributions	3	-	-	-
Motor vehicle allowance	1 274	1 267	1 181	1 257
Cell phone allowance	439	488	410	438
Other allowance	-	-	-	-
<b>Sub Total</b>	<b>5 605</b>	<b>5 777</b>	<b>5 550</b>	<b>5 577</b>
% increase/ (decrease)	-	0		
<b>Key Personnel</b>				
Basic salaries and wages	3 876	3 973	3 432	3 983
Pension and medical aid and UIF contributions	248	63	116	262
Motor vehicle allowance	299	179	299	299
Cell phone allowance	65	50	58	53
Housing allowance	-	-	-	-

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Performance bonus	548	556	556	473
Other benefits or allowances	177		38	189
<b>Sub Total</b>	<b>5 213</b>	<b>4 821</b>	<b>4 499</b>	<b>5 259</b>
<b>% increase/ (decrease)</b>	<b>0,90%</b>			
<b>Other Staff</b>				
Basic salaries and wages	106 054	109 109	106 620	111 700
Pension and UIF contributions	17 555	18 591	17 826	18 239
Medical aid contributions	5 663	5 731	5 625	5 889
Motor vehicle allowance	6 652	6 646	6 788	7 173
Cell phone allowance	467	454	444	450
Housing allowance	811	860	805	823
Overtime	5 175	3 518	3 879	6 408
Performance bonus	188			
Other benefits or allowances	8 627	18 202	17 895	8 334
<b>Sub Total</b>	<b>151 190</b>	<b>163 111</b>	<b>159 882</b>	<b>159 018</b>
<b>Total Municipality</b>	<b>156 403</b>	<b>167 932</b>	<b>164 381</b>	<b>164 277</b>
<b>Total managers and staff</b>	<b>162 008</b>	<b>173 709</b>	<b>169 931</b>	<b>169 854</b>
<b>% increase/ (decrease)</b>	<b>4,84%</b>			

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.1 INTRODUCTION

The Cape Agulhas municipality's financial position in respect of the 2022/23 financial year remains sound with the weakest component the operating surplus which reflected far less than the estimated budget results mainly due to the negative impact of the electricity loadshedding on the municipality revenue base with less electricity sales and additional expenditure relating to fuel and rental of equipment (generators) cost in order rendering of basic services. However, despite this major challenge, the municipality remains focus and committed aligned with the Long-Term Financial Plan objectives by constantly strive to sustain and / or improve its financial position through the application of good governance and sound financial management, whilst providing affordable, quality and sustainable services within its legislative mandate.

One of the fundamentals in the municipality's Long-Term Financial Plan objectives is to remain financially sustainable by not to relinquish its pressure on debt collection and continues to keep the collection rate at the historical level of roughly 95% or even higher to counter the any negative effects based on the current economic outlook. Notwithstanding the positive results, the municipality continues with its effort to improve the liquidity profile of the municipality by maintaining a credit score of A through managing credit risk factors such as collection levels, liquidity levels and operational management. Therefore, the focus remains that operational expenditure needs to be strongly curtailed; liquidity needs to be built up and the specific building of a cash backed capital replacement reserve (CRR) to cater for future asset replacement expenses and new developments.

The financial profile of the municipality still reflects an adequate level of sustainability underpinned by its positive liquidity position and relatively low debt burden whilst the operating performance, as mentioned, displayed a decrease mainly because of the ongoing weakening economic outlook, continued policy uncertainty and deterioration in the finances of state-owned entities such as Eskom which directly influences municipality tariff setting for electricity usage and the negative impact of the electricity loadshedding on the operations of the municipality. These factors, alongside the continued increase in high unemployment exert pressure on municipal revenue generation and collection levels. A conservative approach is therefore required for future municipal revenue projections. Although expenditure has been growing at a slower pace than revenue over the past few years it remains imperative for the municipality to pay attention to its employee related costs, which is the biggest cost driver and to continue efforts to limit non-priority spending and implementation of stringent cost-containment measures.

According to the key financial indicators the municipality managed to sustain its healthy financial position, and in most instances, the financial ratio indicators still reflect positively. Following more detail relating to the municipality's actual performance:

**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 financial year:

**TABLE 166 SUMMARY OF FINANCIAL PERFORMANCE**

DESCRIPTION	2021/22		2022/23		2022/23 VARIANCE	
	ACTUAL (AUDITED OUTCOME )	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL (AUDITED OUTCOME )	ORIGINAL BUDGET	ADJUSTED BUDGET
	R'ooo			%		
Property rates	80 906	81 396	86 396	86 843	6.27%	0.51%
Service charges	208 123	223 962	213 162	206 595	-8.41%	-3.18%
Investment revenue	4 783	2 506	5 506	9 475	73.55%	41.89%
Transfers recognised - operational	48 699	53 037	70 913	53 315	0.52%	-33.01%
Other own revenue	54 920	56 412	56 719	54 942	-2.68%	-3.23%
Total Revenue (excluding capital transfers and contributions)	397 431	417 313	432 696	411 170	-1.49%	-5.24%
Employee costs	156 403	161 785	159 472	164 277	1.52%	2.93%
Remuneration of councillors	5 605	5 777	5 549	5 577	-3.59%	0.51%
Debt Impairment	8 813	9 018	9 018	16 271	44.58%	44.58%
Depreciation & asset impairment	18 614	10 827	15 902	21 354	49.30%	25.53%
Finance charges	13 159	17 016	16 227	18 478	7.91%	12.18%
Materials and bulk purchases	112 598	116 726	110 413	110 094	-6.02%	-0.29%
Transfers and grants	44579	53608	87886	57 781	7.22%	-52.10%
Other expenditure	29 152	34 404	30 097	29 407	-16.99%	-2.35%
Total Expenditure	388 922	409 161	434 563	423 240	3.33%	-2.68%
Surplus/(Deficit)	8 509	8 152	-1 868	-12 070	167.54%	84.53%
Transfers recognised - capital	24 687	31 504	28 761	21 965	-43.43%	-30.94%
Contributions recognised - capital & contributed assets	301.06592	0	0	0	-	-
Surplus/(Deficit) after capital transfers & contributions	33 497	39 656	26 894	9 895	-300.76%	-171.78%
<b>Capital expenditure &amp; funds sources</b>						
<b>Capital expenditure</b>						
Transfers recognised - capital	24 687	31 504	28 702	22 029	-43.01%	-30.29%
Borrowing	14 679	19 088	18 654	18 246	-4.62%	-2.24%
Internally generated funds	18 798	20 024	20 006	24 229	17.36%	17.43%

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Total sources of capital funds	58 164	70 616	67 362	64 504	-9.48%	-4.43%
<b>Financial position</b>						
Total current assets	188 467	131 279	217 604	175 018	24.99%	-24.33%
Total non-current assets	559 766	631 046	612 824	601 159	-4.97%	-1.94%
Total current liabilities	89 107	95 393	98 522	107 096	10.93%	8.01%
Total non-current liabilities	178 453	161 729	198 309	178 512	9.40%	-11.09%
Community wealth/Equity	480 673	505 202	560 528	490 569	-2.98%	-14.26%
<b>Cash flows</b>						
Net cash from (used) operating	34 005	40 861	40 521	50 732	19.46%	20.13%
Net cash from (used) investing	-46 728	-55 613	-79 215	-43 630	-27.46%	-81.56%
Net cash from (used) financing	26 916	9 940	19 235	-11 656	185.28%	265.03%
Cash/cash equivalents at the year end	123 396	72 851	103 997	118 841	38.70%	12.49%
<b>Cash backing/surplus reconciliation</b>						
Cash and investments available	123 396	72 851	103 997	118 841	38.70%	12.49%
Application of cash and investments						
Balance - surplus (shortfall)	20 670	161 572	120 408	30 875	-423.30%	-289.98%
<b>Asset management</b>						
Asset register summary (WDV)	559 621	630 896	612 678	601 023	-4.97%	-1.94%
Depreciation & asset impairment	18 614	10 827	15 902	21 354	49.30%	25.53%
Renewal of Existing Assets	31 963	60 826	56 328	19 755	-207.91%	-185.13%
Repairs and Maintenance	70 024	82 007	89 392	73 513	-11.55%	-21.60%
<b>Free services</b>						
Cost of Free Basic Services provided	8 008	10 375	10 404	10 854	4.42%	4.15%
Revenue cost of free services provided	8 008	10 375	10 404	10 854	4.42%	4.15%
<b>Households below minimum service level</b>						
Water:	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-
Energy:	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-

TABLE 167 PERFORMANCE AGAINST BUDGETS

FINANCIAL YEAR	REVENUE				OPERATING EXPENDITURE			
	BUDGET	ACTUAL	DIFF.	%	BUDGET	ACTUAL	DIFF.	%
	(R'000)				(R'000)			
2021/22	418 535	422 420	3 884	0.92%	402 457	388 922	-13 534	-3.48%
2022/23	461 457	433 135	-28 321	-6.54%	434 563	423 240	-11 323	-2.68%

5.2.1 REVENUE COLLECTION BY VOTE

The table below indicates the revenue collection performance by vote for the financial year:

TABLE 166 REVENUE BY VOTE

VOTE DESCRIPTION	2021/22		2022/23		2022/23 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'ooo			%		
Executive and Council	38 701	39 493	41 302	42 040	6.06%	1.76%
Financial Services & ICT	107 750	102 630	108 205	114 917	10.69%	5.84%
Management Services	20 195	24 990	43 456	23 686	-5.50%	-83.47%
Engineering Services	255 774	281 705	268 495	252 492	-11.57%	-6.34%
<b>Total Revenue by Vote</b>	<b>422 420</b>	<b>448 817</b>	<b>461 457</b>	<b>433 135</b>	<b>-3.62%</b>	<b>-6.54%</b>

### 5.2.2 REVENUE COLLECTION BY SOURCE

The table below indicates the revenue collection performance by source for the financial year:

TABLE 167 REVENUE BY SOURCE

DESCRIPTION	2021/22			2022/23		2022/23 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET	
	R'ooo			%			
Property rates	81 031	81 511	86 611	87 883	7.25%	1.45%	
Property rates - penalties & collection charges	0	0	0	0	-	-	
Service Charges - electricity revenue	147 227	167 603	157 842	142 668	-17.48%	-10.64%	
Service Charges - water revenue	35 549	31 974	31 974	36 690	12.85%	12.85%	
Service Charges - sanitation revenue	16 993	18 089	18 089	18 462	2.02%	2.02%	
Service Charges - refuse revenue	23 975	24 154	24 154	26 307	8.18%	8.18%	
Service Charges - other	0	0	0	0	-	-	
Rental of facilities and equipment	2 940	1 564	2 554	2 345	33.30%	-8.91%	
Interest earned - external investments	4 783	2 506	5 506	9 475	73.55%	41.89%	
Interest earned - outstanding debtors	1 922	1 991	1 991	2 301	13.49%	13.49%	
Dividends received	0	0	0	0	-	-	
Fines, Penalties and Forfeits	2 157	3 520	3 620	3 182	-10.61%	-13.75%	
Licences and permits	4	142	42	4	-3670.40%	-1011.44%	
Agency services	3 564	4 045	4 045	3 917	-3.26%	-3.26%	
Transfers recognised - operational	48 789	53 037	70 913	53 445	0.76%	-32.68%	

Other revenue	15 363	12 177	13 354	18 129	32.83%	26.34%
Gains	13 070	15 000	12 000	6 361	-135.81%	-88.65%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>397 367</b>	<b>417 313</b>	<b>432 696</b>	<b>411 170</b>	<b>-1.49%</b>	<b>-5.24%</b>

**5.2.3 OPERATIONAL SERVICES PERFORMANCE**

The table below indicates the operational services performance for the financial year:

**TABLE 168 OPERATIONAL SERVICES PERFORMANCE**

DESCRIPTION	2021/22		2022/23		2022/23 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'ooo					%
<b>Operating Cost</b>						
Water Management	26 168	24 946	25 653	29 704	16.02%	13.64%
Waste Water Management	15 830	13 701	13 715	15 476	11.47%	11.38%
Energy Sources	129 515	140 202	141 510	136 923	-2.39%	-3.35%
Waste Management	26 635	27 619	25 619	30 714	10.08%	16.59%
Housing	3 133	3 798	20 569	3 115	-21.93%	-560.42%
Component A: sub-total	201 281	210 265	227 066	215 931	2.62%	-5.16%
Roads and Stormwater	18 444	18 001	17 761	20 504	12.21%	13.38%
Component B: sub-total	18 444	18 001	17 761	20 504	12.21%	13.38%
Planning and Development	12 745	15 106	13 678	12 762	-18.37%	-7.18%
Local Economic Development	0	0	0	0	-	-
Component C: sub-total	12 745	15 106	13 678	12 762	-18.37%	-7.18%
Libraries	6 204	7 324	7 361	7 330	0.07%	-0.42%
Social services & community development	1 989	3 227	2 730	3 343	3.47%	18.35%
Component D: sub-total	8 194	10 551	10 091	10 673	1.14%	5.46%
Environmental Protection (pollution control, bio-diversity, landscape, open spaces, parks, and coastal protection)	1 682	1 427	1 721	1 656	13.88%	-3.90%
Component E: sub-total	1 682	1 427	1 721	1 656	13.88%	-3.90%
Traffic & licensing	14 415	18 961	17 619	16 334	-16.08%	-7.87%
Fire Services and Disaster Management	0	0	0	0	-	-
Component F: sub-total	14 415	18 961	17 619	16 334	-16.08%	-7.87%
Holiday Resorts and Campsites	8 494	8 791	8 405	8 376	-4.96%	-0.34%
Swimming Pools, Stadiums and Sport Ground	5 697	6 168	6 248	5 935	-3.94%	-5.29%

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DESCRIPTION	2021/22		2022/23		2022/23 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUST- MENTS BUDGET
	R'ooo					%
Community halls, facilities, Thusong centres	5 471	6 446	6 464	6 103	-5.62%	-5.91%
Component G: sub-total	19 661	21 405	21 117	20 414	-4.86%	-3.44%
Financial Services	68 720	70 541	76 238	77 654	9.16%	1.82%
Office of the MM	3 290	3 397	3 365	3 399	0.07%	1.00%
Administration	29 111	29 386	35 627	33 482	12.23%	-6.41%
Internal Audit	1 612	1 831	1 548	1 607	-13.95%	3.64%
Shared Services	72	87	1	0	-	-
HR	9 695	8 203	8 731	8 824	7.04%	1.06%
Component H: sub-total	112 501	113 445	125 510	124 967	9.22%	-0.43%
<b>Total Expenditure</b>	<b>388 922</b>	<b>409 161</b>	<b>434 563</b>	<b>423 240</b>	<b>3.33%</b>	<b>-2.68%</b>



### 5.3 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

#### 5.3.1 WATER SERVICES

TABLE 169 FINANCIAL PERFORMANCE: WATER SERVICES

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	35 579	32 444	32 444	38 277	15.24%
Expenditure:					
<b>Employees</b>	12 775	12 549	12 549	14 355	12.59%
Other	13 393	12 398	13 105	15 349	19.23%
Total Operational Expenditure	26 168	24 946	25 653	29 704	16.02%
Net Operational (Service)	9 411	7 498	6 791	8 573	12.54%

#### 5.3.2 WASTEWATER (SANITATION)

TABLE 170 FINANCIAL PERFORMANCE: WASTEWATER (SANITATION) SERVICES

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	17 007	18 314	18 314	18 548	1.26%
Expenditure:					
<b>Employees</b>	7 542	6 965	6 965	7 426	6.20%
Other	8 289	6 736	6 750	8 051	16.34%
Total Operational Expenditure	15 830	13 701	13 715	15 476	11.47%
Net Operational (Service)	1 177	4 613	4 599	3 072	-50.18%

#### 5.3.3 ELECTRICITY

TABLE 171 FINANCIAL PERFORMANCE: ELECTRICITY

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET

	R'000				%
Total Operational Revenue	148 227	171 011	161 662	144 211	-18.58%
Expenditure:					
<b>Employees</b>	9 896	10 341	10 341	10 410	0.66%
Other	119 619	129 861	131 169	126 513	-2.65%
Total Operational Expenditure	129 515	140 202	141 510	136 923	-2.39%
Net Operational (Service)	18 712	30 810	20 152	7 289	-322.69%

#### 5.3.4 WASTE MANAGEMENT

TABLE 172 FINANCIAL PERFORMANCE: WASTE MANAGEMENT

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	25 115	24 446	24 446	27 359	10.65%
Expenditure:					
<b>Employees</b>	10 941	10 178	10 178	11 262	9.63%
Other	15 694	17 441	15 441	19 452	10.34%
Total Operational Expenditure	26 635	27 619	25 619	30 714	10.08%
Net Operational (Service)	-1 521	-3 172	-1 173	-3 355	5.44%

#### 5.3.5 ROADS AND STORMWATER

TABLE 173 FINANCIAL PERFORMANCE: ROADS AND STORMWATER

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	0	0	0	0	-
Expenditure:					
<b>Employees</b>	10 561	11 474	11 474	11 438	-0.32%
Other	7 883	6 526	6 287	9 066	28.01%
Total Operational Expenditure	18 444	18 001	17 761	20 504	12.21%
Net Operational (Service)	-18 444	-18 001	-17 761	-20 504	12.21%

#### 5.3.6 LIBRARIES

TABLE 174 FINANCIAL PERFORMANCE: LIBRARIES

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	6 854	6 882	6 949	6 986	1.49%
Expenditure:					
<b>Employees</b>	5 844	6 835	6 835	7 019	2.62%
Other	360	490	526	311	-57.45%
Total Operational Expenditure	6 204	7 324	7 361	7 330	0.07%
Net Operational (Service)	650	-442	-411	-344	-28.62%

### 5.3.7 ENVIRONMENTAL PROTECTION

TABLE 175 FINANCIAL PERFORMANCE : ENVIRONMENTAL PROTECTION

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	0	0	0	0	-
Expenditure:					
<b>Employees</b>	925	824	824	973	15.32%
Other	757	603	897	683	11.83%
Total Operational Expenditure	1 682	1 427	1 721	1 656	13.88%
Net Operational (Service)	-1 682	-1 427	-1 721	-1 656	13.88%

### 5.3.8 SOCIO - ECONOMIC DEVELOPMENT

TABLE 176 FINANCIAL PERFORMANCE: SOCIO ECONOMIC DEVELOPMENT (HUMAN DEVELOPMENT)

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	253	438	488	350	-25.12%
Expenditure:					
<b>Employees</b>	1 276	1 788	1 788	2 247	20.44%
Other	714	1 439	942	1 096	-31.32%

Total Operational Expenditure	1 989	3 227	2 730	3 343	3.47%
Net Operational (Service)	-1 736	-2 789	-2 241	-2 993	6.82%

### 5.3.9 TRAFFIC AND LICENCING

TABLE 177 PERFORMANCE: TRAFFIC AND LICENCING

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	5 832	7 874	7 774	6 929	-13.65%
Expenditure:					
<b>Employees</b>	10 183	12 060	12 060	11 904	-1.31%
Other	4 231	6 901	5 559	4 430	-55.78%
Total Operational Expenditure	14 415	18 961	17 619	16 334	-16.08%
Net Operational (Service)	-8 582	-11 087	-9 845	-9 405	-17.88%

### 5.3.10 BEACHES AND HOLIDAY RESORTS

TABLE 178 FINANCIAL PERFORMANCE: BEACHES AND HOLIDAY RESORTS

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	6 436	8 219	9 219	7 322	-12.26%
Expenditure:					
<b>Employees</b>	6 096	6 030	6 030	6 085	0.90%
Other	2 398	2 761	2 375	2 291	-20.51%
Total Operational Expenditure	8 494	8 791	8 405	8 376	-4.96%
Net Operational (Service)	-2 059	-572	814	-1 055	45.73%

### 5.3.11 PARKS AND SPORT FACILITIES

TABLE 179 FINANCIAL PERFORMANCE: PARKS AND SPORT FACILITIES

DESCRIPTION	2021/22	2022/23
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	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	291	264	264	254	-3.68%
Expenditure:					
<b>Employees</b>	4 599	5 158	5 158	5 079	-1.55%
Other	1 098	1 011	1 091	856	-18.13%
Total Operational Expenditure	5 697	6 168	6 248	5 935	-3.94%
Net Operational (Service)	-5 406	-5 905	-5 985	-5 680	-3.95%

### 5.3.12 COMMUNITY HALLS, FACILITIES, THUSONG CENTRES

TABLE 180 FINANCIAL PERFORMANCE: COMMUNITY HALLS, FACILITIES AND THUSONG CENTRES

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	340	465	465	370	-25.91%
Expenditure:					
<b>Employees</b>	3 900	4 051	4 051	4 013	-0.93%
Other	1 571	2 395	2 413	2 089	-14.63%
Total Operational Expenditure	5 471	6 446	6 464	6 103	-5.62%
Net Operational (Service)	-5 131	-5 980	-5 998	-5 733	-4.31%

### 5.3.13 MUNICIPAL MANAGER

TABLE 181 FINANCIAL PERFORMANCE: MUNICIPAL MANAGER

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	0	0	0	0	-
Expenditure:					
<b>Employees</b>	3 141	3 169	3 169	3 288	3.61%
Other	149	228	197	112	-104.03%
Total Operational Expenditure	3 290	3 397	3 365	3 399	0.07%
Net Operational (Service)	-3 290	-3 397	-3 365	-3 399	0.07%

## 5.3.14 ADMINISTRATION

TABLE 182 FINANCIAL PERFORMANCE: ADMINISTRATION

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	39 737	40 791	41 783	41 246	1.10%
Expenditure:					
<b>Employees</b>	14 729	14 478	14 478	13 297	-8.89%
Other	14 382	14 907	21 149	20 185	26.15%
Total Operational Expenditure	29 111	29 386	35 627	33 482	12.23%
Net Operational (Service)	10 626	11 406	6 156	7 764	-46.90%

## 5.3.15 HUMAN RESOURCES

TABLE 183 FINANCIAL PERFORMANCE: HUMAN RESOURCES

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	953	210	510	1 135	81.50%
Expenditure:					
<b>Employees</b>	7 901	6 915	6 915	7 086	2.43%
Other	1 793	1 289	1 816	1 738	25.85%
Total Operational Expenditure	9 695	8 203	8 731	8 824	7.04%
Net Operational (Service)	-8 742	-7 993	-8 221	-7 689	-3.96%

## 5.3.16 FINANCIAL SERVICES AND IT

TABLE 184 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	107 686	102 630	108 205	114 917	10.69%

Expenditure:					
<b>Employees</b>	30 375	32 728	32 728	33 333	1.81%
Other	38 345	37 813	43 510	44 321	14.68%
Total Operational Expenditure	68 720	70 541	76 238	77 654	9.16%
Net Operational (Service)	38 966	32 089	31 966	37 263	13.89%

### 5.3.17 HOUSING

TABLE 185 FINANCIAL PERFORMANCE: HOUSING

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	175	844	17 592	865	2.43%
Expenditure:					
<b>Employees</b>	2 911	3 184	3 184	3 001	-6.09%
Other	221	614	17 386	114	-440.23%
Total Operational Expenditure	3 133	3 798	20 569	3 115	-21.93%
Net Operational (Service)	-2 958	-2 954	-2 978	-2 250	-31.30%

### 5.3.18 PLANNING AND DEVELOPMENT

TABLE 186 FINANCIAL PERFORMANCE: PLANNING AND DEVELOPMENT

DESCRIPTION	2021/22	2022/23			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'ooo				%
Total Operational Revenue	2 884	2 480	2 580	2 400	-3.31%
Expenditure:					
<b>Employees</b>	11 321	11 468	11 468	10 638	-7.79%
Other	1 424	3 639	2 211	2 123	-71.38%
Total Operational Expenditure	12 745	15 106	13 678	12 762	-18.37%
Net Operational (Service)	-9 861	-12 627	-11 098	-10 361	-21.86%

### 5.3.19 INTERNAL AUDIT

TABLE 187 FINANCIAL PERFORMANCE: INTERNAL AUDIT

DESCRIPTION	2021/22	2022/23
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	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	0	0	0	0	-
Expenditure:					
Employees	1 484	1 593	1 593	1 423	-11.94%
Other	128	239	-44	184	-29.49%
Total Operational Expenditure	1 612	1 831	1 548	1 607	-13.95%
Net Operational (Service)	-1 612	-1 831	-1 548	-1 607	-13.95%



5.4 GRANTS

5.4.1 GRANT PERFORMANCE

The Municipality receives grants from the National and Provincial Governments during the financial year for infrastructure development and other projects.

TABLE 188 GRANT PERFORMANCE

DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDING 30 JUNE 2023						
	OPENING BALANCE	GRANTS RECEIVED	TRANSFERRED TO REVENUE (OPERATING)	TRANSFERRED TO REVENUE (CAPITAL)	RETURNED TO NT/PT	CLOSING BALANCE
	R	R	R	R	R	R
<b>NATIONAL GOVERNMENT</b>						
Equitable Share	-	37 037 000	(37 037 000)	-	-	-
Water Services Infrastructure Grant (WSIG)	-	12 500 000	(1 582 208)	(10 548 053)	-	369 740
Financial Management Grant (FMG)	-	1 550 000	(1 550 000)	-	-	-
Municipal Infrastructure Grant (MIG)	193 281	11 929 000	(1 450 642)	(5 694 615)	(193 222)	4 783 802
Skills Development Fund and SETA Bursaries	231 117	394 161	(625 278)	-	-	-
National Electrification Programme (INEP)	-	4 348 000	(757 263)	(3 012 856)	-	577 882
Energy Efficiency and Demand-side (EEDM)	116 778	-	-	-	(116 778)	-
Expanded Public Works Program (EPWP)	-	1 773 000	(1 773 000)	-	-	-
<b>Total</b>	<b>541 176</b>	<b>69 531 161</b>	<b>(44 775 391)</b>	<b>(19 255 523)</b>	<b>(310 000)</b>	<b>5 731 423</b>
<b>PROVINCIAL GOVERNMENT</b>						
Library Services	-	6 846 000	(6 846 000)	-	-	-
Library Services (Elim)	241 985	307 000	(84 980)	(464 005)	-	-
Proclaimed Road Subsidy	-	95 000	(95 000)	-	-	-
Financial Support Grant (FMGS)	-	-	-	-	-	-
Capacity Building Grant (FMGS)	-	300 000	(300 000)	-	-	-
Thusong Centre	150 000	-	(59 500)	(90 500)	-	-
Community Development Workers (CDW)	-	56 000	(56 000)	-	-	-
Municipal Energy Resilience Fund	-	625 000	(625 000)	-	-	-
DPLG - Smart Meter	-	700 000	-	(700 000)	-	-
Load Shedding (Coghta)	-	350 000	-	(350 000)	-	-
Save House Contribution	-	120 000	(64 195)	(55 805)	-	-
Restructuring of Organogram and Performance	-	300 000	(300 000)	-	-	-
Regional Socio-Economic Projects	458 961	700 000	(109 332)	(1 049 629)	-	-
<b>Total</b>	<b>850 946</b>	<b>10 399 000</b>	<b>(8 540 007)</b>	<b>(2 709 939)</b>	<b>-</b>	<b>-</b>
<b>ALL SPHERES GOVERNMENT</b>	<b>1 392 123</b>	<b>79 930 161</b>	<b>(53 315 398)</b>	<b>(21 965 462)</b>	<b>(310 000)</b>	<b>5 731 423</b>

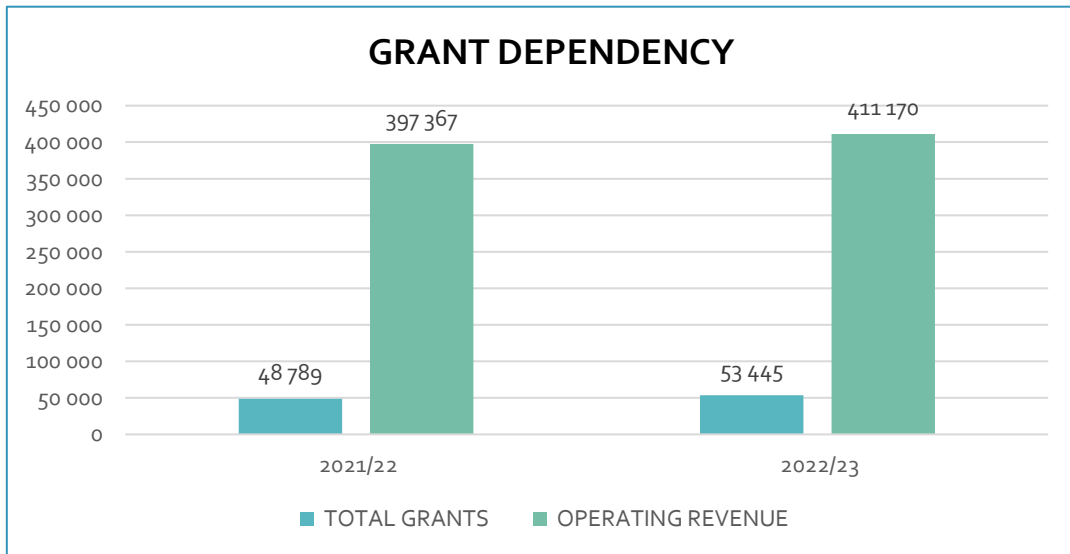
5.4.2 LEVEL OF RELIANCE ON GRANTS AND SUBSIDIES

TABLE 189 RELIANCE ON GRANTS

FINANCIAL YEAR	TOTAL GRANTS	TOTAL	PERCENTAGE
	AND SUBSIDIES	OPERATING REVENUE	
	R'000		
2021/22	48 789	397 367	12.28%
2022/23	53 445	411 170	13.00%

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



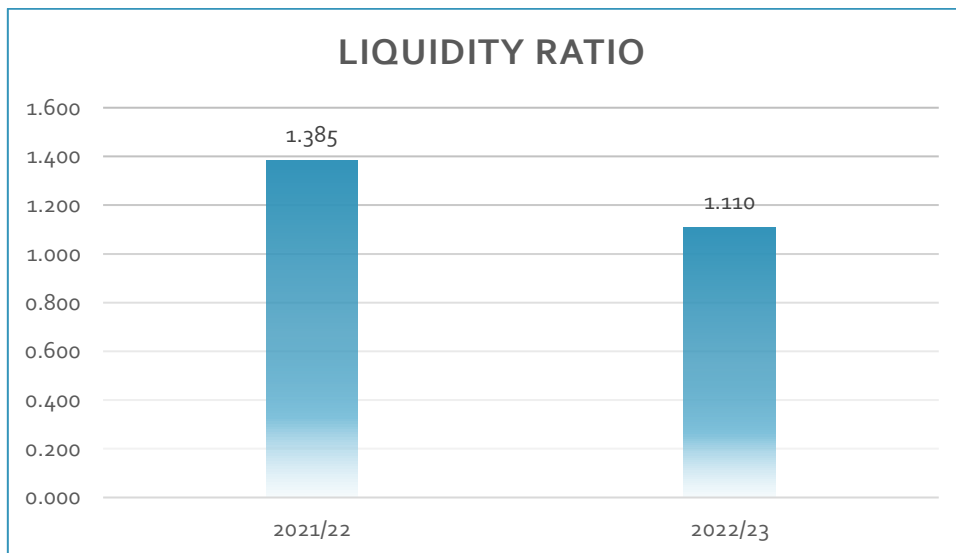
**5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS**

**5.5.1 LIQUIDITY RATIO**

TABLE 190 LIQUIDITY FINANCIAL RATIO

DESCRIPTION	2021/22	2022/23
	AUDITED OUTCOME	AUDITED OUTCOME
Current Ratio	2.115	1.634
Current Ratio adjusted for aged debtors	1.850	1.344
Liquidity Ratio	1.385	1.110

FIGURE 21 LIQUIDITY RATIO



**5.5.2 NATIONAL FINANCIAL VIABILITY INDICATORS**

TABLE 191 NATIONAL FINANCIAL VIABILITY KPI'S

KPA & INDICATOR	2020/21	2021/22	2022/23
<b>% Debt to Revenue</b> <i>(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) (TL 17)</i>	17.99%	21.90%	18.30%
<b>Service debtors to revenue</b> <i>(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)) (TL 18)</i>	11.75%	11.78%	10.55%
<b>Cost coverage</b>			

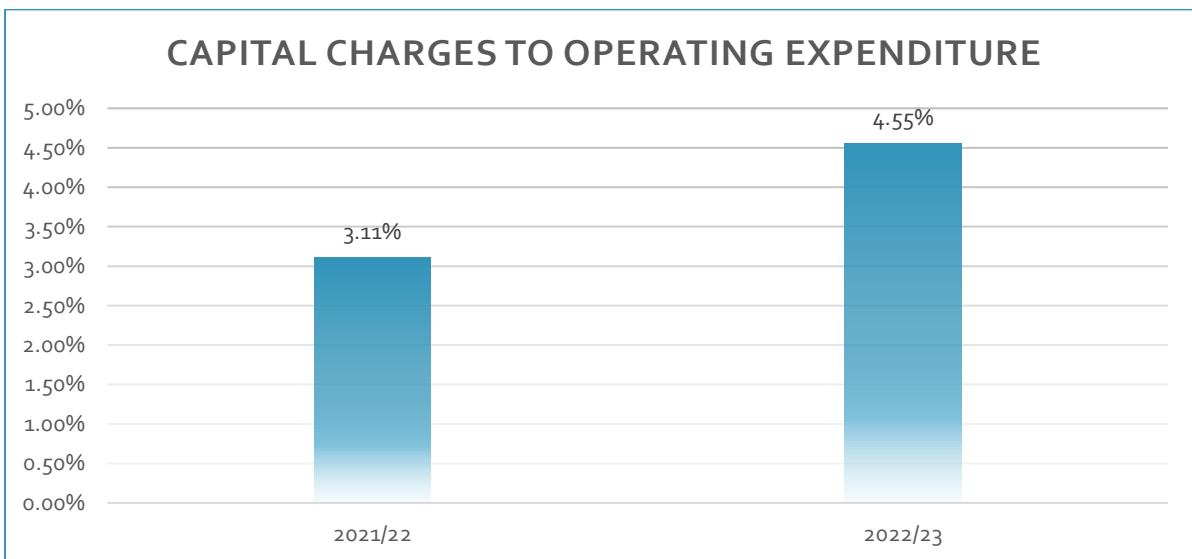
(Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June (Cash and Cash Equivalents)) (TL 19)			
<b>Cost coverage</b> (Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June (Cash and Cash Equivalents)) (TL 19)	3.63	4.18	3.63

### 5.5.3 BORROWING MANAGEMENT

TABLE 192 BORROWING MANAGEMENT

DESCRIPTION	BASIS OF CALCULATION	2021/22	2022/23
		AUDITED OUTCOME	AUDITED OUTCOME
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.11%	4.55%

FIGURE 22 BORROWING MANAGEMENT

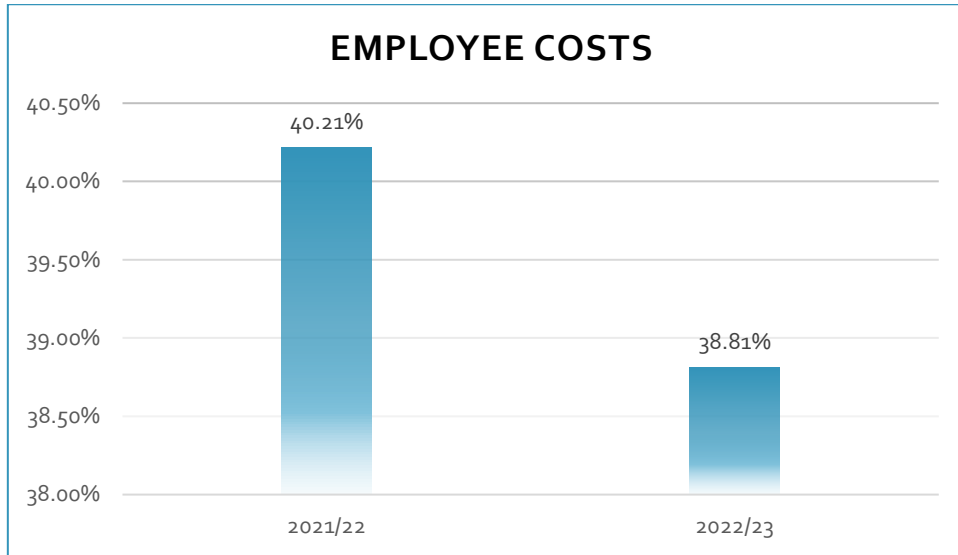


### 5.5.4 EMPLOYEE COSTS

TABLE 193 EMPLOYEE COSTS

DESCRIPTION	BASIS OF CALCULATION	2021/22	2022/23
		AUDITED OUTCOME	AUDITED OUTCOME
Employee costs	Employee costs/ (Total Expenditures)	40.21%	38.81%

FIGURE 23 EMPLOYEE COSTS



## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.6 TREATMENT OF THREE LARGEST ASSETS

TABLE 194 TREATMENT OF THREE LARGEST ASSETS

ASSET 1	
Name	<b>Roads Infrastructure:</b>
Description	Upgrade Suiderstrand Road
Asset Type	Roads & Stormwater
Key Staff Involved	Manager Roads & Stormwater
Staff Responsibilities	Project oversight and management
Asset Expenditure Value as at 30 June 2023	<b>3 987 million</b>
Capital Implications	Road's infrastructure aligned with the road's infrastructure plans and IDP needs requirement
Future Purpose of Asset	Accessible roads infrastructure
Describe Key Issues	Upgrade of roads & stormwater
Policies in Place to Manage Asset	Yes, aligned with the roads & stormwater infrastructure maintenance plans
ASSET 2	
Name	<b>Sewerage Services: Treatment</b>
Description	Rehab Wastewater Treatment Works (NAPIER)
Asset Type	Wastewater Management - Sewerage
Key Staff Involved	Manager Water & Sanitation
Staff Responsibilities	Project oversight and management
Asset Expenditure Value as at 30 June 2023	<b>10 548 million</b>
Capital Implications	Phase 2 in respect of the Wastewater Treatment Works upgrade at Napier
Future Purpose of Asset	Sustainable service delivery - Sewerage
Describe Key Issues	Capacity challenges in line of population growth as well as functionality
Policies in Place to Manage Asset	Yes, aligned with the sewer infrastructure maintenance plans
ASSET 3	
Name	<b>Electricity Services</b>
Description	Integrated National Electrification Programme
Asset Type	Electricity Distribution
Key Staff Involved	Manager Electricity Services
Staff Responsibilities	Project implementation, oversight, and management
Asset Value as at 30 June 2023	<b>3 012 million</b>
Capital Implications	Aligned with the electricity infrastructure maintenance plans and grant conditions
Future Purpose of Asset	Sustainable service delivery - Electricity
Describe Key Issues	Continuous upgrade and maintenance of key asset within the electricity section
Policies in Place to Manage Asset	Yes aligned with the electricity infrastructure maintenance plans

## 5.7 SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the financial year:

TABLE 195 CAPITAL EXPENDITURE BY FUNDING SOURCE

DETAILS	2021/22			2022/23		
	AUDITED OUTCOME	ORIGINAL BUDGET (OB)	ADJUSTMENT BUDGET	ACTUAL	ADJUSTMENT TO OB VARIANCE	ACTUAL TO OB VARIANCE
<b>SOURCE OF FINANCE</b>						
<b>DESCRIPTION</b>	<b>R'ooo</b>			<b>%</b>		
External loans	14 679	19 088	18 654	18 246	21.31%	-2.32%
Public contributions and donations	0	0	0	0	-	-
Grants and subsidies	24 687	31 504	28 702	21 965	13.99%	-9.76%
Own funding	18 798	20 024	20 006	23 928	6.04%	-0.09%
<b>Total</b>	<b>58 164</b>	<b>70 616</b>	<b>67 362</b>	<b>64 139</b>	<b>13.65%</b>	<b>-4.83%</b>
<i>Percentage of finance</i>						
External loans	25.24%	27.03%	27.69%	28.45%	8.87%	2.39%
Public contributions and donations	0.00%	0.00%	0.00%	0.00%	-	-
Grants and subsidies	42.44%	44.61%	42.61%	34.25%	0.39%	-4.71%
Own funding	32.32%	28.36%	29.70%	37.31%	-8.82%	4.52%
<b>Capital expenditure</b>						
<b>Description</b>	<b>R'ooo</b>			<b>%</b>		
Water and sanitation	18 628	27 645	22 245	19 956	16.26%	-24.27%
Electricity	10 969	12 156	12 707	12 140	13.68%	4.34%
Housing	0	0	0	0	-	-
Roads and storm water	19 021	14 655	14 779	14 778	-28.71%	0.84%
Other	9 545	16 160	17 631	17 264	45.86%	8.34%
<b>Total</b>	<b>58 164</b>	<b>70 616</b>	<b>67 362</b>	<b>64 139</b>	<b>13.65%</b>	<b>-4.83%</b>
<i>Percentage of expenditure</i>						
Water and sanitation	32.03%	39.15%	33.02%	31.11%	3.02%	-18.55%
Electricity	18.86%	17.21%	18.86%	18.93%	0.02%	8.75%
Housing	0.00%	0.00%	0.00%	0.00%	-	-
Roads and storm water	32.70%	20.75%	21.94%	23.04%	-49.06%	5.41%
Other	16.41%	22.88%	26.17%	26.92%	37.30%	12.56%

## 5.8 CAPITAL SPENDING ON THE LARGEST PROJECTS

The tables below show the Municipality's capital spending on its five largest projects.

TABLE 196 CAPITAL SPENDING ON LARGEST PROJECTS

NAME OF PROJECT	2022-23				
	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL EXPENDITURE (EXCLUDING VAT)	ORIGINAL VARIANCE	ADJUSTMENT VARIANCE
	R'ooo			%	
Rehab Wastewater Treatment Works (NAPIER)	17 000	12 500	10 548	-37,95%	-15,61%
Landfill Site: Material recovery park	6 354	6354	2194	-65,45%	-65,45%
Upgrade Suiderstrand Road	4000	3987	3 987	0%	0%
Electricity MV Network: Integrated National Electrification Programme	3947	3536	3012	-23,68%	-14,81%
Roads Infrastructure - Rehabilitation Of Roads (BD)	3 500	3500	3500	0%	0%
<b>Name of Project - A</b>	<b>Rehab Wastewater Treatment Works (NAPIER)</b>				
<b>Objective of Project</b>	Sustainable sewerage services				
<b>Delays</b>	None				
<b>Future Challenges</b>	Address aging infrastructure and continuous growth to ensure sufficient capacity				
<b>Anticipated citizen benefits</b>	Good quality wastewater				
<b>Name of Project - B</b>	<b>Landfill Site: Material recovery park</b>				
<b>Objective of Project</b>	Sustainable refuse removal services				
<b>Delays</b>	Yes – non performance by the service provider				
<b>Future Challenges</b>	Address the capacity and management of the landfill site as a result of continuous growth to ensure sufficient capacity				
<b>Anticipated citizen benefits</b>	Management of landfill site according to legislated requirements				
<b>Name of Project - C</b>	<b>Upgrade Suiderstrand Road</b>				
<b>Objective of Project</b>	Access to roads infrastructure				
<b>Delays</b>	None				
<b>Future Challenges</b>	Infrastructure maintenance backlogs as per the Roads & Stormwater infrastructure maintenance plans				
<b>Anticipated citizen benefits</b>	Improved road infrastructure				
<b>Name of Project - D</b>	<b>Electricity MV Network: Integrated National Electrification Programme</b>				
<b>Objective of Project</b>	Sustainable electricity services				
<b>Delays</b>	None				
<b>Future Challenges</b>	Address aging infrastructure and continuous growth to ensure sufficient capacity aligned with the electricity infrastructure maintenance plans				
<b>Anticipated citizen benefits</b>	Access to good electrical service levels				
<b>Name of Project - E</b>	<b>Roads Infrastructure - Rehabilitation Of Roads (BD)</b>				
<b>Objective of Project</b>	Access to roads infrastructure				
<b>Delays</b>	None				
<b>Future Challenges</b>	Infrastructure maintenance backlogs as per the Roads & Stormwater infrastructure maintenance plans				
<b>Anticipated citizen benefits</b>	Access to houses and CBD				



## 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 197 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

DETAILS	BUDGET	ADJUSTMENTS	ACTUAL	VARIANCE	
		BUDGET		BUDGET	ADJUSTMENTS
					BUDGET
	R'ooo			%	%
Infrastructure - Roads	3 500 000	3 500 000	3 500 000	0.00%	0.00%
Infrastructure - Waste Management	6 354 391	6 354 391	2 194 615	-189.54%	-189.54%
Total	9 854 391	9 854 391	5 694 615	-73.05%	-73.05%

**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 financial year.

**TABLE 198 CASH FLOW**

DESCRIPTION	2021/22	2022/23		
	AUDITED OUTCOME	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL
R'ooo				
<b>Cash flow from operating activities</b>				
<b>Receipts</b>				
Property rates	79 816	78 923	84 653	86 010
Service charges	211 571	234 472	253 199	208 703
Other revenue	18 373	18 908	20 823	24 125
Government - operating	44 133	53 037	35 014	70 315
Government - capital	22 530	31 504	27 424	26 205
Interest	6 803	4 436	5 506	11 104
<b>Payments</b>				
Suppliers and employees	-343 604	-372 300	-388 451	-367 329
Finance charges	-4 083	-5 758	0	-7 298
Transfers and Grants	-1 533	-2 361	2 354	-1 104
Net cash from/(used) operating activities	34 005	40 861	40 521	50 732
<b>Cash flows from investing activities</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE	3 579	15 000	-12 000	15 454
Decrease (increase) other non-current receivables	8	3	147	8
<b>Payments</b>				
Capital assets	-50 315	-70 616	-67 362	-59 093
Net cash from/(used) investing activities	-46 728	-55 613	-79 215	-43 630
<b>Cash flows from financing activities</b>				
<b>Receipts</b>				
Borrowing long term/refinancing	34 626	19 088	19 088	0
<b>Payments</b>				
Repayment of borrowing	-8 000	-9 500	147	-11 976
Increase in Consumer Deposits	290	352	0	320
Net cash from/(used) financing activities	26 916	9 940	19 235	-11 656
Net increase/ (decrease) in cash held	14 194	-4 812	-19 460	-4 554
Cash/cash equivalents at the year begin:	109 202	77 664	123 457	123 396
Cash/cash equivalents at the year-end:	123 396	72 851	103 997	118 841

**5.11 GROSS OUTSTANDING DEBTORS PER SERVICE**

TABLE 199 GROSS OUTSTANDING DEBTORS PER SERVICE

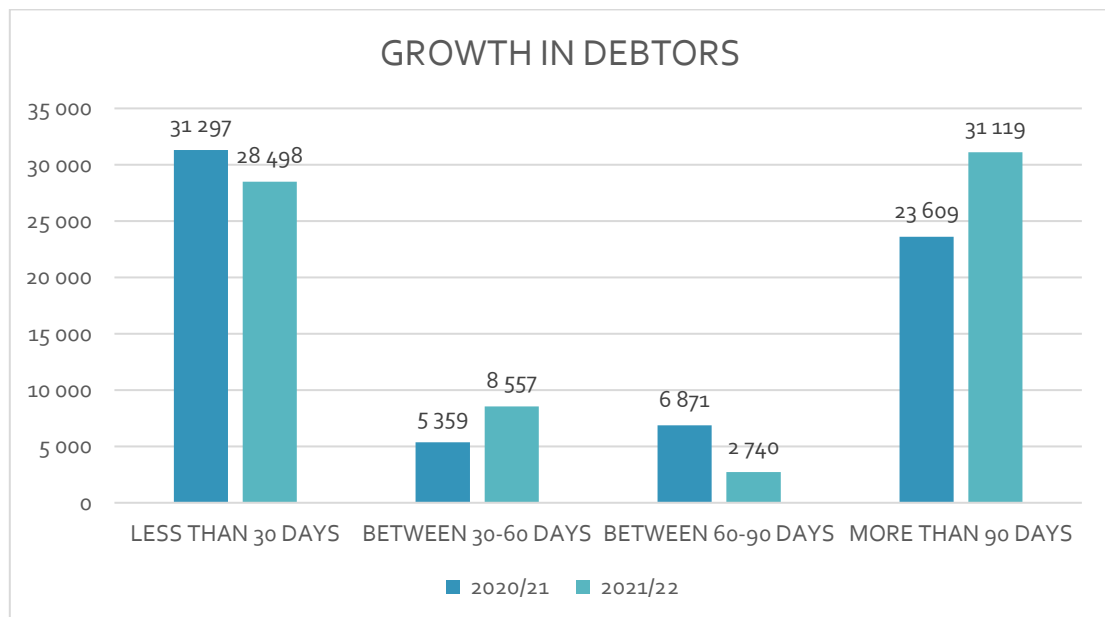
FINANCIAL YEAR	RATES	TRADING SERVICES	ECONOMIC SERVICES	RENTALS	OTHER	TOTAL
		(ELECTRICITY AND WATER)	(SANITATION AND REFUSE)			
(R'000)						
2021/22	13 638	32 046	13 479	3 735	4 239	67 136
2022/23	13 715	34 193	16 413	2 147	4 446	70 913
Difference	77	2 147	2 934	-1 588	207	3 777
% growth year on year	0.57%	6.70%	21.77%	0.00%	4.88%	5.63%

**5.12 TOTAL DEBTORS AGE ANALYSIS**

TABLE 200 SERVICE DEBTOR AGE ANALYSIS

FINANCIAL YEAR	LESS THAN 30 DAYS	BETWEEN 30-60 DAYS	BETWEEN 60-90 DAYS	MORE THAN 90 DAYS	TOTAL
	(R'000)				
2021/22	31 297	5 359	6 871	23 609	67 136
2022/23	28 498	8 557	2 740	31 119	70 913
Difference	-2 799	3 197	-4 131	7 510	3 777
% growth year on year	-8.94%	59.65%	-60.12%	31.81%	5.63%

FIGURE 24 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 201 ACTUAL BORROWINGS

INSTRUMENT	2021/22	2022/23
	R'000	
Long-Term Loans (annuity/reducing balance)	69 542	57 951
<b>Total</b>	<b>69 542</b>	<b>57 951</b>

### 5.13.2 INVESTMENTS

TABLE 202 INVESTMENTS

INVESTMENT TYPE	2021/22	2022/23
	R'000	
Deposits - Bank	123 396	118 841
<b>Total</b>	<b>123 396</b>	<b>118 841</b>

**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 2020/21 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. The agency was de-registered in the year under review.

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