

2020 / 21

# DRAFT ANNUAL REPORT



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

RESOLUTION 249/2021

DATE: 14 DECEMBER 2021

## CONTENTS

<b>FOREWORDS .....</b>	<b>6</b>
<b>MAYORS FOREWORD .....</b>	<b>6</b>
<b>MUNICIPAL MANAGERS FOREWORD .....</b>	<b>7</b>
<b>CHAPTER 1: EXECUTIVE SUMMARY .....</b>	<b>8</b>
<b>1.1 MUNICIPAL OVERVIEW .....</b>	<b>8</b>
<b>1.2.1 VISION, MISSION AND VALUES .....</b>	<b>8</b>
<b>1.2.2 GEOGRAPHIC AREA .....</b>	<b>9</b>
<b>1.2 DEMOGRAPHIC, SOCIO ECONOMIC AND ENVIRONMENTAL OVERVIEW .....</b>	<b>13</b>
<b>1.2.1 DEMOGRAPHIC OVERVIEW .....</b>	<b>13</b>
<b>1.2.2 HOUSEHOLDS .....</b>	<b>15</b>
<b>1.2.3 SOCIO ECONOMIC OVERVIEW .....</b>	<b>17</b>
<b>1.2.4 ENVIRONMENTAL OVERVIEW .....</b>	<b>18</b>
<b>1.3 BASIC SERVICE DELIVERY OVERVIEW .....</b>	<b>24</b>
<b>1.3.1 BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS .....</b>	<b>24</b>
<b>1.3.2 BASIC SERVICE DELIVERY CHALLENGES .....</b>	<b>25</b>
<b>1.3.3 HOUSEHOLD ACCESS TO BASIC SERVICES .....</b>	<b>26</b>
<b>1.4 FINANCIAL HEALTH OVERVIEW .....</b>	<b>27</b>
<b>1.4.1 FINANCIAL VIABILITY HIGHLIGHTS .....</b>	<b>27</b>
<b>1.4.2 FINANCIAL VIABILITY CHALLENGES .....</b>	<b>27</b>
<b>1.4.3 FINANCIAL VIABILITY (RATIO'S) .....</b>	<b>28</b>
<b>1.4.4 FINANCIAL OVERVIEW .....</b>	<b>28</b>
<b>1.4.5 OPERATING RATIO'S .....</b>	<b>28</b>
<b>1.4.6 TOTAL CAPITAL EXPENDITURE .....</b>	<b>29</b>
<b>1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW .....</b>	<b>29</b>
<b>1.5.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS .....</b>	<b>29</b>
<b>1.5.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES .....</b>	<b>30</b>
<b>1.5.3 EMPLOYMENT EQUITY .....</b>	<b>30</b>
<b>1.5.4 SKILLS DEVELOPMENT .....</b>	<b>31</b>
<b>1.6 AUDITOR GENERAL REPORT .....</b>	<b>31</b>
<b>1.6.1 AUDIT OUTCOMES .....</b>	<b>31</b>
<b>CHAPTER 2: GOVERNANCE .....</b>	<b>32</b>
<b>2.1 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE .....</b>	<b>32</b>
<b>2.1.1 GOVERNANCE STRUCTURE .....</b>	<b>32</b>
<b>2.1.2 JOINT PROJECTS AND FUNCTIONS WITH SECTOR DEPARTMENTS .....</b>	<b>36</b>
<b>2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS .....</b>	<b>38</b>
<b>2.2.1 INTERGOVERNMENTAL STRUCTURES .....</b>	<b>38</b>
<b>2.3 COMPONENT C: PUBLIC ACCOUNTABILITY .....</b>	<b>41</b>
<b>2.3.1 WARD BASED PUBLIC MEETINGS .....</b>	<b>41</b>

2.3.2	WARD COMMITTEES .....	42
2.4	COMPONENT D: CORPORATE GOVERNANCE .....	46
2.4.1	RISK MANAGEMENT .....	46
2.4.2	ANTI-CORRUPTION AND ANTI-FRAUD .....	50
2.4.3	AUDIT COMMITTEE .....	51
2.4.4	PERFORMANCE AUDIT COMMITTEE .....	54
2.4.5	INTERNAL AUDITING .....	55
2.4.6	BY-LAWS AND POLICIES .....	56
2.4.7	COMMUNICATION .....	56
2.4.8	THE MUNICIPAL WEBSITE .....	58
2.4.9	CLIENT SERVICES .....	59
2.4.10	SUPPLY CHAIN MANAGEMENT .....	61
<b>CHAPTER 3: SERVICE DELIVERY PERFORMANCE .....</b>		<b>76</b>
3.1	INTRODUCTION .....	76
3.2	LEGISLATIVE FRAMEWORK .....	76
3.3	OVERVIEW OF PERFORMANCE MANAGEMENT WITHIN THE MUNICIPALITY .....	77
3.3.1	ORGANISATIONAL PERFORMANCE MANAGEMENT .....	77
3.3.2	THE PERFORMANCE MANAGEMENT SYSTEM .....	78
3.3.3	INDIVIDUAL PERFORMANCE MANAGEMENT .....	78
3.3.4	SERVICE PROVIDER STRATEGIC PERFORMANCE .....	79
3.4	STRATEGIC PERFORMANCE 2020/21 .....	80
3.4.1	OVERVIEW .....	80
3.4.2	PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA .....	82
3.4.3	DETAILED PERFORMANCE FOR 2020/21 PER NATIONAL KEY PERFORMANCE AREA .....	83
3.5	MUNICIPAL FUNCTIONS .....	104
3.6	OVERVIEW OF PERFORMANCE PER WARD / TOWN .....	105
3.6.1	BASIC SERVICE DELIVERY PER TOWN .....	105
3.6.2	BASIC SERVICE PRIORITIES AND DELIVERY PER WARD .....	105
3.7	COMPONENT A: BASIC SERVICES .....	110
3.7.1	WATER .....	110
3.7.2	SANITATION .....	113
3.7.3	ELECTRICITY .....	116
3.7.4	WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING) 122	
3.7.5	HOUSING .....	125
3.7.6	FREE BASIC SERVICES AND INDIGENT SUPPORT .....	129
3.8	COMPONENT B: ROAD TRANSPORT AND STORMWATER .....	131
3.8.1	ROADS .....	131
3.8.2	STORMWATER DRAINAGE .....	134
3.9	COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT .....	136

3.9.1	INTEGRATED DEVELOPMENT PLANNING.....	136
3.9.2	SPATIAL PLANNING .....	137
3.9.3	BUILDING CONTROL .....	140
3.9.4	LOCAL ECONOMIC DEVELOPMENT AND TOURISM .....	142
3.10	COMPONENT D: COMMUNITY AND SOCIAL SERVICES.....	149
3.10.1	LIBRARIES .....	149
3.10.2	CEMETERIES .....	151
3.10.3	HUMAN DEVELOPMENT .....	152
3.11	COMPONENT E: ENVIRONMENTAL PROTECTION.....	154
3.11.1	AIR QUALITY CONTROL .....	154
3.11.2	NOISE CONTROL .....	155
3.11.3	BIO-DIVERSITY AND LANDSCAPE.....	156
3.11.4	COASTAL PROTECTION .....	156
3.11.5	CLIMATE CHANGE .....	157
3.12	COMPONENT F: SAFETY AND SECURITY.....	158
3.12.1	TRAFFIC SERVICES, LICENSING AND LAW ENFORCEMENT .....	158
3.12.2	DISASTER MANAGEMENT.....	164
3.12.3	FIRE SERVICES .....	168
3.13	COMPONENT G: SPORT AND RECREATION.....	169
3.14	COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES .....	171
3.14.1	EXECUTIVE AND COUNCIL.....	171
3.14.2	FINANCIAL SERVICES .....	174
3.14.3	INFORMATION COMMUNICATION TECHNOLOGY.....	174
3.15	COMPONENT I: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES 2021/22 .....	183
3.15.1	NATIONAL KPA 1: GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	183
3.15.2	NATIONAL KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT .....	183
3.15.3	NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT .....	184
3.15.4	NATIONAL KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT .....	184
3.15.5	NATIONAL KPAs: BASIC SERVICE DELIVERY .....	186
<b>CHAPTER 4: ORGANISATIONAL PERFORMANCE.....</b>		<b>188</b>
4.1	INTRODUCTION.....	188
4.2	THE MUNICIPAL WORKFORCE .....	191
4.2.1	EMPLOYMENT EQUITY .....	193
4.2.2	VACANCY RATE.....	195
4.2.3	STAFF TURNOVER RATE .....	196
4.2.4	EXPANDED PUBLIC WORKS PROGRAMME AND COMMUNITY WORK PROGRAMME .....	197
4.3	MANAGING THE MUNICIPAL WORKFORCE .....	198
4.3.1	OCCUPATIONAL HEALTH AND SAFETY ACT 1993 OF 85 AND COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASE ACT 130 of 1993.....	198
4.3.1.1	COVID 19 PANDEMIC .....	198

4.3.1.2	INJURIES .....	199
4.3.2	SICK LEAVE .....	200
4.3.3	LOCAL LABOUR FORUM .....	201
4.3.4	DISCIPLINARY CASES AND GRIEVANCES .....	201
4.3.5	HUMAN RESOURCE POLICIES AND PLANS .....	202
4.3.6	EMPLOYEE PERFORMANCE REWARDS .....	203
4.4	CAPACITATING THE MUNICIPAL WORKFORCE .....	204
4.4.1	SKILLS MATRIX.....	205
4.4.2	SKILLS DEVELOPMENT .....	206
4.4.3	MFMA COMPETENCIES .....	209
4.4.4	SKILLS DEVELOPMENT – BUDGET ALLOCATION .....	211
4.5	MUNICIPAL WORKFORCE EXPENDITURE .....	212
<b>CHAPTER 5: FINANCIAL PERFORMANCE.....</b>		<b>214</b>
5.1	INTRODUCTION.....	214
<b>COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE .....</b>		<b>221</b>
5.2	FINANCIAL SUMMARY.....	221
5.2.1	REVENUE COLLECTION BY VOTE .....	223
5.2.2	REVENUE COLLECTION BY SOURCE .....	223
5.3	FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION .....	226
5.3.1	WATER SERVICES .....	226
5.3.2	WASTE WATER (SANITATION) .....	226
5.3.3	ELECTRICITY.....	226
5.3.4	WASTE MANAGEMENT .....	227
5.3.5	ROADS AND STORMWATER.....	227
5.3.6	LIBRARIES.....	228
5.3.7	ENVIRONMENTAL PROTECTION .....	228
5.3.8	SOCIAL SERVICES AND COMMUNITY DEVELOPMENT .....	228
5.3.9	TRAFFIC AND LAW ENFORCEMENT.....	229
5.3.10	HOLIDAY RESORTS AND CAMPSITES .....	229
5.3.11	SWIMMING POOLS AND SPORT GROUNDS .....	229
5.3.12	COMMUNITY FACILITIES AND THUSONG CENTRES .....	231
5.3.13	OFFICE OF THE MUNICIPAL MANAGER .....	231
5.3.14	ADMINISTRATION .....	231
5.3.15	HUMAN RESOURCES .....	232
5.3.16	FINANCIAL SERVICES.....	232
5.3.17	HOUSING.....	232
5.3.18	PLANNING .....	233
5.4	GRANTS .....	233
5.4.1	GRANT PERFORMANCE .....	233

5.4.2	CONDITIONAL GRANTS .....	234
5.4.3	LEVEL OF RELIANCE ON GRANTS & SUBSIDIES .....	235
5.5	FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS .....	237
5.5.1	LIQUIDITY RATIO .....	237
5.5.2	NATIONAL FINANCIAL VIABILITY INDICATORS .....	237
5.5.3	BORROWING MANAGEMENT .....	239
5.5.4	EMPLOYEE COSTS .....	240
	<b>COMPONENT B: SPENDING AGAINST CAPITAL BUDGET.....</b>	<b>241</b>
5.6	TREATMENT OF THREE LARGEST ASSETS .....	241
5.7	SOURCES OF FINANCE .....	242
5.8	CAPITAL SPENDING ON THE LARGEST PROJECTS.....	243
5.9	BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW .....	244
5.9.1	MUNICIPAL INFRASTRUCTURE GRANT (MIG).....	244
	<b>COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS .....</b>	<b>245</b>
5.10	CASH FLOW .....	245
5.11	GROSS OUTSTANDING DEBTORS PER SERVICE .....	246
5.12	TOTAL DEBTORS AGE ANALYSIS .....	246
5.13	BORROWING AND INVESTMENTS .....	247
5.13.1	ACTUAL BORROWINGS .....	247
5.13.2	INVESTMENTS .....	247
	<b>COMPONENT D: OTHER FINANCIAL MATTERS .....</b>	<b>247</b>
5.14	SUPPLY CHAIN MANAGEMENT .....	247
5.15	GRAP COMPLIANCE .....	248
5.16	SOUTHERNMOST DEVELOPMENT AGENCY (PTY) LTD .....	248
	<b>CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS .....</b>	<b>249</b>
6.1	AUDITOR-GENERAL REPORT 2019/20 .....	249
6.2	AUDITOR-GENERAL REPORT 2020/21 .....	249
	<b>FIGURES .....</b>	<b>251</b>
	<b>TABLES .....</b>	<b>252</b>

ANNEXURE A: ANNUAL FINANCIAL STATEMENTS 2020/21

ANNEXURE B: REPORT OF THE AUDITOR GENERAL 2020/21

ANNEXURE C: REPORT OF THE AUDIT COMMITTEE 2020/21

ANNEXURE D: REPORT OF THE PERFORMANCE AUDIT COMMITTEE 2020/21

## FOREWORDS

### MAYORS FOREWORD



As the Executive Mayor of the southernmost municipality in Africa, it is my pleasure and privilege to present our Annual Report for the 2020/21 financial year.

The year was my Council's fifth and last full year in office and we are proud of what we have achieved in terms of our Integrated Development Plan which ultimately contributes to the Vision Inspired Priorities (VIP's) of the Western Cape Provincial Strategic Plan as well as the National Development Plan 2030.

The Covid-19 pandemic and associated declaration of a State of National Disaster by the President in March 2020 has had a significant impact on our administration as well as our community and was the forefront of our focus for the entire financial year. Our condolences go out to everyone in our community who have lost loved ones.

We are proud of the resilience that we have displayed during these hard times and the innovation that we employed to ensure uninterrupted service delivery. We relied heavily on our Smart City Strategy innovations to communicate with our community on their needs during the revision of the Integrated Development Plan, and to solicit their inputs on the draft budget. Our Ward Committees managed to remain fully functional despite the limitations and we relied heavily on their inputs as we could not hold full public meetings due to limitations on gatherings. The end of my Council's term of office also signals the end of the term of office of our Ward Committees and I would like to express my sincerest thanks to each member for their service.

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

Some of our highlights of the year include:

- The completion of the Mill Park Housing Project.
- The completion of the upgrading of the Bredasdorp Waste- Water Treatment Plant.
- New boreholes were drilled in Struisbaai to address water shortages over holiday periods.
- The third phase of the upgrading of the gravel roads in Zwelitsha (Bredasdorp) was completed.
- Elim Modular Library.
- Establishment of the Bredasdorp Community Market.
- Our vibrant and proactive youth council whose executive were re-elected during the year.
- We created 628 jobs (157 full time equivalents) during the financial year through the Expanded Public Works Programme.

In conclusion, I would like to express a special word of thanks to all the essential workers in our community who were on the forefront of the pandemic. I would also like to thank my fellow councillors, the management team of the Cape Agulhas Municipality and every member of staff for their support during the year under review. Lastly my thanks to every member of the community. Our achievements would not have been possible without you.

**Cllr Paul Swart**  
**EXECUTIVE MAYOR**

## MUNICIPAL MANAGERS FOREWORD



This Annual Report reflects on the performance of the Cape Agulhas Municipality for the period 1 July 2020 to 30 June 2021.

Cape Agulhas is the southernmost municipality in Africa. We are committed to fulfilling our constitutional powers and functions, albeit with limited financial and human resources in a severely constrained macro-economic environment that has been worsened by the impact of Covid-19.

I am pleased to report that despite this we have performed well in relation to creating a sustainable municipal institution that renders good quality services, promotes economic development and maintains stringent governance and financial management controls.

The Municipality received an unqualified audit with no matters for 2020/21, our eighth consecutive clean audit. Following the 2019/20 audit, an audit action plan was developed to implement recommendations on the audit by the Auditor General. These recommendations assisted the Municipality to strengthen controls and enhance future audit processes.

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

The Cape Agulhas Municipality's financial position for the 2020/21 financial year remained stable despite the Covid-19 pandemic. In the 2019/20 financial year, there was a small decline due to the Covid-19 pandemic, but I am pleased to say that our financial position is improving. Our cash and investments have been increasing steadily and now exceed our 2018/19 pre Covid level. Our debt collection rate increased to 98% for the year under review and our Capital Replacement Reserve (CRR) has also increased. We make a concerted effort to remain within the norms prescribed by National Treasury and our key area of concern is our employee costs which exceed the norm. The Municipality is addressing this through implementation of its staff productivity assessment outcomes. We remain committed to implementing our long-term financial plan to ensure our financial sustainability, maintain our assets and in so doing render quality value for money services.

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 Municipal Manager position became vacant. The position was advertised and immediately filled thus ensuring continuity. All Section 56 positions (Directors) were filled throughout the year.

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 2020/21 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 2020 to 30 June 2021, 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.

Municipal elections took place in August 2016. A new Municipal Council is required to adopt an IDP within one year of the municipal election, and this IDP remains in force for the elected term of office of the Council (Five years). The new IDP (2017/18-2021/22) was approved by Council on 30 May 2017 (Council Resolution 99/2017) and reviewed annually thereafter. This annual report reflects on the performance of the Municipality in implementing the third review of the IDP which was approved on 29 May 2020 (Resolution 67/2020)

#### 1.2.1 VISION, MISSION AND VALUES

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

##### VISION

“Together for excellence

Saam vir uitnemendheid

Sisonke siyagqwesa”

##### MISSION

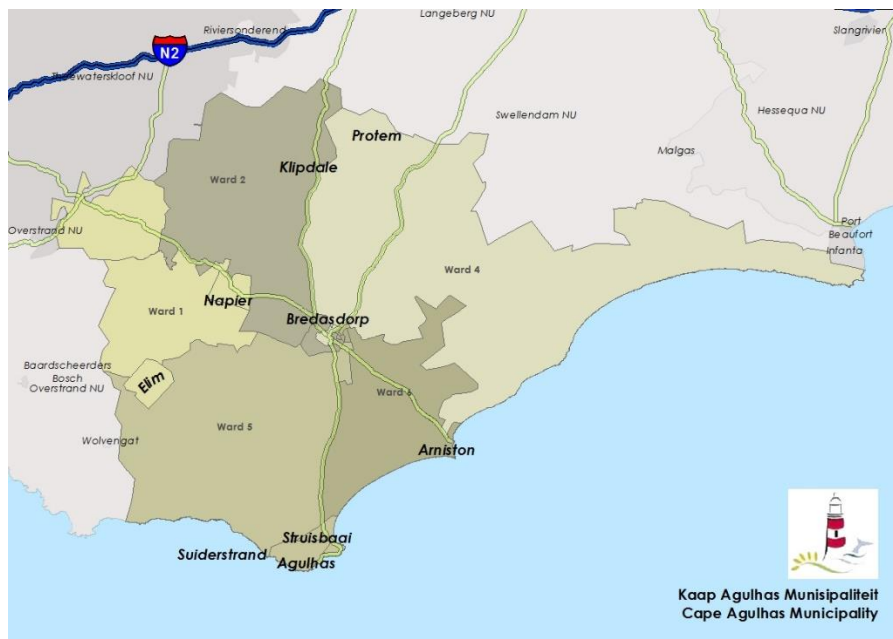
“To render excellent services through good governance, public ownership and partnership in order to create a safer environment that will promote socio-economic growth and ensure future financial sustainability in a prosperous southernmost community”

<b>VALUES</b>
Fairness
Integrity
Accountability and responsibility
Transparency
Innovativeness
Responsiveness

### 1.2.2 GEOGRAPHIC AREA

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

FIGURE 1 MAP OF CAPE AGULHAS MUNICIPALITY AND WARD DELIMITATION



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

### **Bredasdorp**



Bredasdorp is centrally located at the intersection of the R316 (which runs between Caledon and Arniston) and the R319 (which runs between Agulhas/Struisbaai and Swellendam. It is also the economic hub of the Cape Agulhas Municipal Area and is home to the biggest concentration of urbanised population. Bredasdorp is also regarded as the administrative capital of the Overberg Region as a number of Government Departments and State-Owned Enterprises have established regional offices in this town. The head office of the Overberg District Municipality is also located in Bredasdorp and is strategic for the development of the local economy of the area. Agriculture is the backbone of the town's economy, but the business and tourism sectors have also grown significantly over the years. Unique tourism products such as the Shipwreck Museum, Heuningberg Nature Reserve and the Anglican Rectory are some of the most important tourism attractions.

### **Arniston / Waenhuiskrans**



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

## 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.

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#### 1.2.2.1 WARD DELIMITATION

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

Cape Agulhas Municipality was demarcated into six wards for the 2016 Municipal election. This demarcation became applicable from 3 August 2016, and the ward composition is as follows:

**TABLE 1 WARD DELIMITATION 2016**

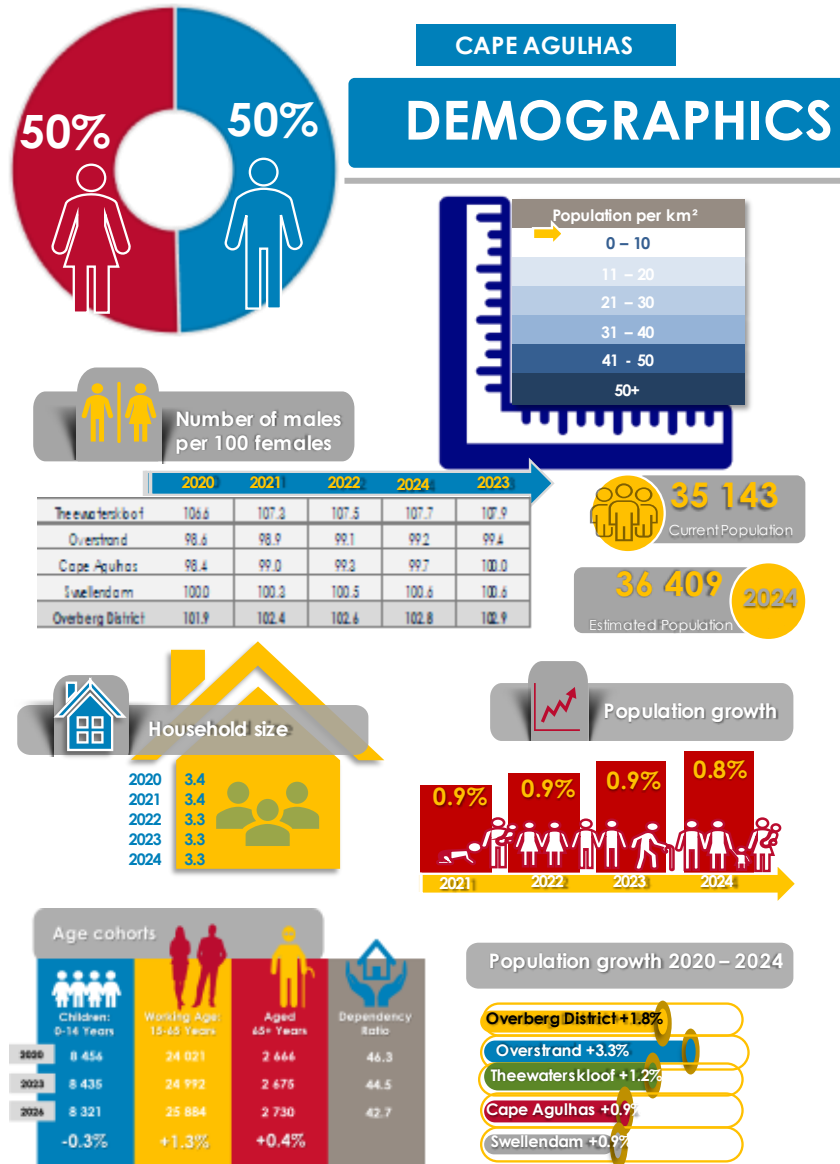
WARD	AREA DESCRIPTION
1	Napier, Elim, Spanjaardskloof, Houtkloof and surrounding farming areas
2	Part of Bredasdorp and Klipdale
3	Part of Bredasdorp which includes the low-cost housing scheme (Kleinbegin), Zwelitsha and Simunye
4	Part of Bredasdorp including the Central Business District, Protem and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

**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 2020**

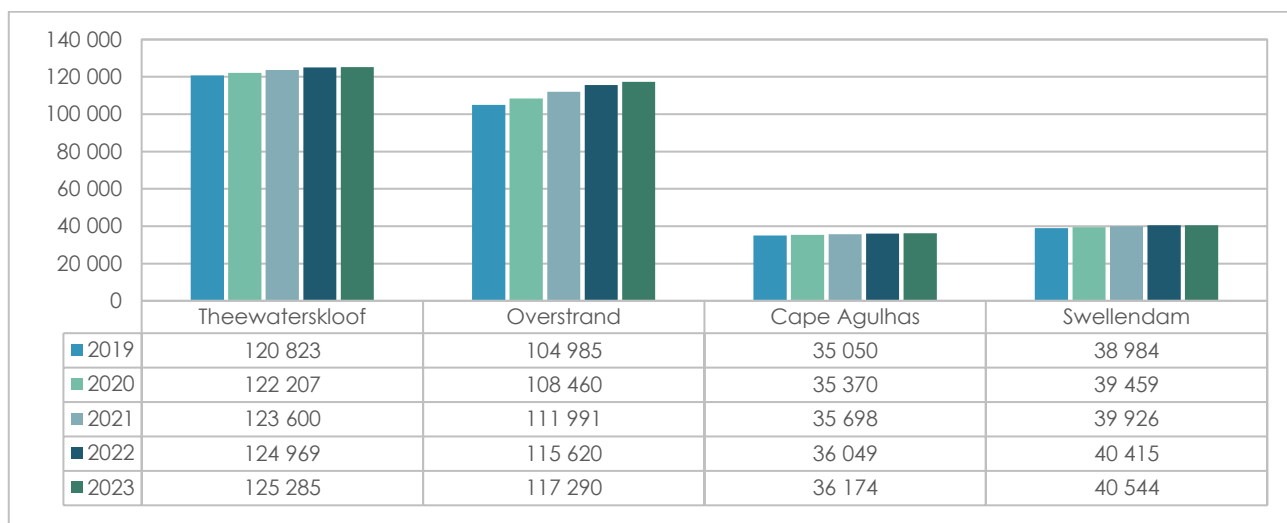


Source: Socio Economic Profile 2020

**a) Population**

Cape Agulhas has the smallest population in the Overberg District with only 35 143 people in 2020. This total is expected to grow to 36 409 by 2024, equating to an average annual growth rate of 0.9 per cent.

**FIGURE3 POPULATION**



Source: Socio-Economic Profile 2019

**TABLE 2 POPULATION DISTRIBUTION PER TOWN**

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

Source: Statistics SA 2011

**Sex Ratio**

The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that the sex ratio will be growing from 2020 to 2024 such that there will be equal numbers of males and females by 2024.

**Age Cohorts**

Between 2020 and 2026, the largest projected population growth is recorded in the working age population (15-65 years) which grew at an annual average rate of 1.3 per cent. The children cohort (0-14 years) is predicted to decline by 0.3 per cent annually from 2020 to 2026, while the aged population (+65 years) will increase by 0.4 per cent. These predicted growth rates will lead to a decline in the dependency ratio towards 2026.

**Household sizes**

Household size refers to the number of people per household. The actual size of households is at 3.4 people per household in 2020 and is projected to decline to 3.2 in 2024. Contributing factors to a stagnation in household size could include, but are not limited to, lower fertility rates, occurrences of divorce, ageing population, etc.

**Population density**

Amidst rapid urbanization across the Western Cape, population density figures will aid public sector decision makers to mitigate environmental, individual health and service delivery risks. In 2020, the population density of the Overberg District was 25 persons per square kilometer. In order of highest to lowest, the various local municipal areas in the Overberg District compare as follows:

- Overstrand 61 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>

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

TABLE 3 AGE COHORTS 2019/2025

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

Source: Socio-Economic Profile 2019

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

## b) Population by gender and race

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

### 1.2.2 HOUSEHOLDS

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

TABLE 4 HOUSEHOLD SIZES 2019-2023

2019	2020	2021	2022	2023
3.3	3.3	3.3	3.2	3.2

Source: Socio-Economic Profile 2019

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 5 INDIGENT HOUSEHOLDS**

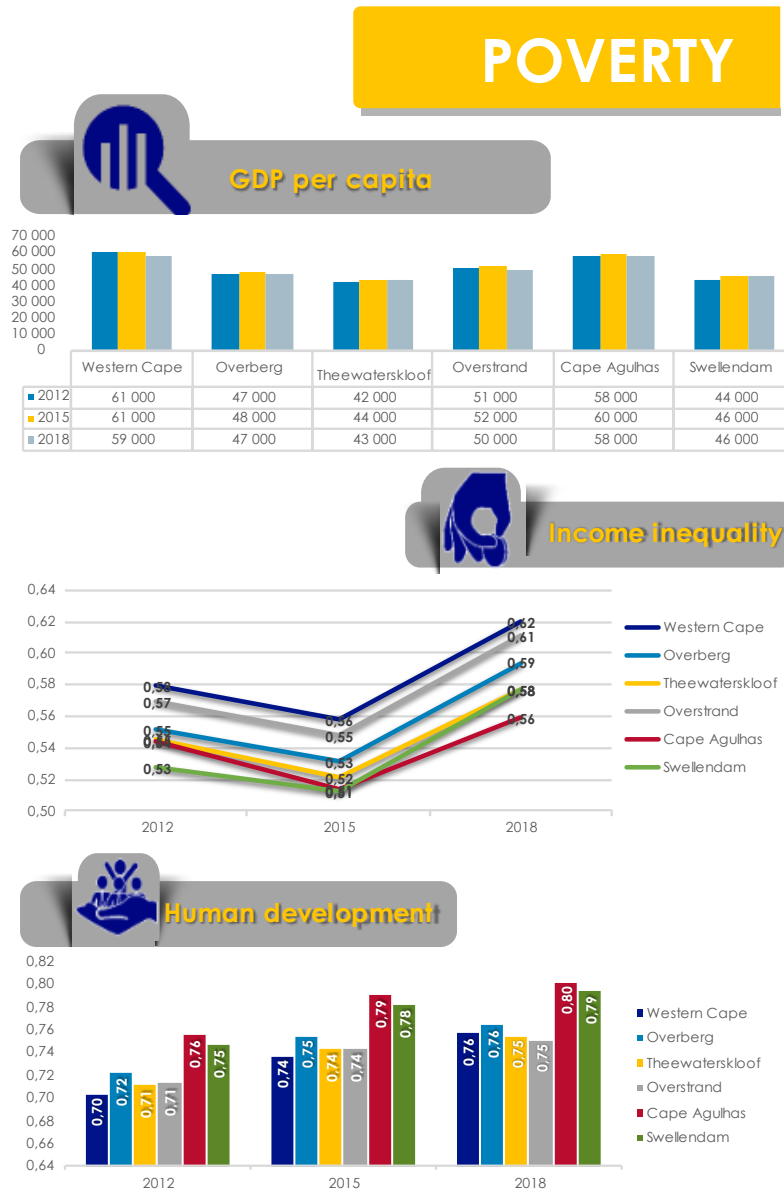
<b>HOUSEHOLDS</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Number of indigent and poor households in municipal area	3001	3380	3711

*Source: CAM Indigent Register*

1.2.3 SOCIO ECONOMIC OVERVIEW

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

FIGURE 4 POVERTY AND INCOME OVERVIEW



## a) Poverty and Income

### GDPR per Capita

An increase in real 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 GDP per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the real GDPR per capita indicator.

At R58 000 in 2018, Cape Agulhas's real GDPR per capita stood well above that of the Overberg District's figure of R47 000 and is only slightly lower than that of the Western Cape (R59 000). It is however on a declining trend from 2015 to 2018, largely due to declining economic growth.

### Income Inequality

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality has increased in Cape Agulhas between 2015 and 2018, following a drop between 2012 and 2015. Furthermore, income inequality levels were marginally lower in Cape Agulhas for 2018 with a Gini coefficient of 0.56, when compared to neighbouring municipalities across the Overberg District and the Western Cape.

### Human Development

The United Nations uses the Human Development Index (HDI) to assess the relative level of socio-economic development in countries. Indicators that measure human development are education levels, income, and health. It is a measure of peoples' ability to live a long and healthy life, to communicate, participate in the community and to have sufficient means to be able to afford a decent living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development.

There has been a slight increase in the HDI in Cape Agulhas from 0.79 in 2015 to 0.80 in 2018. The trend for the Overberg District and the Western Cape has been similar between 2015 and 2018 but lags behind the Cape Agulhas HDI. The Cape Agulhas HDI improved despite a drop in per capital income. This indicates that the improved HDI was driven by improvements in health and education outcomes.

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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 on a daily basis. Our natural environment is the foundation of our tourism industry and plays a key role in the agriculture industry. It is therefore imperative that our planning and decision-making support the principles of sustainable development.

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

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

The Overberg District Municipality (ODM) plays a key role in coastal management and have developed an integrated Coastal Management Plan (ICMP) for the district as a whole. The ICMP co-ordinates the roles of each of the local municipalities in coastal management. Cape Agulhas Municipality is an active participant in the Overberg Municipal Coastal Management Committee.

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

- Facilitation of coastal access – to provide reasonable and equitable access to the coast for all.
- Compliance & enforcement – to promote compliance and enforcement of legislation to facilitate protection of coastal resources within the municipal mandate.
- Estuaries – to ensure appropriate management and conservation of estuaries.
- Land and marine-based sources of pollution & waste – to minimise the impacts of pollution on the coastal environment.
- Cooperative governance & local government support – to promote integrated and cooperative governance of the coastal zone and coastal planning/governance.
- Climate change, dynamic coastal processes & building resilient communities – to promote resilience to the effects of dynamic coastal process and environmental hazards and natural disasters.
- Natural capital & resource management – to promote conservation of biodiversity, ecosystem function and the sustainable use of natural resources.
- Social, economic & development planning – to promote sustainable local economic development; and
- Education & capacity building – to promote coastal awareness, education and training.

#### **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. Cape Agulhas Municipality received blue flag status for Duiker Street Beach in Struisbaai for 2019/20, but unfortunately did not qualify in 2020/21 due to minor technicalities which have since been rectified.

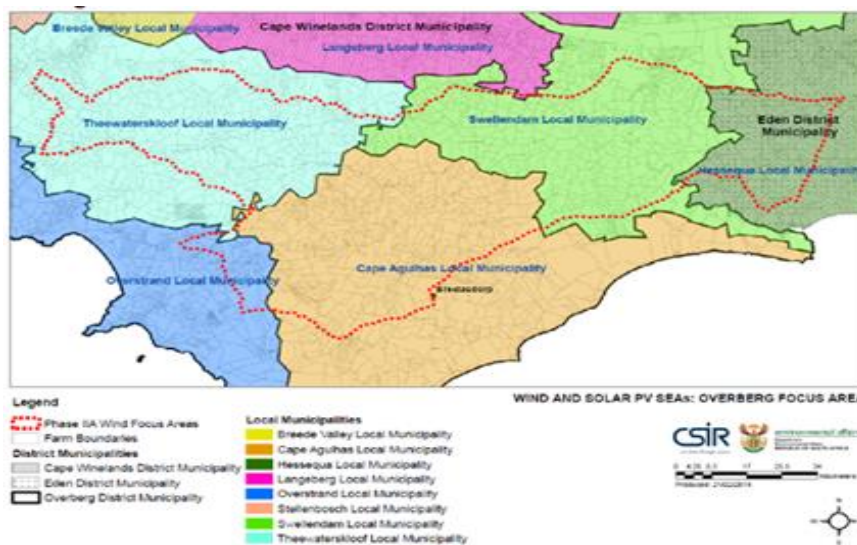
#### **c) Climate change**

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 5 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 6 PROJECTED CLIMATE CHANGE IMPACTS ON SERVICE DELIVERY

ASSETS/SERVICE DELIVERY	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 waste water 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 animals 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 waste water 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.

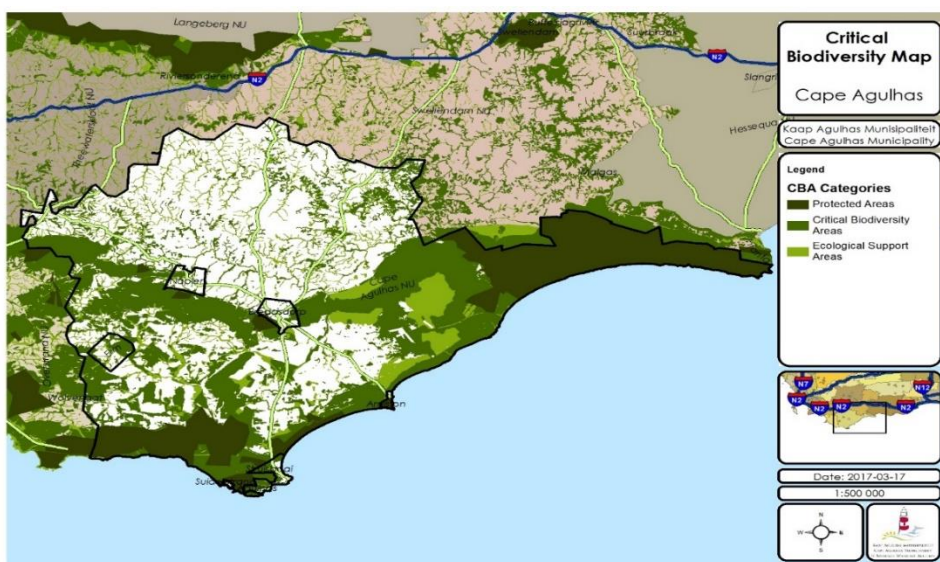
**TABLE 7 ENDANGERED ECOSYSTEMS**

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 6 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 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, which guides its activities as well as a Cape Agulhas Air Quality By-Law (2014) and a designated Air Quality Officer. Air Quality awareness is prioritised and inputs and information is 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 2020/21 is contained in Chapter 3.

#### 1.3.1 BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS

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

TABLE 8 BASIC SERVICE DELIVERY HIGHLIGHTS

SERVICE	DESCRIPTION
<b>Water</b>	<ul style="list-style-type: none"> <li>• Implementing the new Cape Agulhas Municipality water master plan.</li> <li>• Investigated and drilled new boreholes in Struisbaai to address water shortages over holiday periods.</li> <li>• Installing new bulk water meters</li> <li>• Installing new bulk monitoring equipment</li> <li>• Installing new bulk water pipes</li> <li>• Implement Water conservation and Demand Management Plan</li> </ul>
<b>Wastewater (Sanitation)</b>	<ul style="list-style-type: none"> <li>• The completion of the upgrading of Bredasdorp Waste Water Treatment Works (WWTW) to 3.6Ml/day.</li> <li>• Procurement of an additional sewer truck to assist with high number of septic tanks to be emptied during holiday periods.</li> <li>• Commenced with planning the upgrade of the Napier WWTW</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>• Successful application for assistance with an energy demand management system from GIZ. One of only five Municipalities in the country to be accepted, two of which are in the Western Cape. This project is progressing well, with internal base load figures now far more accurate and will help with obtaining funding for own renewable energy.</li> <li>• Completed electrification of Area “F” (Mill Park) in Bredasdorp utilising our own staff.</li> <li>• Completed electrification of Area “H” (Parkview) in Bredasdorp utilising our own staff.</li> <li>• Commencement of converting High Street in Napier from an ageing overhead reticulation system to underground cables and providing a ring feed for the CBD.</li> <li>• Distribution losses are limited to 6.24% which when compared with the industry standard of 10% is an achievement.</li> </ul>

	<ul style="list-style-type: none"> <li>The successful application to Eskom for an upgrade of Notified Maximum Demand for Bredasdorp for an additional 2 MVA and Napier for an additional 700KVA which will enable development in the area. Eskom capacity restraints has been an issue for the past few years but will be adequate for the current five-year development plan.</li> <li>Continuous upgrading of ageing infrastructure through CAM's 20-year master plans for the towns within our area of supply.</li> </ul>
<b>Waste management</b>	<ul style="list-style-type: none"> <li>Completion of the MIG Technical report for new waste facility (composting, sorting, transfer station)</li> </ul>
<b>Roads and storm water</b>	<ul style="list-style-type: none"> <li>Phase 3 of the existing gravel roads in the Zwelitsha RDP area in Bredasdorp have been upgraded to paved roads to the value of ± R 4.9 m and has been funded from MIG.</li> <li>A portion of Buitekant Street in the Bredasdorp CBD has been re-constructed to the value of R2m.</li> <li>The gravel portion of Roux Street, Bredasdorp has been upgraded to a tarred surface.</li> </ul>
<b>Human settlement</b>	<ul style="list-style-type: none"> <li>The integrated residential Development Programme (IRDP) in Struisbaai of 441 houses has progressed. The final Basic Assessment Report has been submitted to Department of Environmental Affairs and Planning and a positive ROD received. An in-house survey was done at Oukamp, Struisbaai and the plan is to relocate qualifying beneficiaries to Struisbaai, Area A. Non-qualifiers will be given serviced sites. With this initiative, we hope to eradicate the Oukamp Informal settlement entirely.</li> <li>Finance linked individual subsidy programme projects (GAP) was replaced by the deferred ownership module (rent-to-buy). R10m was already secured for project implementation.</li> <li>Completed the rapid appraisal of all informal settlements and prioritisation of the informal settlements. The Department of Human Settlements appointed People's Environmental Planning (PEP) for the upgrade programme of all informal settlements within the municipal jurisdiction.</li> <li>Commenced with planning for Napier 150 houses (IRDP)</li> <li>Completed and handed over 570 housing units to qualifying beneficiaries in Mill Park, Bredasdorp.</li> <li>Planning phase for the upgrade of Zwelitsha and Napier Informal Settlements</li> </ul>

### 1.3.2 BASIC SERVICE DELIVERY CHALLENGES

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

TABLE 9 BASIC SERVICE DELIVERY CHALLENGES

SERVICE	DESCRIPTION	ACTIONS
<b>General infrastructure</b>	<ul style="list-style-type: none"> <li>Ageing infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>A master plan for water, sewer and roads was completed in May 2020 and implementation has already commenced.</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. CAM has concluded a hydro census and updated their groundwater management plan. These plans will indicate areas where further planning and construction for water infrastructure could be developed. Larger reverse osmosis plants will also be installed in Arniston and Suiderstrand by a private operator to accommodate peak demands.</li> </ul>	<ul style="list-style-type: none"> <li>CAM has re-drilled two existing boreholes in Struisbaai and will be constructing a larger bulk water pipe in L'Agulhas to feed more water from L'Agulhas to Struisbaai. Larger reverse osmosis plants will also be installed in Arniston and Suiderstrand by a private operator to accommodate peak demands.</li> </ul>
<b>Wastewater (Sanitation)</b>	<ul style="list-style-type: none"> <li>The quality of the effluent from the Bredasdorp WWTW is below standard but will improve with the upgrading.</li> </ul>	<ul style="list-style-type: none"> <li>The Upgrade of Bredasdorp WWTW commenced in 2019/20 and has been completed.</li> <li>A business plan for funding for the Napier WWTW was submitted to Department of Water and</li> </ul>

SERVICE	DESCRIPTION	ACTIONS
		Sanitation to also upgrade this plant in order to achieve compliance to SANS 241.
<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 unavoidable when resuming service after long outages.</li> <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>The unpredictable nature of Eskom's loadshedding practices</li> <li>Eskom's ageing infrastructure in the rural areas causing quality of supply issues and continuity of supply problems.</li> </ul>	<ul style="list-style-type: none"> <li>The successful application to Eskom for an upgrade of Notified Maximum Demand for Bredasdorp for an additional 2 MVA and Napier for an additional 700KVA which will enable development in the area.</li> </ul>
<b>Waste management</b>	<ul style="list-style-type: none"> <li>Illegal dumping is an ongoing challenge</li> <li>Compliance with permit conditions. This was particularly challenging during the first phase of lockdown</li> </ul>	<ul style="list-style-type: none"> <li>CAM is looking at various options including Karwyderskraal Landfill, a regional landfill site between Swellendam and CAM and also a new cell at the Bredasdorp landfill.</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>A significant number of working hours have been lost due to the Covid 19 regulations and the lock down period.</li> <li>Storm water infrastructure in numerous areas in Struisbaai is inadequate and needs to be upgraded urgently.</li> </ul>	<ul style="list-style-type: none"> <li>An application for MIG funding will be submitted.</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> </ul>	<ul style="list-style-type: none"> <li>Council has a strategy to start addressing the housing needs for the affordable market and to make available serviced plots for beneficiaries earning R3501-R22000.</li> <li>R10m was secured to initiate the deferred ownership housing project which will be a pilot for the Western Cape and Nationally.</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 10 PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICES**

DESCRIPTION	2018/19	2019/20	2020/21
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 2020/21 is contained in Chapter 5.

### 1.4.1 FINANCIAL VIABILITY HIGHLIGHTS

**TABLE 11 FINANCIAL VIABILITY HIGHLIGHTS**

HIGHLIGHT	DESCRIPTION
<b>Clean audit</b>	The Municipality received an unqualified audit with no matters for 2020/21, our eighth consecutive clean audit
<b>Liquidity ratio</b>	The liquidity ratio is showing steady improvement over the last two financial years. This is due to more prudent application of cash resources by the administration. The impact of other factors on the liquidity ratio also needs to be evaluated and discussed to ensure improvement can be maintained. The spending on EPWP / Temporary as well as spending on contracted services / consultants also impact on the liquidity ratios.
<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 Strategy (LTFP) during the financial under review based on the 2020/21 financial year outcome figures together with any amended recommendation targets for implementation as well as a Revenue Enhancement Strategy implementation plan for roll-out per set target date.
<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 a mix of other sources for capital funding aligned with the Municipality's LTFP recommendations, the Municipality embarked on a process to introduce external borrowing as an additional source of funding for infrastructure related capital projects. The Municipality managed to improve its cash position and as a result could increase the capital replacement reserve. This is one of the key targeted areas where improved efforts need to be allocated.
<b>Debt collection</b>	The Municipality debt collection rate increased to 98.27% despite the impact of Covid-19

### 1.4.2 FINANCIAL VIABILITY CHALLENGES

**TABLE 12 FINANCIAL VIABILITY CHALLENGES**

CHALLENGE	ACTION TO ADDRESS
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<b>Employee related costs</b>	Employee related costs of 42.35% are outside the National Treasury good practice norm of 35-40%. This remains one of the biggest challenges for the Municipality and the principle is to only consider the filling of legislatively required and / or service delivery orientated vacant positions. The ratio has been deteriorating over the last 2 financial years. The Municipality is busy implementing reforms to address this challenge. The impact of EPWP / Temporary employment is also having a significant impact on the municipal employee related cost and needs to be more closely monitored.
<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 in order to be more transparent, fair and equitable.
<b>Long term financial sustainability of the Municipality</b>	The Municipality reviews its Long-Term Financial Plan Strategy on an annual basis to stay abreast with any new developments to ensure financial sustainability as one of its most critical performance indicators.

#### 1.4.3 FINANCIAL VIABILITY (RATIO'S)

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

TABLE 13 NATIONAL KPI'S FOR FINANCIAL VIABILITY AND MANAGEMENT

KPA & INDICATOR	2018/19	2019/20	2020/21
Debt coverage (Total operating revenue-operating grants received): debt service payments due within the year) (Higher is better)	49.68	50.62	25.54
Service debtors to revenue – (Total outstanding service debtors: revenue received for services) (Lower is better)	10.27%	11.7%	11.75%
Cost coverage (Available cash+ investments): Monthly fixed operating expenditure (Higher is better)	3.66	2.89	3.63

#### 1.4.4 FINANCIAL OVERVIEW

TABLE 14 FINANCIAL OVERVIEW 2020/21

DETAILS	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL
<b>Income</b>			
Grants - Operational	75 101 870	78 381 300	60 005 734
Grants - Capital	14 389 130	2 0 311 600	15 904 232
Taxes, Levies and tariffs	272 406 000	272 030 100	272 007 632
Other	18 146 870	13 199 300	17 554 557
<b>Sub Total</b>	<b>380 043 870</b>	<b>383 922 300</b>	<b>365 472 155</b>
<u>Less:</u> Expenditure	385 623 166	385 960 494	366 566 037
Net Total*	(5 579 296)	(2 038 197)	(1 093 882)

#### 1.4.5 OPERATING RATIO'S

TABLE 15 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%	40.8%	0.8% above the maximum norm
Finance charges & depreciation	<10%	13.85%	3.85 Above norm

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

#### 1.4.6 TOTAL CAPITAL EXPENDITURE

TABLE 16 TOTAL CAPITAL EXPENDITURE

DETAIL	2018/19 R'000	2019/20 R'000	2020/21 R'000
Original Budget	30 946	47 208	62 490
Adjustment Budget	34 762	43 283	69 981
Actual	37 246	43 046	64 320
% Spent	107.14%	99.45%	91.9%

### 1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The Cape Agulhas Municipality currently employs 355 people (excluding the Municipal Manager and 3 Directors) with these positions included it is 359. 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 2020/21 is contained in Chapter 4.

#### 1.5.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

TABLE 17 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

HIGHLIGHT	DESCRIPTION
EPWP	<ul style="list-style-type: none"> <li>We created 628 jobs (157 full time equivalents) during the financial year through the Expanded Public Works Programme.</li> <li>Between 2014 and 2021, we appointed 63 EPWP workers on a permanent basis through our recruitment and selection processes.</li> </ul>
Organisational Structure	<ul style="list-style-type: none"> <li>Fully functioning top management structure through innovation, attraction of scarce &amp; critical skills and employment strategies.</li> </ul>
Skills Development	<ul style="list-style-type: none"> <li>Upskilling of semiskilled and unskilled labour through the Recognition of Prior Learning (RPL) to create a skills pool within the organisation for succession.</li> <li>Increasing utilisation of Anene Booysen Skills Centre through partnerships with private business and other Government Departments</li> </ul>

<b>Employment Equity</b>	<ul style="list-style-type: none"> <li>Increased recruiting/appointments in terms of female gender classification of 5.07% in terms of EE Plan 2020-2025.</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>There was a decreased staff turn-over during 2020/21</li> </ul>

### 1.5.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

TABLE 18 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

CHALLENGE	ACTION TO ADDRESS
<b>Implementation of the Employment Equity Plan</b>	<ul style="list-style-type: none"> <li>Although some improvement was observed in 2020/21, Employment Equity remains a challenge due to scarcity of experienced candidates with core skills locally.</li> <li>Vertical/gender gaps in terms of compliance to the government’s Employment Equity Act.</li> </ul>
<b>Skills Development</b>	<ul style="list-style-type: none"> <li>Training budget for 2020/21 not fully utilised due to the national pandemic lockdown.</li> <li>Training interventions not implemented are mostly technical of nature which required practical components and face to face contact mode of deliveries.</li> <li>Attracting and retaining disabled workers is generally a challenge in the area. We did however manage to attract a Junior Management level disabled employee in the skilled technical Occupational Level.</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 mid-management positions in organisational structure</li> </ul>

### 1.5.3 EMPLOYMENT EQUITY

TABLE 19 2020/21 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	1	25%	0	0	0%	1	1	100%

The Municipality achieved one target in the coloured race according for the top three highest occupational level and one target/ goal in the white racial classification for the top three highest occupational levels.

TABLE 20 2020/21 EMPLOYMENT EQUITY TARGETS/ACTUAL BY RACIAL CLASSIFICATION (ALL EMPLOYEES)

AFRICAN			COLOURED			INDIAN			WHITE		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
28	3	10.71%	21	11	52.38%	0	0	0%	2	2	100%

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

TABLE 21 2020/21 EMPLOYMENT EQUITY TARGETS/ACTUAL BY GENDER CLASSIFICATION

MALE			FEMALE			DISABLED		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
30	12	40%	22	5	22.72%	2	0	0%

Appointments were done in all occupational levels of the workforce. In the lower levels advertised posts for general workers include hard labour and women often get injured on duty. These positions were therefore mostly filled by males as they were more suited to the positions. Appointments of male candidates is an intervention to prevent injuries on duty. There was an increase of 5.07% in appointments in terms of gender classifications.

#### 1.5.4 SKILLS DEVELOPMENT

TABLE 22 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT

YEAR	EMPLOYEE RELATED COST	TOTAL ALLOCATED FOR TRAINING	TOTAL SPENT	% SPEND
2018/19	R 123,137 175.00	1 525 400.00	R1 945 000.00	1.59 %
2019/20	R137 733 575,74	R1 195 800.00	R1 126 427,85	0.81%
2020/21	R 140 502,449	R 1 479 400.00	R 823 377.00	0.59%

#### 1.6 AUDITOR GENERAL REPORT

The Municipality received an unqualified audit with no matters for 2020/21, our eighth 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 2019/20 audit. This plan is monitored, and progress evaluated on a monthly basis by the Internal Auditor and the CFO. This plan is a standing item on the Municipal Managers' monthly Directors meeting and is submitted to Council during their monthly meetings, as well as the Audit and Performance Audit Committee during their quarterly meetings.

##### 1.6.1 AUDIT OUTCOMES

TABLE 23 AUDIT OUTCOMES

YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
STATUS	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters	Unqualified with no other matters



## CHAPTER 2: GOVERNANCE

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

### 2.1 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

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

#### 2.1.1 GOVERNANCE STRUCTURE

##### 2.1.1.1 POLITICAL GOVERNANCE STRUCTURE

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

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

#### a) Municipal Council

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

Section 37(c) of the Municipal Structures Act requires Municipal Councils to meet a minimum of quarterly. 11 Council Meetings took place during the year. There were 5 ordinary meetings and 6 special meetings.

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

TABLE 24 COUNCIL MEETINGS

DATE	SPECIAL / ORDINARY
28 July 2020	Ordinary
27 August 2020	Ordinary
29 September 2020	Special
28 October 2020	Special
16 November 2020	Special
8 December 2020	Ordinary
26 January 2021	Special

11 February 2021	Special
30 March 2021	Ordinary
13 April 2021	Special
29 April 2021	Ordinary

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 2020/21 financial year.

**TABLE 25: COUNCILLOR REPRESENTATION AND MEETING ATTENDANCE**

COUNCIL MEMBER	CAPACITY	POLITICAL PARTY	WARD OF PROPORTIONAL	COUNCIL MEETING ATTENDANCE %	APOLOGIES FOR NON-ATTENDANCE %
PJ Swart	Executive Mayor / Ward Councillor	DA	Ward 5	100%	0%
Z Tonisi	Deputy Mayor PR Councillor	DA	Proportional	100%	0%
GD Burger	Member of Mayoral Committee/ PR Councillor	DA	Proportional	100%	0%
J Nieuwoudt	Speaker / Ward Councillor	DA	Ward 4	100%	0%
RJ Baker	Ward Councillor	ANC	Ward 3	100%	0%
D Europa	Ward Councillor	ANC	Ward 6	92.3%	100%
E Sauls	District Representative / Ward Councillor	DA	Ward 1	100%	0%
CJ Jacobs	PR Councillor	KAPCO	Proportional	61.54%	100%
D Jantjies	PR Councillor	Dienslewerings-party	Proportional	100%	100%
M October	Member of Mayoral Committee / Ward Councillor	DA	Ward 2	100%	0%
EC Marthinus	PR Councillor / District Representative	ANC	Proportional	92.3%	100%

**b) Executive Mayoral Committee**

The executive is headed by the Executive Mayor who is assisted by the Mayoral Committee. Cllr P Swart was elected Executive Mayor following the 2016 municipal election. A total of 6 Mayoral Committee meetings were held in 2020/21.

**TABLE 26 EXECUTIVE MAYORAL COMMITTEE**

NAME OF MEMBER	CAPACITY	MEETING ATTENDANCE	MEETING DATES
P Swart	Executive Mayor	100 %	25 August 2020
Z Tonisi	Deputy Mayor	100 %	27 October 2020
D Burger	Member of Mayoral Committee	100 %	24 November 2020 28 February 2021
M October	Member of Mayoral Committee	100 %	28 April 2021 28 June 2021

**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 27 PORTFOLIO COMMITTEES

COMMITTEE	MEMBERS	MEETING DATES
Infrastructure Services	<b>M October (Chairperson)</b> D Burger RJ Baker CJ Jacobs D Jantjies	21 July 2020 18 August 2020 20 October 2020 17 November 2020 19 February 2021 20 April 2021 23 June 2021
Management Services	<b>Z Tonisi (Chairperson)</b> M October D Europa CJ Jacobs D Jantjies	21 July 2020 18 August 2020 20 October 2020 17 November 2020 19 February 2021 20 April 2021 23 June 2021
Finance and ICT	<b>GD Burger (Chairperson)</b> Z Tonisi E Marthinus CJ Jacobs D Jantjies	21 July 2020 18 August 2020 20 October 2020 17 November 2020 19 February 2021 20 April 2021 23 June 2021

#### d) Municipal Public Accounts Committee

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

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

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

- To perform any other functions assigned to it through a resolution of Council within its area of responsibility.

The table below indicate the MPAC composition and meeting dates.

**TABLE 28: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

NAME OF REPRESENTATIVE	CAPACITY	POLITICAL PARTY	MEETING DATES
C Jacobs	Chairperson	KAPCO	28 July 2020
E Marthinus	Member	ANC	29 April 2021
E Sauls	Member	DA	19 May 2021 (Special MPAC)
D Jantjies	Member	Diensleweringparty	

### 2.1.1.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

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

The Municipal Council adopted a revised macro structure in May 2017, and implementation took place with effect from 1 July 2017. The revised organisational structure reduced the previous four directorates to three. The administration consists of the office of the Municipal Manager and three directorates. Each directorate is headed by a Director, appointed in terms of Section 57 of the Municipal Systems Act. The Macro Structure was again revised in October 2018.

The Municipal Manager resigned during on 31 October 2021. The position was advertised, and a new Municipal Manager appointed from 1 November 2021. There was thus continuity.

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.

The table below indicates the senior management administrative governance structure.

**TABLE 29 ADMINISTRATIVE GOVERNANCE STRUCTURE: SENIOR MANAGEMENT**

NAME OF OFFICIAL	DIRECTORATE	PERFORMANCE AGREEMENT SIGNED
Mr D O'Neill	Municipal Manager until 31 October 2020	Yes
Mr E Phillips	Municipal Manager from 1 November 2020	Yes
Mr AA Jacobs	Director: Infrastructure Services	Yes
Mr H van Biljon	Director: Financial Services and Information Technology	Yes
Mr H Krohn	Director: Management Services	Yes

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

**TABLE 30 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> </ul>

	<ul style="list-style-type: none"> <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>

### 2.1.2 JOINT PROJECTS AND FUNCTIONS WITH SECTOR DEPARTMENTS

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. 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 31 JOINT PROJECTS

NAME OF PROJECT/ FUNCTION	EXPECTED OUTCOME/S OF THE PROJECT	SECTOR DEPARTMENT/S INVOLVED	CONTRIBUTION OF SECTOR DEPARTMENT
LGMTech (MGRO)	MFMA Compliance	Provincial Treasury, Municipality	Oversight, Planning, Compilation of project plans
Back-To-Basics	Implementation of Back-to-Basics Plan for enhanced sustainability and betterment of service delivery.	Driven by Local Government, but all sector departments participate	Back-To-Basics engagement with senior politicians & officials
EGAP	Internet based tool to collect municipal financial and governance information that will allow the Provincial Government to improve the monitoring and support of the municipalities in the province	Provincial Treasury	Oversight and monitoring and support
Integrated performance and support system (IPSS)	Internet based tool to collect municipal service delivery and governance information that will allow the Provincial Government to improve the monitoring and support of the municipalities in the Province	Driven by the Department of Local Government but all sector departments participate	Oversight and monitoring and support

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
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## 2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS

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

### 2.2.1 INTERGOVERNMENTAL STRUCTURES

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

**TABLE 32 DISTRICT INTERGOVERNMENTAL STRUCTURES AND FORUMS**

NAME OF STRUCTURE	PARTICIPANTS	PURPOSE
DWA Bi-Lateral Meetings	Overberg District Municipality and Overberg Water	Water & sanitation related topics
DCF (District Coordinating Forum)	Municipal Managers and Mayor	Inter-municipal co-operation, shared services
District Sector Engagements	District Municipality, Overberg Local municipalities, Private Sector, Western Cape Government Sectors	IDP/project issues
District LED/Tourism Forum	Overberg District Local Municipalities, LED and Tourism officials	LED and Tourism related topics
DCF Tech	Municipal Managers	Inter-municipal co-operation, shared services
District Skills Development Forum	Overberg District Municipality Local municipalities	Skills development related topics
District Expanded Public Works Programme Forum	Overberg District municipality Local municipalities	EPWP related topics
Overberg Air Quality Officers Forum	Overberg District municipality Local municipalities	Air Quality related issues
District CRO & CAE Forum	CRO Internal Auditors of Local Municipalities within the Overberg District	Risk and Audit related topics
Disaster Management Advisory Forum	Overberg District Municipalities Local Municipalities	Disaster related topics
Regional Waste Forum	Overberg District Municipality Local municipalities	Waste and Health related issues
Supply Chain Management District Forums	Supply Chain Managers Local Municipalities District Local Municipality	Municipal Supply Chain related topics
Overberg District ICT Managers Forum	Overberg District ICT Managers	ICT topics
Western Cape Planning Heads Forum	All Municipal Planning Heads, DEADP, Department of Land Affairs, Deeds Office, Surveyor General's Office	To discuss all town planning related matters in the Western Cape Province and also National Legislation
Municipal Coastal Committee (Overberg)	ODM, 4 B Municipalities, SANParks, CapeNature, Province and Estuary Forums	To discuss all Environmental related items in the Overberg

Heuningberg Estuary Forum	CapeNature, Provincial Departments and adjoining Farmers	To discuss the Management of the Heuningnes Estuary
SAPS Forum	SAPS, Municipal Officials (Town Planning, Building Control and Law Enforcement)	To discuss illegal activities in the Cape Agulhas Municipal area
Western Cape Spatial Information forum	All Western Cape GIS officials on Municipal, Provincial and National level	To discuss current GIS trends, challenges and case studies
IDP virtual engagements	District Municipality Overberg Local municipalities	IDP related issues

**TABLE 33 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	Spatial related topics



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

## 2.3 COMPONENT C: PUBLIC ACCOUNTABILITY

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

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

### 2.3.1 WARD BASED PUBLIC MEETINGS

Ward based public meetings had to be limited due to Covid-19 lockdown restrictions which put limitations on the number of people attending gatherings. All meetings were held virtually and streamed live on Facebook and YouTube. The community were able to make use of the free Wi-Fi provided by the Municipality to view the meetings. The table below details public communication and participatory initiatives held by the Municipality during the financial year under review:

TABLE 34 WARD BASED PUBLIC MEETINGS

#### WARD 1

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
22 September 2020 (Napier)	Feedback Meeting (Virtually)	All Ward residents	Facebook, YouTube and SMS
22 September 2020 ( Napier)	IDP meeting	All Ward residents	Facebook, YouTube and SMS
21 April 2021	Budget/IDP/Feedback	All Ward residents	Facebook, YouTube and SMS

#### WARD 2

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
29 September 2020	Feedback Meeting	All Ward residents	Facebook, YouTube and SMS
29 September 2020	IDP meetings	All Ward residents	Facebook, YouTube and SMS
21 April 2021	Budget/IDP/Feedback	All Ward residents	Facebook, YouTube and SMS

#### WARD 3

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
30 September 2020	Feedback meeting	All Ward residents	Facebook, YouTube and SMS
30 September 2020	IDP meeting	All Ward residents	Facebook, YouTube & SMS

#### WARD 4

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
23 September 2020	Feedback Meetings	All Ward Residents	Facebook, YouTube and SMS
23 September 2020	IDP meetings	All Ward residents	Facebook, YouTube and SMS
21 April 2021	Budget/IDP/Feedback	All Ward residents	Facebook, YouTube and SMS

**WARD 5**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
24 September 2020	Ward Feedback Meetings	All Ward residents	Facebook, YouTube and SMS
24 September 2020	IDP meetings	All Ward residents	Facebook, YouTube and SMS
21 April 2021	Budget/IDP/Feedback	All Ward residents	Facebook, YouTube and SMS

**WARD 6**

DATE	PURPOSE	TARGET AUDIENCE	COMMUNICATION
28 September 2020	Feedback Meetings	All Ward Residents	Facebook, YouTube and SMS
28 September 2020	IDP meetings	All Ward residents	Facebook, YouTube and SMS
21 April 2021	Budget/IDP/Feedback	All Ward residents	Facebook, YouTube and SMS

**2.3.2 WARD COMMITTEES**

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

**TABLE 35 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	3	7	2
2	Yes	3	6	2
3	Yes	3	6	2
4	Yes	3	6	2
5	Yes	3	5	2
6	Yes	3	6	2
No regular public meetings took place due to Covid-19 restrictions.				

**2.3.2.1 MEMBERSHIP AND FUNCTIONALITY OF WARD COMMITTEES**

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

**TABLE 36 WARD COMMITTEE MEMBERSHIP AND FUNCTIONALITY****a) WARD 1: NAPIER, ELIM, SPANJAARDSKLOOF AND SURROUNDING FARMS**

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
E Sauls	Ward Councillor	3 August 2020
J Wessels	Huis Klippe Drift/ Secretary	19 August 2020
H Mallet	Napier Community Police Forum	21 September 2020
E Africa	Napier Health and Welfare Forum	27 October 2020
M Sauls	Agulhas School of Skills	17 November 2020

J De Kock	Overberg District Agricultural Association	14 June 2021
J Fillies	Napier Neighbourhood Watch	21 June 2021
P Richter	Elim Residents Forum: Until September 2021	
Y Kerr	Elim E-Centre	
P Apollis	Spanjaardskloof Residents	
K Donald	Napier Residents	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>M October</b>	<b>Ward Councillor</b>	19 August 2020
F Koebergh	Otto Du Plessis Hospital Board	23 September 2020
K Dunston	AMSSS	22 October 2020
M Walbrugh	De Heide Primary	25 February 2021
C Prins	Heavenly Promise Safe House	14 April 2021
E Wildschut	Young Peoples Rugby Club	24 June 2021
E Plaatjies	Cape Agulhas Ratepayers Association	
H Eksteen	Standards Rugby Club	
E Hendricks	Klipdale Residents	
M Olivier	Bredasdorp Neighbourhood Watch	
E Moos	Anglican Church Men Society	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>R Baker</b>	<b>Ward Councillor</b>	4 August 2020
A van Der Byl	Bredasdorp Neighbourhood Watch	10 September 2020
Bianca Plaatjies	Polapark residents	20 October 2020
Z Casiwe	Soccer Association	19 November 2020
D Petersen	Cape Agulhas Disability Forum	22 February 2021
E Pietersen	Compassion in Action	13 April 2021
K Grandfield	Religion	
A Klaasen	Sport	
A Rudolph	Woman in Progress	
Asanele Mnyila	Polapark Residents	
J Van Reenen	Cape Agulhas Ratepayers Association	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>J Nieuwoudt</b>	<b>Ward Councillor</b>	18 August 2020
D Giliomee	Otto du Plessis Hospital facility Council	21 September 2020
S van Dyk	ACVV Bredasdorp	20 October 2020
W Joubert	AGS Church	17 November 2020
M Geldenhuys	High School Bredasdorp	19 April 2021
J Bester	DR Church Bredasdorp	21 June 2021
M Hatting	Welfare and Health Sector	
R Maytham	Lions Club	
H Odendaal	ACVV Service Centre	

R Arends	Protem Community	
J Neethling	Suideroord ACVV Home for the elderly	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>P Swart</b>	<b>Ward Councillor</b>	20 August 2020
Humphrey Joors	Struisbaai Fishermen Union	20 October 2020
E Krige	Cape Agulhas Business Association	19 November 2020
K Gertse	Council of Stakeholders	23 February 2021
C Visser	DR Church Suidpunt	15 April 2021
A.L Fourie	Onse Hoop Community Centre	
A Gerber	Suidpunt Conservation Association	
H Williams	Suidpunt Residents Association	
P van As	Springfield and Haasvlakte Rural Area	
G Thompson	Struisbaai Rugby Club	
J Taljaard	Agulhas National Park	

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

NAME OF REPRESENTATIVE	CAPACITY REPRESENTING	MEETING DATES
<b>D Europa</b>	<b>Ward Councillor</b>	18 August 2020
Jacobus Abrahams	Sport (Social Golf)	22 September 2020
M Meyer	Anglican Church (Women)	20 October 2020
G Hendricks	Early Childhood Development (Babbel and Krabbel)	19 November 2020
John Hendricks	Bredasdorp Buurtwag	23 February 2021
N van Staden	Religion (Verenigde Pinkster)	25 August 2021
W Marthinus	Religion – Arniston (Siliom)	
G Gertse	Sea Hawks Rugby Club	
R Europa	Waenhuiskrans Fishermen Forum	
A Marthinus	Waenhuiskrans Ratepayers Association	
E R Adonis	Anglican Church (Youth)	

**2.3.2.2 WARD COMMITTEE HIGHLIGHTS AND CHALLENGES**

**a) Ward Committee Highlights**

- Ward Committee operational plans for all wards were submitted to the Provincial Public Participation Unit.
- 2 Ward Committee Members of each ward serve on the CWP Local Reference Committee 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
- Ward Committee members actively involved with covid 19 programmes

**b) Ward committee challenges**

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

- Members of ward committees had limited knowledge of the IDP and related budgeting process and also attended IDP meetings poorly.
- Some members of ward committees did not fully understand the system of governance and found themselves not properly participating in democratic processes
- Poor meeting attendance in some Wards

## 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 District Municipality has had difficulty recruiting a new CRO and has relied on temporary appointments.

Cape Agulhas Municipality has a local risk officer who has continued to coordinate the risk management function effectively.

The initiatives and actions performed by the Risk Management Unit (RMU) during 2020/21 include:

- A comprehensive annual departmental risk assessment, involving the heads of department, which contributed to the compilation of a detailed risk register.
- Continuous emphasis on fraud and corruption risks and the related risk action plans.
- Developed a Fraud Prevention and Anti- Corruption Flow Chart.
- The Anti – Corruption and Prevention Policy, Strategy, Plan and Code of ethics have been published on our municipal website.
- Continuous awareness and development of an ethical culture within the municipality.
- Distributed code of ethics posters and displayed them at all municipal buildings
- Developed a risk, ethics and anti-corruption and fraud prevention booklet that was distributed to all staff.
- The Code of Ethics featured in the external newsletter that has been distribution free of charge to the whole Cape Agulhas area
- The code of ethics featured in the internal newsletter consecutive times.
- The code of ethics featured more than once on our weekly radio slot called Municipal Matters on Radio Overberg 101.8fm
- Distributed our municipal values at all municipal buildings.
- Developed an ethics pledge which the Executive Mayor and Municipal Manager signed. A video was recorded of the signing of the ethics pledge and was distributed all over social media platforms.
- Monitoring of the risk management implementation plan.
- Introduced several Standard Operating Procedures to formalise and explain the risk management processes.

- The risk management unit assisted with the process of compliance with POPIA by the 1st of July 2021 which included the development of a Privacy Policy and a Personal Information Inventory workbook as well as the establishment of a POPIA Coordinating Committee.
  - The Municipal Manager was registered at the Information regulator of SA as the municipal Information officer together with the Directors as deputy information officers.
  - POPIA Notices were placed on the website and other media platforms as well as on all municipal forms
  - A 3rd party POPIA agreement was developed.
- Monthly updates on risk action plans by managers and monitoring by the Risk Management Unit.
- 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.
- Comprehensive review of the Risk Management Strategy and Risk Management Policy to incorporate the new COSO framework *Enterprise Risk Management Integrating with Strategy and Performance* and document the established risk management processes of Cape Agulhas Municipality.
- Comprehensive review of the Business Continuity Framework of Cape Agulhas Municipality. The Business Continuity is still under review until more detailed Business Continuity plans are developed. The Business Continuity meetings was rescheduled from bi-annually to quarterly to ensure more effective and efficient coordination of the Business Continuity function.
- Participation in the Provincial 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 was one finding, the risk management unit subsequently implemented the internal audits recommendation successfully.
- 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.

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#### 2.4.1.1 FRAUD AND RISK MANAGEMENT COMMITTEE

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

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

The table below indicates the membership and meeting dates.

**TABLE 37 FRAUD AND RISK MANAGEMENT COMMITTEE (FARMCO)**

NAME	CAPACITY	MEETINGS
Mr A Kok	External Chairperson	09 October 2020



Mr A Jacobs	Director: Infrastructure Services	15 January 2021
Mr H Van Biljon	Director: Financial Services and ITC	23 April 2021
Mr H Krohn	Director: Management Services	09 July 2021
Mrs T Stone	Division Head: Strategic Planning and Administration	
Mrs N Mhlati-Musewe	Division Head: Human Resources and Organizational Development	
Mr W van Zyl	Manager: ICT	
Mr S Cooper	Manager: Electrical Services	
Mrs M Saptou	Manager: Protection Services	
Mr N Davids	Risk Management Officer of the Cape Agulhas Municipality (Secretariat).	
<b>STANDING INVITEES</b>		
Mr B Swart	Chief Audit Executive of Cape Agulhas Municipality (Advisory and observation)	
Mr P Strauss	Chairperson of the Audit Committee	

#### 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 2020/21 commenced in February 2021. 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 2020/21:

TABLE 38 STRATEGIC RISK REGISTER 2020/21

RISK DESCRIPTION	RESIDUAL RISK	CURRENT CONTROLS	Risk Actions
Inability to respond to disease outbreaks / pandemics	High	-Lockdown -Movement restriction between districts and provinces -Provincial and District JOC meetings -SAPS / SANDF -Regulations	1. Explore the possibility of a compact (agreement) with labour in the event of a disaster/strike in the form of an essential services agreement.
Non- adherence to Restrictive Permit Conditions (Landfill Sites)	High	-Monitoring of the run-off water -Run-off Water Canal from adjacent land -Regional landfill steering committee -A contractor was appointed to transport cover material during lockdown - level 3	1. Monitoring of the groundwater quality 2. Maintaining the slope conditions
Financial viability of the municipality	High	-LTFF adopted - June 2015 -Strategies adopted December 2015 -Implemented Revenue Enhancement Strategy -Implementation of revised LTFF -Monthly report to finance portfolio committee of long-term financial plan and revenue enhancement framework -Productivity study	1.(a) Execution of the revenue enhancement framework (execution of targets within planned periods) 1.2 (b) Cleansing and updating of indigents 1.3 (b) Cleansing and updating of informal settlements 2. Monthly report to finance portfolio committee of long-term financial plan and revenue enhancement framework
Illegal Erection of Informal Structures and Land invasions	High	-Weekly surveys done by housing department to prevent land invasions. -Incidents of illegal occupation reported to law-enforcement -Land invasion and squatter control policy -Ongoing training -Inter-departmental SOP (Housing and Law enforcement) -2 Law Enforcement officials	1. Monitor activities and incident reporting of squatter control (law enforcement) 2. Workshop Land invasion Policy with Council 3. Implementation of Land invasion Policy
Inadequate Provision of water supply – source	Medium	-Water demand management. -Equipment of 2 new boreholes Napier and 1 borehole in Suiderstrand -Monitoring of ground water levels.	1. Drafting of water services development plan. (Budgeting and Procurement) 2. Complete the equipping of new pump and electricity for boreholes in Suiderstrand and Napier (2-year roll-over budget). 3. Verification and licensing of all ground water sources and drafting of a groundwater management plan
Protest action / Civil unrest	Medium	-Local Economic Development and Social Development Departments in place to implement programmes to improve the socio-economic conditions in Cape Agulhas. -Municipal Infrastructure Grants (MIG)	1. 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

RISK DESCRIPTION	RESIDUAL RISK	CURRENT CONTROLS	Risk Actions
		<ul style="list-style-type: none"> <li>-Traffic and Law Enforcement Units to respond to protest actions and civil unrest.</li> <li>-Collaboration with the SAPS to plan for and deal with protests and riots</li> <li>-Utilization of an eviction contractor.</li> <li>-Court interdicts</li> <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> </ul>	

### 2.4.1.3 RISK POLICIES AND STRATEGIES

The Municipality has a Fraud and Risk Management Committee (FARMCO) who is the overseer of the municipality’s Risk management. The FARMCO has a Charter which sets out their roles and responsibilities which includes the review of the risk management governance documents namely the Risk Management Policy, Risk Management Strategy and Risk Management Implementation Plan and recommend these documents for Council’s approval. These documents were reviewed by FARMCO on 25 June 2020. The charter, policy and strategy were later submitted to Council for approval on 28 July 2020 in line with the National Treasury Risk Management Framework.

TABLE 39 RISK POLICIES AND STRATEGIES

NAME OF DOCUMENT	DEVELOPED YES/NO	COUNCIL APPROVAL
FARMCO Charter	Yes	28 July 2020 (Council Resolution 110/2020)
Risk Management Policy	Yes	28 July 2020 (Council Resolution 110/2020)
Risk Management Strategy	Yes	28 July 2020 (Council Resolution 110/2020)

### 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 40 ANTI CORRUPTION AND FRAUD STRATEGIES**

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

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

**TABLE 41 IMPLEMENTATION STRATEGIES**

KEY RISK AREAS	KEY MEASURES TO CURB CORRUPTION AND FRAUD
Policy	A Fraud Prevention and Anti-Corruption Policy is a key defence mechanism because it emphasises that the Municipality has a formal framework in place to deal with fraud and corruption. It answers key questions such as: <ul style="list-style-type: none"> <li>· What is fraud and corruption?</li> <li>· How do we deal with it when it arises?</li> <li>· What are the roles and responsibilities?</li> <li>· What are the sanctions?</li> </ul>
Institutional arrangements	The creation of specific structures (e.g., a fraud and risk committee) and the definition of roles and responsibilities facilitates coordination and management of programme implementation. At municipal level, these would include structures such as internal audit and the external audit committees.
Systems and control	With well-structured and documented systems and controls in place, gaps and loopholes are nullified that are often used to perpetrate fraud and corruption. These systems and controls also enable monitoring and management mechanisms that will facilitate detection where there are attempts to override or circumvent such systems and controls. Importantly, systems and controls will ensure compliance with policies and regulations. Supply chain management is a good example of where systems and controls are crucial in preventing fraud and corruption.
Fraud and corruption risk management	All organisations have systems and controls in place with varying levels of structure and detail. Despite this, organisations are still vulnerable to fraud and corruption because systems and controls are not properly implemented, or their inherent gaps and weaknesses can be exploited. Conducting fraud and corruption risk assessments enables organisations to test the integrity and completeness of their systems and controls with a view to implementing measures that strengthen areas of weakness and closing gaps. This approach proactively allows the organisation to prevent fraud and corruption.
Training, awareness and communication	Making managers, staff, suppliers and customers aware of the risks of fraud corruption, how to deal with it, what the consequences are and why it is important to prevent and fight it are key weapons in building up an organisational culture that opposes fraud and corruption. Training will make managers and staff aware of what to watch out for so that they do not willingly or unwillingly participate in acts of fraud and corruption. Communicating successes in dealing with fraud and corruption serves as deterrent to others and builds the corporate image of an institution.

**2.4.3 AUDIT COMMITTEE**

Section 166(2) of the MFMA states that an Audit Committee is an independent advisory body, which must –

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

- internal financial control;
- risk management;
- 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 42 MEMBERS OF THE AUDIT COMMITTEE

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. P. Strauss	Chairperson	1/7/2020 – 30/6/2021	24/7/2020

Mr. R. Mitchell	Member	1/7/2020 – 30/6/2021	22/9/2020
Mr. D Miller	Member	1/7/2020 – 28/2/2021	16/10/2020
Vacant	-	-	22/1/2021 19/4/2021

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

TABLE 43 MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS

MEETING DATE	COMMITTEE RECOMMENDATIONS DURING 2019/20	ACTIONS TAKEN ON RECOMMENDATIONS
24 July 2020	<i>Recommendation 1</i>  The best practices regarding OHS in place at the municipality's electro-mechanical department be rolled out to other departments as well.	This was taken up at the Municipal Manager's management meetings.
	<i>Recommendation 2</i>  The Municipal Manager will take up the issue of the outstanding recommendation on the lease register audit and a quarterly report on progress will be included in the Committee agenda pack.	Matter was escalated to Municipal Manager level. Although the majority of the recommendations were implemented, there was one item that was rolled over to the 2020/21 financial year.
22 September 2020	<i>Recommendation 3</i>  Recommend that the draft financial statements be submitted to the AG after the corrections are made as discussed and after circulation to the Committee.	Corrections were applied and circulated, and statements submitted to the AG for auditing.
16 October 2020	None	-
22 January 2021	<i>Recommendation 4</i>  That an item be tabled at the next Council meeting to have the vacant Audit Committee item be unfrozen in order to fill the vacancy during the financial year.	The item was tabled at Council on 26 January 2021 and approved by Council by Resolution 6/2021
19 April 2020	<i>Recommendation 5</i>  That the mSCOA item and risk has been adequately addresses and can be removed from the agenda standing items to be dealt with at an operational level.	Item removed and managed at operational level.
	<i>Resolution 11</i>  That the proposed amendments to the Internal Audit risk-based audit plan be accepted.	Amended audit plan implemented.

#### 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 44 MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

NAME	CAPACITY	PERIOD SERVED	MEETING DATES
Mr. P. Strauss	Chairperson	1/7/2020 – 30/6/2021	24/7/2020
Mr. R. Mitchell	Member	1/7/2020 – 30/6/2021	16/10/2020
Mr. D Miller	Member	1/7/2020 – 28/2/2021	22/1/2021
Vacant	-	-	19/4/2021

##### 2.4.4.3 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS

TABLE 45 MUNICIPAL PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS

DATE OF COMMITTEE MEETING	COMMITTEE RECOMMENDATIONS DURING 2016/17	ACTIONS TAKEN ON RECOMMENDATIONS
24 July 2020	No additional recommendations required	-
16 October 2020	No additional recommendations required	-
22 January 2021	No additional recommendations required	-
19 April 2020	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 46 INTERNAL AUDIT FUNCTIONS**

<b>FUNCTION</b>	<b>DATE/NUMBER</b>
• Execution of the Risk Based Audit Plan for 2019/20	• 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>○ Unauthorised, irregular and fruitless and wasteful expenditure for the 2019/20 financial year</li> <li>○ Performance measurements and achievement of the municipality’s annual performance targets</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing during the financial year</li> <li>• In terms of the approved audit plan</li> <li>• timelines</li> </ul>



<b>FUNCTION</b>	<b>DATE/NUMBER</b>
<ul style="list-style-type: none"> <li>○ Performance measurements and achievement of the Director’s annual performance targets</li> <li>○ The municipality’s risk management process</li> <li>○ Municipality’s anti-fraud and corruption governance</li> <li>○ Control over and safekeeping of personnel files</li> <li>○ Grants received and expended in terms of the Division of Revenue Act, 2020/21</li> <li>○ Control over IT equipment</li> <li>○ ICT General Control review</li> <li>○ Control over journals</li> <li>○ Contract with a traffic department service provider.</li> </ul>	

#### 2.4.6 BY-LAWS AND POLICIES

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

**TABLE 47 POLICIES DEVELOPED AND REVIEWED**

<b>POLICY</b>	<b>STATUS</b>	<b>DATE APPROVED</b>	<b>RESOLUTION</b>
Wayleave policy for fibre infrastructure in CAM	New	16 November 2020	192/2020
Regulation of external and privately owned CCTV (closed circuit television) cameras on council and private property	New	8 December 2020	211/2020
Reviewed and Amended SCM Policy	Review and Amendment	8 December 2020	217/2020
Continuous Professional development policy and Internal Audit Information and Retention policy	New	8 December 2020	219/2020
Appointment Alderman / Alder lady	Review	30 March 2021	81/2021
Essential Motor Allowance Scheme	Review	29 April 2021	81/2021
Record Management Policy and Registration Procedure Manual	Review	29 April 2021	82/2021
Privacy policy	New	25 May 2021	107/2021
Youth Development Policy	Review	30 June 2021	132/2021
Acting Policy	Review	30 June 2021	149/2021
Property Tax Policy	Review	30 June 2021	147/2021

No By-laws were reviewed or amended during the year under review.

#### 2.4.7 COMMUNICATION

Communications falls within the office of the Municipal Manager and is done by the Senior Officer: External and Internal Communication and one Communication Officer (Intern). 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:

- CAM Communication has focussed on assisting with public participation campaigns like the IDP and Budget Imbizo's.
- The unit also focussed on internal communication and an induction booklet was developed and updated for the Human Resources Department.
- The unit designed and produced a Risk, Ethics & Anti-fraud booklet in Afrikaans, English and IsiXhosa that was distributed to staff especially those who do not have access to computers and internet at work. It was also distributed electronically.
- Editing and photos of the article published in Die Burger.
- Editorial, design, photographic and writing contributions to the CAM Milestones Magazine. It was published digitally as a flipbook and printed a few copies.
- Municipal Matters on Radio Overberg 101.8fm is broadcasted every Thursday at 14h30.
- CAM Communication assisted with the design, taking of photos, and editing of the Client Service Charter Booklet.
- In partnership with Open Up, we developed a new citizen engagement app.
- 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.
- Stakeholder relations with various government departments and media.
- Management of media relations during disasters e.g., Struisbaai floods.
- Regular stock photos for tourism and general communication 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.
- Covid-19 awareness campaigns and vaccination drives.
- The Communication Unit did extensive advertising and coverage of Department: Health's screening, testing and vaccinations campaigns. The photos went viral on social media and got front page coverage in different newspapers.
- Different video campaigns were conducted and produced for social media. These videos were also converted to audio and broadcasted on radio.
- Communication campaign (videos, radio show, flyers and receiving of questions via WhatsApp and Facebook of the Housing Dialogue hosted virtually.
- Civic Education campaign in partnership with Western Cape Government: Public Participation and Civics Academy.

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#### 2.4.7.2 COMMUNICATION POLICIES AND STRATEGIES

TABLE 48 COMMUNICATION RELATED POLICIES AND STRATEGIES

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

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#### 2.4.7.3 COMMUNICATION PLATFORMS

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

**a) Newsletters & Publication**

**TABLE 49 NEWSLETTER DISTRIBUTION**

NEWSLETTER & PUBLICATIONS	NUMBER DISTRIBUTED	CIRCULATION NUMBER	DISTRIBUTION
Different publications	6	+/- 10 000 households	Printed & digital

**b) Other communication channels**

**TABLE 50 ADDITIONAL COMMUNICATION CHANNELS**

CHANNEL	YES/NO	NUMBER OF PEOPLE REACHED 2019/20	NUMBER OF PEOPLE REACHED 2020/21
Facebook	Yes	130 735 (random month, May 2020)	130 900 (random month, October 2021)
Twitter	Yes	670 (impressions per tweet on average)	150 (impressions per tweet on average)
Instagram	Yes	589	752
SMS system	Yes	6230	6247
E-mail newsflashes	Yes	2300	2300
Radio (weekly slot)	Yes	20 000 RAMS (6 months)	20 000 RAMS (6 months)
YouTube	Yes	81 subscribers	190 subscribers

**2.4.8 THE MUNICIPAL WEBSITE**

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

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

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

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

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

**TABLE 51 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 2020/21	Yes
Adjusted Budget 2020/21	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 2020/21	Yes
<b>Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)</b>	
Reviewed IDP for 2020/21	Yes
IDP Process Plan for 2020/21 (Time schedule of key deadlines)	Yes
<b>Reports (Sections 52(d), 71, 72 &amp; 75(1)(c) and 129(3) of the MFMA)</b>	
Annual Report of 2019/20	Yes
Oversight reports 2019/20	Yes
Mid-year budget and performance assessment (Approved 25 January 2021)	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
Assurance Functions (Sections 62(1), 165 & 166 of the MFMA)	
Internal Audit Charter	Yes
Audit Committee Charter	Yes
Risk Management Strategy & Implementation Plan	Yes

The Municipalities By-laws can be accessed at: <https://capeagulhas.openbylaws.org.za/>

#### 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 52 CLIENT SERVICE ACTIVITIES

CLIENT SERVICE ACTIVITIES	YES/NO	DATE /COMPLETED
Functional complaint management system	Yes	Continuous
Management of complaints and status reporting	Yes	Continuous
Customer satisfaction survey	Yes	No survey done due to covid - 19
Mini-Customer Care Surveys	Yes	Quarterly survey done in conjunction with Overberg District Municipality
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 - Continuous

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 My Muni App has a module for the logging of complaints that integrates with the Collaborator System

The complaints report from the Collaborator system for 2020/21 is as follows:

FIGURE 7 COMPLAINTS REPORT FOR 2020/21

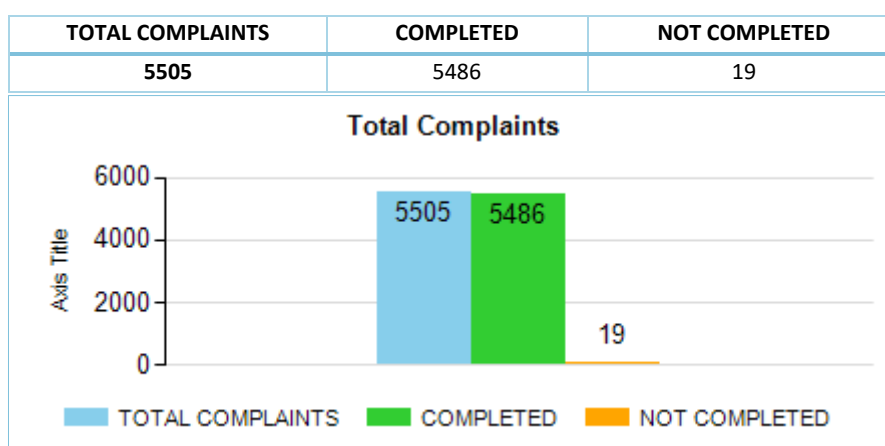


TABLE 53 COMPLAINTS PER TOWN

TOWNS	COMPLAINTS FINALISED	COMPLAINTS OUTSTANDING	TOTAL
Agulhas	175	1	176
Arniston	119	0	119
Bredasdorp	3459	4	3463
Elim	10	0	10
Klipdale	15	0	15
Napier	831	7	838
Protem	6	0	6
Struisbaai	843	6	849
Suiderstrand	28	1	29
<b>Total</b>	5486	19	5505

#### 2.4.10 SUPPLY CHAIN MANAGEMENT

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

#### 2.4.10.1 SUPPLY CHAIN MANAGEMENT POLICY

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

#### 2.4.10.2 BID COMMITTEES

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

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

The following table details the number of bid committee meetings held for the 2020/21 financial year:

TABLE 54 BID COMMITTEE MEETINGS

BID SPECIFICATION COMMITTEE	BID EVALUATION COMMITTEE	BID ADJUDICATION COMMITTEE
23	28	30

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

TABLE 55 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 56 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 57 ATTENDANCE OF MEMBERS OF BID ADJUDICATION COMMITTEE

Member	Percentage attendance
H Van Biljon (Director: Finance & ITC Services)	80 %
S Stanley (Manager: Budget & Treasury Office)	76.67%
H Kröhn (Director: Management Services)	66.67%
A Jacobs (Director: Infrastructure Services)	83.33%

N Mhlathi-Musewe (Division Head: Human Resources)	66.67%
T Stone (Division Head: Strategic, Planning & Administration Services)	76.67%
R Sefoor (manager: Supply Chain & Fleet Management)	96.67%

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 58 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 2020		1 October – 31 December 2020		1 January – 31 March 2021		1 April – 30 June 2021		1 July 2020 – 30 June 2021	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Competitive Bids	12	R 17 883 605,42	3	R 5 958 160,00	11	R 13 785 293,37	23	R 31 452 417,46	49	R 69 079 476,25
Formal Written Quotations	7	R 497 355,00	6	R 425 034,63	6	R 641 042,60	6	R 727 569,98	25	R 2 291 002,21
Deviation In Terms of Part 18.6.3 Of The SCMPOS	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00
Sale Of Erven	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00
Extension / Amendment of Contracts in Terms Of Part 20.14 Of The SCMPOS	2	R 373 036,93	1	R 493 418,14	2	R 1 448 876,85	1	R 377 765,80	6	R 2 315 331,92
Procurement In Terms SCM Regulation 32	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00	0	R 0,00
Number of Disputes, Complaints, Enquiries and Objections Received	1		3		2		2		8	

**b) Ten highest bids**

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

**TABLE 59 SUMMARY OF TEN HIGHEST BIDS**

TENDER NR	DIRECTORATE	DEPARTMENT	DESCRIPTION	SUCCESSFUL TENDERER	CONTRACT AMOUNT
-----------	-------------	------------	-------------	---------------------	-----------------



SCM20/2020/21	Infrastructure services	Water & sanitation	Water treatment Arniston, Suiderstrand & Spanjaardskloof for a period of 3 years	Ikusasa Chemicals PTY LTD	R15 586 240,96
SCM9/2021/22	Finance & ICT service	ICT services	ICT support services and licensing for a period of 3 years	Deon Ferrier & Associates (Pty) Ltd	R12 752 274,89
SCM32/2020/21	Finance & ICT services	Finance administration	Raising of external loans	The Standard Bank of South Africa LTD	R10 185 529,80
SCM24/2020/21	Finance & ICT services	ICT services	ICT access network and voip services for a period of 3 years	TWK Communications PTY LTD	R6 117 388,72
SCM8/2020/21	Infrastructure services	Roads & stormwater	The upgrading of RDP roads and stormwater in Bredasdorp phase 3	JVZ Construction PTY LTD	R5 889 674,81
SCM6/2020/21	Finance & ICT services	Revenue services	Debt collection for a period of 3 years	Kruger & Blignaut Attorneys	R4 899 000,00
SCM5/2020/21	Finance & ICT services	ICT services	Renting of printers & photocopier machine for a period of 3 years	NASHUA Breedevalley	R4 757 067,00
SCM7/2021/22	Infrastructure services	Solid waste	Transport service for containerised waste from public drop-offs and open spaces at Struisbaai, Waenhuiskrans, Napier, Klipdale, Protem and Bredasdorp to Bredasdorp landfill for a period of 3 years (Jul 2021-jun 2024)	DP Truck Hire	R4 026 408,75
SCM9/2020/21	Infrastructure services	Electrical services	Supply, install & commission of 10 standby generators	Ukheto Projects PTY LTD	R2 348 180,40
SCM14/2020/21	Infrastructure services	Roads & stormwater	The repair and reseal of roads in Bredasdorp (phase 2)	Cape Agulhas Civils	R1 888 829,00

**c) Reported bids over R100 000**

In terms of MFMA Circular 34, all awards above R100 000 must be reported to Provincial and National Treasury within 15 days of the end of each month. The Municipality awarded a total of 40 bids over the value of R100 000 during the 2020/21 financial year.

TABLE 60 REPORTED BIDS OVER R100 000

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T84/2020	Supply of Integrated system simulation and analysis software - <u>SCM3/2020/21</u>	Digsilent Buyisa PTY LTD	Level 2	Competitive Bids	R 114 540,00	R 114 540,00	-	-
T93/2020	Transportation of cash for a period of 3 years - <u>SCM2/2020/21</u>	Fidelity Cash Solutions PTY LTD	Level 1	Competitive Bids	R 650 890,80	R 650 890,80	-	-
T94/2020	Renting of printers & photocopier machines for a period of 3 years - <u>SCM5/2020/21</u>	Nashua Breedevalley	Non-Compliant Contributor	Competitive Bids	R 4 757 067,00	R 4 757 067,00	-	-
T99/2020	Supply, delivery & installation of outdoor gym equipment in Bredasdorp ( <u>SCM12/2020/21</u> )	Gertses Projects	Level 1	Competitive Bids	R 243 546,00	R 243 546,00	-	-
T105/2020	Supply of single and dual variable speed drive motor and pump control panels for a period of 3 years ( <u>SCM14/2020/21</u> )	Barleda 690 CCT/A ME Global INC	Level 1	Competitive Bids	R 1 146 910,42	R 1 146 910,42	-	-
T106/2020	The upgrading of L'Agulhas water pipeline ( <u>SCM7/2020/21</u> )	Meyer Beton	Level 1	Competitive Bids	R 1 061 239,66	R 1 061 239,66		
T107/2020	Supply, install & commission of 10 standby generators ( <u>SCM9/2020/21</u> )	Ukheto Projects PTY LTD	Level 2	Competitive Bids	R 2 348 180,40	R 2 348 180,40		
T108/2020	Provision of security services at the Thusong centre & other municipal buildings for a period of 3 years ( <u>SCM10/2020/21</u> )	Bredasdorp Armed Response	Level 1	Competitive Bids	R 1 152 576,00	R 1 152 576,00		

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T109/2020	Construct new 63mm water pipeline & connections for irrigation systems & install roll on lawn at the Napier soccer field <b><u>(SCM11/2020/21)</u></b>	Lucor Construction	Level 4	Competitive Bids	R 518 980,33	R 518 980,33		
T111/2020	Printing and distribution of municipal accounts for a period of 3 years <b><u>(SCM1/2020/21)</u></b>	Cab Holdings	Level 2	Competitive Bids	R 590 908,00	R 590 908,00		
T103/2020	Supply & delivery of ride on lawnmower <b><u>(Q4/2020/21)</u></b>	Turf Cutters	Non-Compliant Contributor	Formal Written Quotation	R 141 300,00	R 141 300,00		
T117/2020	Supply & delivery of office furniture - <b><u>Q10/2020/21</u></b>	Cape Seating Manufacturers CC	Level 1	Formal Written Quotation	R 175 409,50	R 175 409,50	-	-
T121/2020	Repair of road surfaces in Bredasdorp, Struisbaai, Arniston & Napier <b><u>(SCM15/2020/21)</u></b>	Cape Agulhas Civils CC	Level 2	Competitive Bids	R 500 000,00	R 500 000,00	-	-
T124/2020	Appointment of service provider for the chipping of green waste for a period of 3 years <b><u>(SCM13/2020/21)</u></b>	De Groot & De Groot BK T/A Corona Landscaping	Level 4	Competitive Bids	R 1 059 160,00	R 1 059 160,00	-	-
T127/2020	Debt collection for a period of 3 years - <b><u>SCM6/2020/21</u></b>	Kruger & Blygnaut Attorneys	Non-Compliant Contributor	Competitive Bids	R 4 899 000,00	R 4 899 000,00	-	-
T137/2020	The upgrading of RDP roads and stormwater in Bredasdorp phase 3 - <b><u>SCM8/2020/21</u></b>	JVZ Construction Pty LTD	Level 1	Competitive Bids	R 5 889 674,81	R 5 889 674,81	-	R 493 418,34
T2/2021	The repair and reseal of roads in Bredasdorp (phase 2) - <b><u>SCM14/2020/21</u></b>	Cape Agulhas Civils CC	Level 2	Competitive Bidding	R 1 888 829,00	R 1 888 829,00		R 377 765,80

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T5/2021	Remanufacture of a Nissan FE6b engine - <u>Q15/2020/21</u>	Northern Motor Services T/A Northern Motor Engineers	Level 8	Formal Written Quotation	R 187 730,20	R 187 730,20		R 11 376,85
T7/2021	Supply and installation of extractor canopies with filters and fans for food containers - <u>Q17/2020/21</u>	CKPS Pty Ltd	Level 1	Formal Written Quotation	R 150 585,00	R 150 585,00		-
T12/2021	Laundry & ironing services for a period of 3 years - <u>SCM22/2020/21</u>	AE Neethling T/A Soapy Moments	Level 4	Competitive Bidding	R 164 121,80	R 164 121,80	-	-
T16/2021	Appointment of professional service providers for civil engineering services for a period of 3 years ( <b>Civil engineering services</b> ) - <u>SCM16/2020/21</u>	PSP Consulting PTY LTD	Level 1	Competitive Bidding	R 1 003 145,00	R 1 003 145,00	-	-
T17/2021	Appointment of professional service providers for civil engineering services for a period of 3 years ( <b>structural services</b> ) - <u>SCM16/2020/21</u>	PSP Consulting PTY LTD	Level 1	Competitive Bidding	R 659 065,00	R 659 065,00	-	-
T18/2021	Appointment of professional service providers for civil engineering services for a period of 3 years ( <b>solid waste</b> ) - <u>SCM16/2020/21</u>	Ingerop South Africa PTY LTD	Level 1	Competitive Bidding	R 1 831 087,50	R 1 831 087,50	-	-
T21/2021	ICT access network and VoIP services for a period of 3 years - <u>SCM24/2020/21</u>	TWK Communications PTY LTD	Level 6	Competitive Bidding	R 6 117 388,72	R 6 117 388,72	-	-

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T23/2021	Supply, delivery & installation of outdoor gym equipment in Bredasdorp - <u>SCM28/2020/21</u>	Black Mushroom PTY LTD	Level 1	Competitive Bidding	R 349 800,00	R 349 800,00	-	-
T28/2021	Supply & delivery of concrete toilets to Bredasdorp - <u>SCM26/2020/21</u>	Futi Constructio n	Level 1	Competitive Bidding	R 180 550,00	R 180 550,00	-	-
T30/2021	Appointment of a services provider for training for first aid level 1-3 & firefighting - <u>SCM25/2020/21</u>	Elizma Goltz CC T/A Safe Tech	Non-Compliant Contributor	Competitive Bidding	R 138 517,10	R 138 517,10	-	-
T40/2021	Building of ablution facility at Napier soccer field - <u>SCM31/2020/21</u>	Potts Devco Pty LTD	Level 1	Competitive Bidding	R 977 500,00	R 977 500,00	-	-
T34/2021	Supply, installation & delivery of shade ports - <u>Q22/2020/21</u>	Apcot Trading PTY LTD	Level 1	Formal Written Quotation	R 181 478,01	R 181 478,01	-	-
T36/2021	Supply & delivery of 2 network devices - <u>A23/2020/21</u>	Deon Ferrier And Associates T/A DFA Solutions	Level 1	Formal Written Quotation	R 171 607,60	R 171 607,60	-	-
T43/2021	Raising of external loans - <u>SCM32/2020/21</u>	The Standard Bank Of South Africa Limited	Level 1	Competitive Bidding	R 10 185 529,80	R 10 185 529,80	-	-
T44/2021	Transport service for containerised waste from public drop-offs and open spaces at Struisbaai, Waenhuiskrans, Napier, Klipdale, Protem and Bredasdorp to Bredasdorp landfill for a period of 3 years (Jul 2021-Jun 2024) - <u>SCM7/2021/22</u>	DP Truck Hire	Level 1	Competitive Bidding	R 4 026 408,75	R 4 026 408,75	-	-

CONTRACT IDENTIFIER	COMMODITY DESCRIPTION	SUPPLIER	BEE STATUS	SOURCE METHOD	CONTRACT VALUE	LOWEST ACCEPTABLE BID VALUE	PREMIUM PAID VALUE	EXPANSION VALUE
T45/2021	Maintenance of server rooms for a period of 3 years (Jul 2021 - Jun 2022) (Jul 2021-Jun 2024) - <u>SCM8/2021/22</u>	Trackos Projects PTY LTD	Level 4	Competitive Bidding	R 902 851,20	R 902 851,20	-	-
T116/2021	Construction of a 5-a-side soccer field – Anene Booysen park - <u>SCM29/2020/21</u>	Cal Construction	Level 4	Competitive Bidding	R 780 850,00	R 780 850,00	-	-
T115/2021	Alterations to Traffic department building & vehicle testing station - <u>Q19/2020/21</u>	Uthembeni Project Management CC	Level 1	Formal Written Quotation	R 157 987,00	R 157 987,00	-	-
T132/2021	Drilling & testing of boreholes in Struisbaai - <u>SCM33/2020/21</u>	Steyns Drilling CC	Non-Compliant Contributor	Competitive Bidding	R 544 925,20	R 544 925,20	-	-
T159/2021	Processing of recycled materials in Cape Agulhas area for the period ending 30 June 2024 - <u>SCM6/2021/22</u>	Overberg Marine & Scrap Recycling	Non-Compliant Contributor	Competitive Bidding	R 1 282 077,62	R 1 282 077,62	-	-
T157/2021	ICT support services and licensing for a period of 3 years - <u>SCM9/2021/22</u>	Deon Ferrier & Associates (Pty) Ltd	Level 1	Competitive Bidding	R 12 752 274,89	R 12 752 274,89	-	-
<b>TOTAL</b>					<b>R 69 883 692,31</b>	<b>R 69 883 692,31</b>	<b>-</b>	<b>R 882 560,99</b>

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

TABLE 61 SUMMARY OF BBBEE SPENDING FOR THE FINANCIAL YEAR

BEE LEVEL	TOTAL CONTRACTS	TOTAL CURRENT CONTRACT VALUE	TOTAL LOWEST ACCEPTABLE BID VALUE	TOTAL PREMIUM PAID VALUE
Level 1	20	R 42 947 265,74	R 42 947 265,74	-
Level 2	5	R 5 442 457,40	R 5 442 457,40	-
Level 4	5	R 3 425 963,33	R 3 425 963,33	-
Level 6	1	R 6 117 388,72	R 6 117 388,72	-
Level 8	1	R 187 730,20	R 187 730,20	-

Non-Compliant Contributor	6	R 11 762 886,92	R 11 762 886,92	-
<b>Total</b>	<b>4</b>	<b>R 69 883 692,31</b>	<b>R 69 883 692,31</b>	<b>-</b>

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

No bids were awarded by the Accounting Officer in terms of Section 144 MFMA 56 of 2003 during the 2020/21 financial year.

**2.4.10.3 DEVIATIONS FROM NORMAL PROCUREMENT PROCESSES**

The following table provides a summary of deviations approved for the 2020/21 financial year:

**TABLE 62 SUMMARY OF DEVIATIONS FOR 2020/21**

Number of deviations	Value of deviations
<b>Deviations for amounts below R30 000:</b>	
32	R322 664.28
<b>Deviations for amounts above R30 000:</b>	
8	R387 983.48
<b>Deviations for amounts above R200 000:</b>	
0	R0.00

**TABLE 63 BREAKDOWN OF DEVIATIONS 2020/21**

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 2019/20</b>	<b>YTD 2020/21</b>
36 (1) (a) (i): Emergency	R45 336,71	R3 750,00
36 (1) (a) (ii): Sole Provider	R48 724,25	R52 095,00
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	R214 025,38	R266 819,28
<b>BELOW R30 000</b>	<b>R308 086,34</b>	<b>R322 664,28</b>
<b>Deviations above R30 000</b>		
36 (1) (a) (i): Emergency	R363 266,45	R85 267,33
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	R752 848,73	R302 716,15
<b>ABOVE R30 000</b>	<b>R1 116 115,18</b>	<b>R387 983,48</b>
<b>Deviations above R200 000</b>		
36 (1) (a) (i): Emergency	R1 853 669,75	R0,00
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	R0,00
<b>ABOVE R200 000</b>	<b>R1 853 669,75</b>	<b>R0,00</b>
<b>TOTAL SUMMARISED DEVIATIONS:</b>		
36 (1) (a) (i): Emergency	R2 262 272,91	R89 017,33
36 (1) (a) (ii): Sole Provider	R48 724,25	R52 095,00
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	R966 874,11	R569 535,43
<b>TOTAL AMOUNT OF DEVIATIONS APPROVED</b>	<b>R3 277 871,27</b>	<b>R710 647,76</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 Monday 29 June 2020. No surpluses or deficits was found during the stock count.

**TABLE 64 STOCK VALUE AT MUNICIPAL STORES**

STORE	OPENING VALUE	PURCHASES VALUE	ISSUES VALUE	BALANCE VALUE
Store A – Bredasdorp Stores	R 1 419 842,40	R 117 896,08	-R 184 148,37	R 1 353 590,11
Store B – Electrical Stores	R 102 375,00	R 0,00	-R 102 375,00	R 0,00
Store C – Struisbaai Stores	R 137 175,51	R 27 791,27	-R 30 771,95	R 134 194,83
<b>Total value of stock</b>	<b>R 1 659 392,91</b>	<b>R 145 687,35</b>	<b>-R 317 295,32</b>	<b>R 1 487 784,94</b>

#### 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 2020/21 financial year.

**TABLE 65 PROCUREMENT STATISTICS**



REQUISITIONS PER DEPARTMENT	1st Quarter: JULY - SEPTEMBER 2020		2nd Quarter: 1 October – 31 December 2020		3rd Quarter: 1 January – 31 March 2021		4th Quarter: 1 April – 30 June 2021		YTD SUMMARY	
	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE	TOTAL NO	TOTAL VALUE
Finance and IT Management	87	R3 096 404,82	82	2339167,04	305	2612253,78	147	R1 678 678,97	621	R9 726 504,61
Infrastructure Services	243	R11 282 963,21	450	22908734,46	272	14672715,9	367	R17 162 334,23	1332	R66 026 747,80
Management Services	247	R1 758 893,36	316	1814069,19	275	1036144,03	205	R842 502,65	1043	R5 451 609,23
Office of the MM: Administration	7	R48 379,43	9	36281,67	6	28942,04	32	R598 326,22	54	R711 929,36
Office of the MM: Council and Executive Administration	10	73246,91	12	66383,59	14	96059,75	31	R174 013,33	67	R409 703,58
Office of the MM: HR and Organisational Development	12	108681,39	9	36508	7	92381,25	8	R192 351,11	36	R429 921,75
Office of the MM: Socio and Economic Services	18	144309,89	24	283311,52	21	283569	28	R133 472,82	91	R844 663,23
Office of the MM: Strategic and Risk Compliance Services	39	75106,44	44	175400,86	52	503876,72	22	R170 086,88	157	R924 470,90
	<b>663</b>	<b>R16 587 985,45</b>	<b>946</b>	<b>R27 659 856,33</b>	<b>952</b>	<b>R19 325 942,47</b>	<b>840</b>	<b>R20 951 766,21</b>	<b>3401</b>	<b>R84 525 550,46</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 66 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 2020
Formal Written Quotation	Paving of Waenhuiskrans sportsground (retentions)	Diedericks Construction	Brother of CAM official Mr. J Diedericks	Mr. J Diedericks	R 6 606,55
Direct	Pauper Burials	Adonai Funeral Home	Brother of CAM official Mr. D Fredericks	Mr. D Fredericks	R 43 250,00
3 Quotes	Sound for the street market - LED office	SR Leonard	Sibling of CAM official MS ZABER DE KLERK	Ms. Zaber De Klerk	R 7 815,00
3 Quotes	Sound for the street market - LED office	SR Leonard	Sibling of CAM official Ms Zaber De Klerk	Ms. Zaber De Klerk	R 2 000,00
3 Quotes	Refreshments	Shoprite Checkers (Checkers Bredasdorp)	Manager Spouse, CAM official Ms E Zieff	Ms E Zieff	R 61 384,61
					<b>R 121 056,16</b>

TABLE 67 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
Tenders	Plant hire for construction purposes, the construction of water & road services for light industrial erven in Struisbaai, repair of road surfaces in Bredasdorp, Struisbaai, Arniston & Napier	Cape Agulhas Civils	Ms. TL Du Toit spouse of DH Du Toit, Director in Cape Agulhas Civils is in service of the Department of Health	Ms. TL Du Toit	R5 011 888.05
Tenders & quotations	Computer accessories & stationery	Canfred Computers T/A Premium Computers & Stationers Swellendam	Mr. N Eksteen, parent of both shareholders/directors of premium computers & stationers Swellendam is in service of Denel OTR	Mr. N Eksteen	R 42 250,10
	Safeguarding of reception area at Struisbaai resort	Dc Zeeman T/A Aluminium Designs	V Zeeman(spouse) of owner is in services of the state (Overberg District Municipality	Ms. V Zeeman	R 3 040,00

SCM1-2018-19	Item 9-12 annual store stock & services	Ikapa Reticulation & Flow	Spouse of director is employed by Western Cape Education Department (Athlone school for the blind)	Ms. SFA Davids	R403 912,75
SCM1-2018-19	Item 9-12 & 13 annual store stock & services	Democratic Packaging CC	Spouse of director V van Der Heever is a teacher WCED	Ms. V van Der Heever	R406 267,40
SCM1-2018-19	Item 18 annual store stock & services	Piston Power Chemicals CC	Nadira Andhee, wife of Ujush Andhee(director) is employed as an educator in KZN	Ms. Nadira Andhee	R 19 614,63
SCM2-2019-20	Financial services – unbundling of infrastructure asset according to GRAP 17 for a period of 3 years	Mubesko Africa PTY LTD	Ms Janine Niehaus spouse of senior manager Hendri Niehaus is in service of Northern Cape Department of Health & Ms Liezle spouse of manager Bart Saaiman is in service of Western Cape Department of Education	Ms. J Niehaus & Ms. I Saaiman	R 540 160,28
SCM9-2020-21	Supply, install & commission of 10 standby generators	Ukheto Projects PTY LTD	Ms Celeste September spouse, child or parent in service of city of cape town traffic department & Ms Priscilla Vos in services of SAPS	Ms C September & Ms P Vos	R2 348 180,40
SCM27-2020-21	Access road, parking and walkways - Anene Booysen park	Amandla GCF Construction CC	John Emanuel Jacobs (brother-in-law) - National government Employment & Labour, Unita Frazenburg (sister) - National government deed office Kimberly, Eben Frazenburg (brother)- WC government, Education - Eerste rivier HS, Jaqueline Fraserburgh (sister) - WC government,	John Emanuel Jacobs, Unita Fraserburgh , Eben Fraserburgh, Jaqueline Fraserburgh, Bryan Fraserburgh	R 1 218 093,80
SCM16-2020-21	APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS FOR CIVIL	JPCE PTY Ltd	Spouse of Jorina Minnie - City of Cape Town - operations	Jorina Minnie -	540 160,63

	ENGINEERING SERVICES (SOLID WASTE)		centre and systems integration		
					<b>R 9 993 407.41</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 in June 2019. The performance of all vendors is now reviewed on the collaborator system.

#### 2.4.10.8 HUMAN RESOURCES

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

- Manager Supply Chain Management
- Accountant Supply Chain Management
- Supply Chain Management Practitioner
- SCM Administrator
- SCM Buyer
- Storekeeper
- Stores Clerk x 1

SCM staff undertook the following training in 2020/21

TABLE 68 SCM TRAINING 2020/21

TRAINING	DATE	VENUE
Local Production and content, SABS, NIPP: Virtual Training	24 March 2021	MS TEAMS
E-Tender training (virtual)	07 December 2020	MS TEAMS

#### 2.4.10.10 PARTICIPATION IN INTERGOVERNMENTAL FORUMS

The Manager SCM's participation in Provincial and District SCM Forums ensures valuable inputs which enable Cape Agulhas Municipality to implement equitable, transparent, competitive and cost-effective supply chain management procedures. The following meetings took place during the 2020/21 financial year:

- Provincial SCM District Virtual Forum Meeting: 17 June 2020
- Provincial SCM District Virtual Forum Meeting: 11 September 2020
- Provincial SCM District Virtual Forum Meeting: 30 March 2021

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.1 INTRODUCTION

Chapter 3 and 4 constitute the Annual Performance Report of the Cape Agulhas Municipality for 2020/21 which has been compiled in accordance with Section 46 of the Local Government Municipal Systems Act, Act 32 of 2000, and which was 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 2020 to 30 June 2021 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 2020/21 performance in relation to the actual 2019/20 performance.

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

### 3.2 LEGISLATIVE FRAMEWORK

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

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

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

*a) the performance of the municipality and of each external service provider during that financial year:*

*b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year: and*

*c) measures taken to improve performance.*

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

Section 38 of the Municipal Systems Act requires municipalities to establish a performance management system. Section 7(1) of the Municipal Planning and Performance Management Regulations states that *"A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players."* This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

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

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

- *Projections for each month of revenue to be collected by source and operational and capital expenditure by vote*
- *Service delivery targets and performance indicators for each quarter”.*
- *Budget processes and related matters”*

### 3.3 OVERVIEW OF PERFORMANCE MANAGEMENT WITHIN THE MUNICIPALITY

Performance is measured on an organisational (strategic) level as well as an individual level in accordance with a framework that was approved by Council on 29 May 2007 (Council Resolution 101/2007). The IDP, budget and performance management processes are integrated, and the 2017/18-2021/22 Integrated Development Plan was approved by Council on 30 May 2017 (Council Resolution 99/2017). The first review of the IDP for (2018/19) was approved on 28 May 2018 (Council Resolution 59/2018), the 2nd review was approved on 28 May 2019 (Council Resolution 88/2019) and the third review on 29 May 2020 (Resolution 67/2020). This annual report reflects on the performance of the Municipality in implementing the third review of the IDP which was approved on 29 May 2020 (Resolution 62/2020).

#### 3.3.1 ORGANISATIONAL PERFORMANCE MANAGEMENT

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

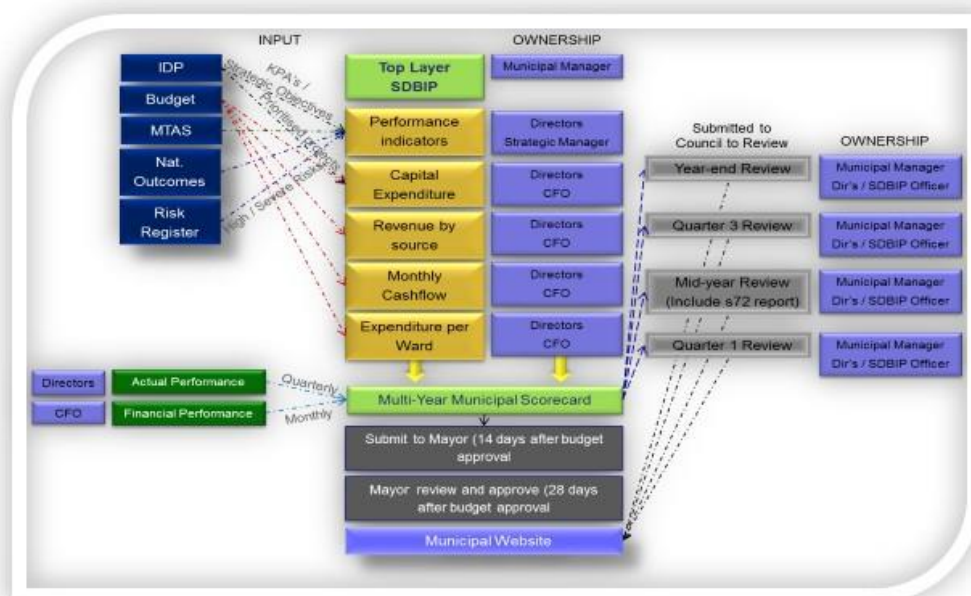
The SDBIP is a layered plan comprising a Top Layer SDBIP and Departmental SDBIPs. The Top Layer SDBIP comprises quarterly, high-level service delivery targets. It is a public document, which was approved by the Executive Mayor on 25 June 2020. Reporting on the Top Layer SDBIP is done to the Mayoral Committee 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 26 January 2021 (Council resolution 2/2021).

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 8 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 2020/21 financial year were signed by 30 July 2020. The Municipal Manager resigned and left the service of the Municipality on 31 October 2020. A new Municipal Manager was appointed on 1 November 2020 and signed his performance agreement on 23 December 2020. This was within the 60-day period allowed by legislation for new employees on this level. The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The mid-year performance evaluations (1 July 2020 to 31 December 2020) took place on 16 February 2021 and the final evaluation of the 2020/21 financial year (1 January 2021 to 30 June 2021) took place on 11 October 2021.

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).

**b) Other municipal personnel**

The Municipality has implemented individual performance management to lower-level staff in annual phases. All staff on post level 0 - 17 have performance agreements or performance development plans for the 2020/21 financial year. The mid-year performance of 2020/21 (1 July 2020 to 31 December 2020) took place in March 2021 and the final evaluation of the financial year (1 January 2021 to 30 June 2021) was concluded by 30 September 2021. The evaluation of performance is done between a manager and the employee in the presence of the applicable supervisor after which senior management do a moderation of all the results to ensure reliable and realistic outcomes.

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**3.3.4 SERVICE PROVIDER STRATEGIC PERFORMANCE**

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

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

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



### 3.4 STRATEGIC PERFORMANCE 2020/21

#### 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 69 ALIGNMENT OF KEY PERFORMANCE AREAS TO STRATEGIC GOALS AND OBJECTIVES

NATIONAL KPA	MUNICIPAL KPA	STRATEGIC GOAL	STRATEGIC OBJECTIVE
<b>KPA1: Good Governance and Public Participation</b>	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
<b>KPA2: Municipal Institutional Development and Transformation</b>	MKPA2: Municipal Institutional Development and Transformation	SG2: To ensure institutional sustainability	SO3: To create an administration capable of delivering on service excellence.
<b>KPA3: Local Economic Development</b>	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
<b>KPA4: Municipal Financial Viability and Management</b>	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
<b>KPA5: Basic Service Delivery</b>	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

<b>KPA5: Basic Service Delivery</b>	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 graph provides an overview of the Municipality's overall performance for the 2020/21 financial year. The Municipality set 33 Key Performance Indicators (KPI's) for the financial year when the SDBIP was approved on 25 June 2010, and this number remained the same following the amendments on 26 January 2021. The Municipality met 22 (67%) of its targets and failed to meet 11 (33%) by the due date.

FIGURE 9 PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA

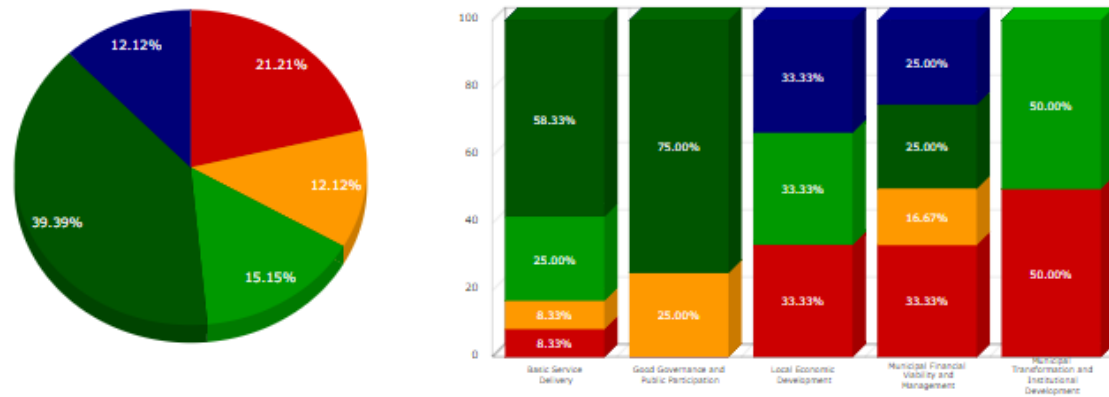




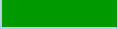


FIGURE 10 PERFORMANCE PER STRATEGIC OBJECTIVE

	Cape Agulhas Municipality	National KPA				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
Not Yet Applicable	-	-	-	-	-	-
Not Met	7 (21.21%)	1 (8.33%)	-	1 (33.33%)	4 (33.33%)	1 (50.00%)
Almost Met	4 (12.12%)	1 (8.33%)	1 (25.00%)	-	2 (16.67%)	-
Met	5 (15.15%)	3 (25.00%)	-	1 (33.33%)	-	1 (50.00%)
Well Met	13 (39.39%)	7 (58.33%)	3 (75.00%)	-	3 (25.00%)	-
Extremely Well Met	4 (12.12%)	-	-	1 (33.33%)	3 (25.00%)	-
<b>Total:</b>	<b>33</b>	<b>12</b>	<b>4</b>	<b>3</b>	<b>12</b>	<b>2</b>

**3.4.3 DETAILED PERFORMANCE FOR 2020/21 PER NATIONAL KEY PERFORMANCE AREA**

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

**TABLE 70 SDBIP MEASUREMENT CATEGORIES**

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

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

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021				
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL2	To ensure good governance	To create a culture of good governance	Implement 85% of the RBAP for 2020/21 by 30 June {{Number of audits and tasks completed for the period/ Number of audits and tasks identified in the RBAP }x100}	% of audits and tasks completed in terms of the RBAP	All	85.00%	82.20	10.00%	30.00%	50.00%	85.00%	85.00%	91.10%	G2	The RBAP is 91.10% complete for the 2020/21 Financial Year.	None required.
TL18	To ensure good governance	To create a culture of public participation and empower communities to participate in the affairs of the Municipality	Spend 95% of the budget allocated for the implementation of the SMART CITY Concept by 30 June	% of the financial years project budget spent	All	95.00%	99.99	5.00%	50.00%	55.00%	95.00%	95.00%	99.97%	G2	Capital budget: R 1 850 000. Actual spent: R 1 849 469. The primary focus of the Smart City in the year under review was the borehole / groundwater intervention project that enables the Municipality to monitor water levels remotely. Additional cameras and public WIFI hotspots were also provided.	None required.
TL28	To ensure good governance	To create a culture of good governance	95% of water samples comply with SANS241 micro biological indicators {{(Number of water samples that comply with	% of water samples compliant	All	95.00%	99.68%	95.00%	95.00%	95.00%	95.00%	95.00%	99.03%	G2	99,03 % of water samples comply with SANS241 micro biological indicators, which is indicative of	None required.

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021						
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
			SANS241 indicators/Number of water samples tested)x100}														good water quality.	
TL29	To ensure good governance	To create a culture of 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	All	56.25%	58.33%	50.00%	50.00%	60.00%	65.00%	56.25%	44.18%	O			Wastewater effluent quality has improved marginally through the year due to the upgrading of the Bredasdorp WWTW. At year end the quality was still somewhat lower than the previous year, but this was due to different components of the plant being decommissioned during construction work. The project is now complete.	Commission of the Bredasdorp WWTW upgrade to ensure better quality effluent.

**Summary of Results: Good Governance and Public Participation**

N/A	KPI Not Yet Applicable	0
R	KPI Not Met	0
O	KPI Almost Met	1
G	KPI Met	0
G2	KPI Well Met	3

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021						
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
B		KPI Extremely Well Met																
							<b>Total KPIs:</b>											

3.4.3.2 NATIONAL KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021				
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL1	To ensure institutional sustainability	To create an administration capable of delivering on service excellence.	The percentage of the municipality's personnel budget actually spent on implementing its Workplace Skills Plan by 30 June in terms of the WSDL Act. $\{(Actual\ amount\ spent\ on\ training/total\ personnel\ budget) \times 100\}$	% of the personnel budget spent on training	All	1.00%	0.81	0.00%	0.00%	0.00%	1.00%	1.00%	0.59%	R	0,59% of the personnel budget was spent on the implementation of the workplace skills plan, and 133 personnel received training. Some of the artisan training was discontinued due to closure of the simulation training plants during lockdown.	Planned training to be re-commenced as soon as it is possible.
TL4	To ensure institutional sustainability	To create an administration capable of delivering on service excellence.	Number of people from employment equity target groups employed in vacancies on the three highest levels of management in compliance	Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management	All	1	0	0	0	0	1	1	1	G	One female appointment was made on the 3rd highest level of management in line with the Employment equity plan.	None required.



			with a municipality's approved employment equity plan for the financial year															
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Summary of Results: Municipal Transformation and Institutional Development		
N/A	KPI Not Yet Applicable	0
R	KPI Not Met	1
O	KPI Almost Met	0
G	KPI Met	1
G2	KPI Well Met	0
B	KPI Extremely Well Met	0
	<b>Total KPIs:</b>	<b>2</b>

3.4.3.3 NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021				Performance Comment	Corrective Measures
								Target	Target	Target	Target	Target	Actual	R			
TL3	To promote local economic development in the Cape Agulhas Municipal Area	To create an enabling environment for economic growth and development	Create FTE's through government expenditure with the EPWP by 30 June	Number of FTE's created	All	100	156	0	0	0	100	100	157	B	157 FTE's created for the year through the Municipalities EPWP Programme.	None required.	
TL5	To promote local economic development in the Cape Agulhas Municipal Area	To create an enabling environment for economic growth and development	Submit an Economic Recovery Plan to Council by 30 March 2020	Number of Economic Recovery Plans submitted	All	1	New KPI	0	0	1	0	1	1	G	Economic recovery plan submitted to Council and approved on 30 March 2021. Resolution 38/2021	None required.	
TL19	To promote local economic development in the Cape Agulhas Municipal Area	To promote tourism in the 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.	5	1	1	0	1	0	0	1	0	R	The Municipality did not receive blue flag status for 2020 due to non-compliance with minor operational requirements.	These requirements are being addressed so that we can apply for Blue Flag Status again in 2021	
<b>Summary of Results: Local Economic Development</b>																	
N/A		KPI Not Yet Applicable					0										

R	KPI Not Met	1
O	KPI Almost Met	0
G	KPI Met	1
G2	KPI Well Met	0
B	KPI Extremely Well Met	1
<b>Total KPIs:</b>		<b>3</b>

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

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021				
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL13	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	The percentage of the municipality's capital budget actually spent on capital projects by 30 June {(Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% of the municipal capital budget spent	All	95.00 %	99.45%	20.00 %	50.00 %	75.00 %	95.00 %	95.00 %	91.9%	O	The underspending can to some extent be attributed to Covid-19 and the impact thereof on service providers appointed by the Municipality to do detail infrastructure design. It is further indicative that the Municipality needs to improve its planning and budget processes as well as project management and oversight to ensure full	Apply strict implementation measures aligned with the approved procurement plan and strengthen monitoring and oversight in respect of the capital implementation plan.

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021						
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
TL14	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue	% Debt to Revenue	All	15.00 %	8.78%	0.00%	0.00%	0.00%	15.00 %	15.00 %	17.99%	R	% Debt to revenue is 17.99%	Although indicated as negative performance, the municipality actually over-achieved when measured against the indicators in the long-term financial plan. The LTFP proposes external borrowing as a funding source to fund the capital programme to between 25% and 30%. The target must be reviewed in line with the long term capital plan and capital borrowing requirements.		

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021				
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL15	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	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	All	10.00 %	11.77%	0.00%	0.00%	0.00%	10.00 %	10.00 %	11.75%	R	% Service debtors to is 11.75%. The Municipality appointed a service provider to assist with debt collection during February 2021 and the impact was already visible during the last quarter of the financial year. Furthermore, the Municipality has adopted a conservative approach relating to the writing off of outstanding debt for indigents only.	Ongoing monitoring and evaluation of debt collection and credit control processes.
TL16	To improve the financial viability of the Municipality and ensure its long term financial sustainability	To provide effective financial, asset and procurement management	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June ((Cash and Cash Equivalentents -	Cost coverage	All	1.50	2.89	0	0	0	1.50	1.50	3.63	B	Cost coverage is 3.63.	None required.

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021					
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
			Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure														
TL17	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	Achieve a debtors payment percentage of at least 90% by 30 June {(Gross Debtors opening Balance + Billed Revenue - Gross Debtors closing Balance - Bad Debts Written Off)/Billed Revenue) x 100}	% debtors payment ratio achieved	All	90.00 %	94.85	90.00 %	90.00 %	90.00 %	90.00 %	90.00 %	90.00 %	98.27%	G2	The debtors payment ratio is 98.27%.	None required.
TL20	To improve the financial viability of the	To provide effective financial, asset and	Spend 95% of the total approved management	% of management services	All	95.00 %	91.84%	2.00%	45.00 %	62.00 %	95.00 %	95.00 %	96.75%	G2	Capital budget: R 2 708 290. Actual spent: R 2 620 369.All capital	None required.	

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021						
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
	Municipality and ensure its long-term financial sustainability	procurement management	services capital budget by 30 June	budget spent													projects were completed.	
TL2 4	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	95% of the roads and storm water capital budget spent by 30 June {(Actual expenditure divided by the total approved roads and stormwater capital budget) x 100}	% of roads and storm water capital budget spent	All	95.00 %	91.10%	15.00 %	60.00 %	95.00 %	95.00 %	95.00 %	81.44%	O	Capital budget: R 10 958 987. Actual spent: R 8 925 402. There was a substantial saving on the Struisbaai North paving project as it was done as a community project using local labour.	Struisbaai North project to be completed in the 2021/22 financial year.		
TL2 5	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	95% of the approved refuse removal capital budget spent by 30 June{(Actual expenditure divided by the total approved	% of refuse removal capital budget spent	All	95.00 %	109.53%	0.00%	15.00 %	15.00 %	95.00 %	95.00 %	287.36 %	B	Capital budget: R 3 438 400. Actual spent: R 9 880 618. Actual is more than what is budgeted due to the capitalisation of the land donated by P&B Lime Works and the provision for	None required		

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021						
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
			refuse removal capital budget) x 100}														the rehabilitation of the landfill site.	
TL2 6	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	95% of the approved water capital budget spent by 30 June {(Actual expenditure divided by the total approved water capital budget) x 100}	% of water capital budget spent	All	95.00 %	82.47%	15.00 %	70.00 %	80.00 %	95.00 %	95.00 %	37.74%	R	Capital budget: R 5 105 600. Actual spent: R 1 926 684. During the 2020/21 new boreholes were investigated to provide additional water for the Struisbaai area. Due to poor water quality these boreholes could not be developed which led to a saving. Application was then made to use the savings to improve the existing bulk water system, specifically the replacement of old asbestos water pipes with new U-PVC water pipes. This will also contribute to reducing the Municipality's #039	Implementation of the pipe replacement programme in 2021/22 financial year, which has been budgeted for.		



CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021						
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures		
TL27	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	Limit unaccounted for water to less than 15% 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	All	15.00%	18.51%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	16.44%	R	Water losses are 16.44% which is a slight reduction from the previous year. Many of the pipes in the network have exceeded their useful life, which results in frequent breakages.	Implementation of a pipe replacement programme in 2021/22 financial year, which has been budgeted for.	
TL31	To improve the financial viability of the Municipality and ensure its long-term financial	To provide effective financial, asset and procurement management	Limit unaccounted for electricity to less than 8% by 30 June {(Number of Electricity Units	% unaccounted electricity	All	8.00%	5.04%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	6.24%	B	Electricity losses are 6.24% which is well below the norm.	None required	

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021					
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
	sustainability		Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity) / Number of Electricity Units Purchased and/or Generated) X 100}														
TL3 2	To improve the financial viability of the Municipality and ensure its long-term financial sustainability	To provide effective financial, asset and procurement management	95% of the electricity capital budget spent by 30 June {(Actual expenditure divided by the total approved capital budget) x 100}	% of electricity capital budget spent	All	95.00 %	99.50%	10.00 %	60.00 %	90.00 %	95.00 %	95.00 %	101.28 %	G 2	Capital budget: R 6 070 596. Actual spent: R 6 148 242.	None required	

**Summary of Results: Municipal Financial Viability and Management**

N/A	KPI Not Yet Applicable	0
R	KPI Not Met	4
O	KPI Almost Met	2

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

G	KPI Met	0
G2	KPI Well Met	3
B	KPI Extremely Well Met	3
	<b>Total KPIs:</b>	<b>12</b>

3.4.3.5 NATIONAL KPA 5: BASIC SERVICE DELIVERY

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021				
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures
TL6	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	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	All	9 149	9149	8 805	8 805	9 149	9 149	9 149	9 709	G 2	9709 formal residential properties receive piped water that is connected to the municipal water infrastructure network and were billed for the service as at 30 June 2021.	None required
TL7	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June	Number of formal residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	All	9 414	9414	8 904	8 904	9 414	9 414	9 414	9 732	G 2	9732 formal residential properties were connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2021.	None required
TL8	To ensure access to equitable affordable and sustainable municipal	Provision of equitable quality basic services to all households	Number of formal residential properties connected to the municipal wastewater sanitation/sewera	Number of residential properties which are billed for sewerage	All	9 416	9416	8 982	8 982	9 416	9 416	9 416	9 746	G 2	9746 formal residential properties were connected to the municipal waste water sanitation/sewera	None required

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021					
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
	services for all citizens		ge 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													ge network (inclusive of septic tanks)and billed for the service as at 30 June 2021	
TL9	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June	Number of formal residential properties which are billed for refuse removal	All	9 395	9395	8 960	8 960	9 395	9 395	9 395	9 647	G 2	9647 Formal residential properties received a weekly refuse removal service and were billed for the service at 30 June 2021	None required	
TL10	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	Provide 6kl free basic water per month to all formal households during the financial year	Number of formal Households receiving free basic water	All	9 149	9149	8 805	8 805	9 149	9 149	9 149	9 709	G 2	All households in the Municipal Area receive free basic water, and 9709 households were provided with 6KL free water per month as at 30 June 2021.	None required	
TL11	To ensure access to equitable affordable and sustainable municipal	Provision of equitable quality basic services to all households	Provide 50 kwh free basic electricity per month to registered indigent / poor households in terms of the equitable share	Number of registered indigent / poor households receiving free basic electricity in	All	3 380	3380	3 001	3 001	3 380	3 380	3 380	3 711	G 2	3711 Indigent households were provided with 50 Kwh free electricity monthly.	None required	

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021					
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
	services for all citizens		requirements during the financial year	terms of Councils indigent policy													
TL1 2	To ensure access to equitable affordable and sustainable municipal services for all citizens	Provision of equitable quality basic services to all households	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	All	3 380	3380	3 001	3 001	3 380	3 380	3 380	3 711	G 2	3711 indigent households were provided with free basic sanitation and refuse monthly.	None required	
TL2 1	To ensure access to equitable affordable and sustainable municipal services for all citizens	Development of sustainable vibrant human settlements	Revise the Human Settlement Plan, which includes the provision of serviced erven and submit to Council by 30 June	Revised Human Settlement Plan submitted to Council	All	1	0	0	0	0	1	1	1	G	The Human Settlement Plan was reviewed and submitted to Council on 30 June 2021 (Resolution 156/2021). Human Settlement plan continuously updated and reviewed annually.	None required.	
TL2 2	To create a safe and healthy environment for all citizens and visitors to	To promote social and youth development	Host a virtual youth summit for the youth of the Cape Agulhas Municipal Area by 30 March	Electronically generated attendance register of participant	All	1	1	0	0	1	0	1	1	G	A successful youth summit was held on 13 March 2021.	None required.	

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021					
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
	the Cape Agulhas Municipality																
TL23	To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	To create and maintain a safe and healthy environment	Submit quarterly reports to the Management Services Portfolio Committee on the activities of the Community Police Forums in all towns	Number of reports submitted	All	1	3	1	1	1	1	1	1	1	G	A report was submitted to the Management Services Portfolio on 23 June 2021 for quarter 4. The report for quarter 3 was also submitted during the 4th quarter on 20 April 2021	Ongoing liaison with CPF to monitor and support their activities.
TL30	To ensure access to equitable and affordable and sustainable municipal services for all citizens	To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Spend 95% of the available budget for the upgrade of the Bredasdorp WWTW by 30 June	% of project budget spent	4	95	107.11	30	50	70	95	95	90.90	O	Capital budget: R 32 810 840. Actual spent: R 29 824 505. The Project was completed and all grant funding was spent.	None required as the project is completed and all grant funding was spent.	
TL33	To ensure access to equitable and affordable and sustainable municipal services for all citizens	To provide community facilities and services	Spent 95% of the available budget (grant) for the implementation of the RSEP/ VPUU Programme by 30 June	% of grant allocation for financial year spent	3	95.00 %	87.82%	0.00%	0.00%	60.00 %	95.00 %	95.00 %	64.37 %	R	64.37 % of the Phase 1 budget was spent. This included the civil works, outdoor gym and lighting. The five a side soccer field tender had to be re-	This is a two year project. An application was made to the Province for a roll over. The	

CAPE AGULHAS MUNICIPALITY DRAFT ANNUAL REPORT 2020/21

Ref	Strategic Goal	Strategic Objective	KPI Name	Unit of Measure	Ward	Annual Target	Past Year Performance	Q1	Q2	Q3	Q4	Overall performance for year ending June 2021					
								Target	Target	Target	Target	Target	Actual	R	Performance Comment	Corrective Measures	
																awarded. The contractor appointed for the ablution facility did not deliver and the contract was cancelled. This caused delays in the project.	procurement process for the ablution facility will be started anew.

**Summary of Results: Basic Service Delivery**

N/A	KPI Not Yet Applicable															0	
R	KPI Not Met															1	
O	KPI Almost Met															1	
G	KPI Met															3	
G2	KPI Well Met															7	
B	KPI Extremely Well Met															0	
																<b>Total KPIs:</b>	<b>12</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 71 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 2016 municipal elections. The following sections provide a summary of basic service delivery per town, the most significant capital projects per ward as well as community needs identified per ward during the IDP process.

#### 3.6.1 BASIC SERVICE DELIVERY PER TOWN

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

TABLE 72 BASIC SERVICE PROVISION PER TOWN 2020/21

SERVICE LEVEL	TOWN	WATER	SANITATION	ELECTRICITY	REFUSE
<b>Formal Households with minimum service delivery</b>	Bredasdorp	4423	4639	9732	4547
	Napier	1138	1115		1125
	Struisbaai	2625	2534		2530
	L'Agulhas	712	671		671
	Waenhuiskrans	607	604		590
	Protem	20	23		23
	Klipdale	20	20		21
	Suiderstrand	164	140		140
<b>Subtotal: Formal households</b>		<b>9709</b>	<b>9746</b>	<b>9732</b>	<b>9647</b>
<b>All informal areas in CAM</b>		<b>753</b>	<b>753</b>	<b>753</b>	<b>753</b>
<b>Households without minimum service delivery</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Households</b>		<b>10462</b>	<b>10499</b>	<b>10485</b>	<b>10400</b>

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

##### 3.6.2.1 WARD 1

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

**TABLE 73 PRIORITY CAPITAL PROJECTS OF WARD 1**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
New Additional toilet in Informal Settlement (Napier)	May 2021	June 2021	157 000,00
Construction of Soccer Field (Napier)	July 2020	June 2021	738 555,00

**TABLE 74 TOP FOUR SERVICE DELIVERY PRIORITIES FOR WARD 1**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2020/21
1	CCTV cameras (Entrances and exits of towns) – Napier / Elim	CCTV was successfully implemented at all entrances and exits of the towns in the Municipal area.
2	Upgrading of roads - Napier	No provision made in budget.
3	Sewer system must be upgraded – Napier	Application has been made for R20million for the Waste- Water Treatment Works to replace water and sewer pipes.
4	Storm water drainage – Eskom Street, Napier	Part of newly drafted masterplan.

### 3.6.2.2 WARD 2

Ward 2 comprises part of Bredasdorp and Klipdale.

**TABLE 75 PRIORITY CAPITAL PROJECTS OF WARD 2**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Community Facility - Markets: Ou Meule Informal Trading (Equipment)	November 2020	April 2021	161 569,78

**TABLE 76 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 2**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2020/21
1	Tarring of streets (all 5 streets in Klipdale) and access road to Carolineville	No provision made in budget. Will refer to 2021/22 budget
2	Indoor bathrooms in Duine Avenue and private toilets in Rivier Street and Queenstown	Bathroom in Duine Avenue is finalized. No provision in current budget for the outstanding houses.
3	Access bridge for cars Golf / Baatjes Streets	No provision made in budget
4	New Primary school	Due to drastic changes in budgetary priorities, it was inevitable that the infrastructure budget was severely curtailed. This led to a need for the reprioritizing of projects and a change in the approach regarding the determination of needs for additional classroom space. For as long as there is a lack of optimal utilization of the available facilities in an area/town, it is very highly unlikely that an additional new school will be prioritized.

### 3.6.2.3 WARD 3

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

**TABLE 77 PRIORITY CAPITAL PROJECTS OF WARD 3**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Community Facility: RSEP (DPLG) - Anene Booyen braai facility	March 2020	June 2021	1 287 308,00
Lesedi LED Containers units	December 2020	June 2021	167 006,93
Stormwater Rand / Sabat street- Bredasdorp	January 2021	February 2021	114 181,78

**TABLE 78 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 3**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2020/21
1	Subsidised public transport	Referred to Province
2	Satellite library	The wheelie wagons were provided already. The services could not continue due to the Covid-19 pandemic. Planning is still in progress.
3	Home for people with disabilities	Referred to Province
4	Tarring of all gravel roads	Simunye roads are done. As well as a portion of Zwelitsha. Phase 3 of Zwelitsha will be done during 2020/21

### 3.6.2.4 WARD 4

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

**TABLE 79 PRIORITY CAPITAL PROJECTS OF WARD 4**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Construction of Roux Street Bredasdorp	October 2020	May 2021	425 764,75
Roads Infrastructure: Roads Informal trading area (Dirkie Uys street)	July 2020	June 2021	181 478,06

**TABLE 80 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 4**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2020/21
1	Upgrading of old water and sewer systems (Du Toit, Kloof and Dorpsig Streets)	Hugo Street was completed due to it being a higher priority
2	Upgrading of sidewalks at Suideroord	No provision made in budget
3	Eradication of alien plantation in water absorbed area	ABI received funding for next 3 years to undertake Alien Clearing
4	CCTV cameras at town entrances	CCTV was successfully implemented at all entrances and exits of the towns in the Municipal area.

### 3.6.2.5 WARD 5

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

**TABLE 81 PRIORITY CAPITAL PROJECTS OF WARD 5**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Water: Distribution - Boreholes: Struisbaai & Agulhas	July 2020	May 2021	692 765,95
Roads Infrastructure: Upgrading of Sidewalks [SBN]	March 2021	June 2021	236 285,22
Roads Infrastructure - Struisbaai Industrial services	July 2020	June 2021	1 093 947,32

**TABLE 82 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 5**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2020/21
1	Job creation	EPWP projects were rolled out in the Ward.
2	Upgrade refuse site (visual impact, capacity for garden refuse, no shelter, road)	Department of Waste management sent out a tender for the chipping of green waste in Struisbaai (and Bredasdorp)
3	Improve traffic flow (Circles / Additional parking). Main Road / Marine Drive.	No provision in budget. Provincial Road.
4	Youth development (Facility / Activities (Rooms for computers and ECD facilities))	The Shield House in Struisbaai North is currently used as a youth development facility and is utilized by various stakeholders for youth activities. 11 youth were employed for 3 months on the mosaic art works project at the Thusong centre. 3 additional youth workers were employed for a period of 12 months. We communicated with Cape Access to expand the computer facility in Struisbaai.

### 3.6.2.6 WARD 6

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

**TABLE 83 PRIORITY CAPITAL PROJECTS OF WARD 6**

PROJECT NAME AND DETAIL	START DATE	END DATE	TOTAL VALUE (R)
Construction of outside gym – Bell Street	April 2021	June 2021	150 000,00

**TABLE 84 FOUR SERVICE DELIVERY PRIORITIES FOR WARD 6**

NO	PRIORITY NAME AND DETAIL	PROGRESS DURING 2020/21
1	Identifying of land for development of low-income housing projects - Arniston	Land in Arniston remains a challenge. Council has to review the Housing Pipeline to prioritize land in Arniston
2	Community Hall - Bredasdorp	No provision made in budget

3	Upgrading sidewalks in whole ward Paving of Steenbras, Geelstert, Krans Streets)	No provision made in budget
4	Playparks (Outdoor gym) - Bergsig	Budgeted for in 2020/2021.

### 3.7 COMPONENT A: BASIC SERVICES

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

#### 3.7.1 WATER

##### a) Introduction to water

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

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

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

TABLE 85 DAM LEVELS AS AT 30 JUNE

2019		2020		2021	
SANDDRIF	VLEIKLOOF	SANDDRIF	VLEIKLOOF	SANDDRIF	VLEIKLOOF
8%	75%	25%	80%	90%	95%

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

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

##### ▪ Service delivery highlights for 2020/21

- Implementing the Cape Agulhas Municipality water master plan.
- Investigated and drilled new boreholes in Struisbaai area to address water shortages over holiday periods.
- Installing new bulk water meters
- Installing new bulk monitoring equipment

- Installing new bulk water pipes
- Implement Water conservation and Demand Management Plan

▪ **Service delivery challenges for 2020/21**

- The peak water demand during the summer holiday season in coastal town’s remains a challenge. CAM has concluded a hydro census and updated their groundwater management plan. These plans will indicate areas where further planning and construction for water infrastructure could be developed. Larger reverse osmosis plants also need to be installed in Arniston and Suiderstrand by a private operator to accommodate peak demands.

**b) Service statistics**

▪ **Unaccounted for water (Losses)**

Non-revenue or unaccounted for water has decreased to 16.44%. Although below the national norm, continuous water problems have contributed to this figure. There are increasing pipe bursts due to old infrastructure (such as bulk meters / network repairs) which are in process of replacement. It must also be borne in mind that the previous year’s figure was based on assumptions due to inaccuracies on the bulk meters, which have now been replaced.

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

**TABLE 86 UNACCOUNTED FOR WATER**

YEAR	PURIFIED (KL)	LOSSES (KL)	%	RAND VALUE
2018/19	2 950 603	357 786	12.13%	801 441
2019/20	2 709 734	501 606	18.51%	1 389 449
2020/21	2 226 656	366 018	16.44%	1 453 090

▪ **Household access to water**

All households in the Municipal Area have access to minimum water standards. Access to minimum water standards is defined as access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute. Access to piped water is defined as 6,000 litres of potable water supplied per formal connection per month. National policy also requires that poor households should receive 6 kl of free basic water per month. During the Covid-19 pandemic CAM installed 17 water tanks in informal areas to address the ratio of number of residents to number of water taps.

**TABLE 87 ACCESS TO WATER**

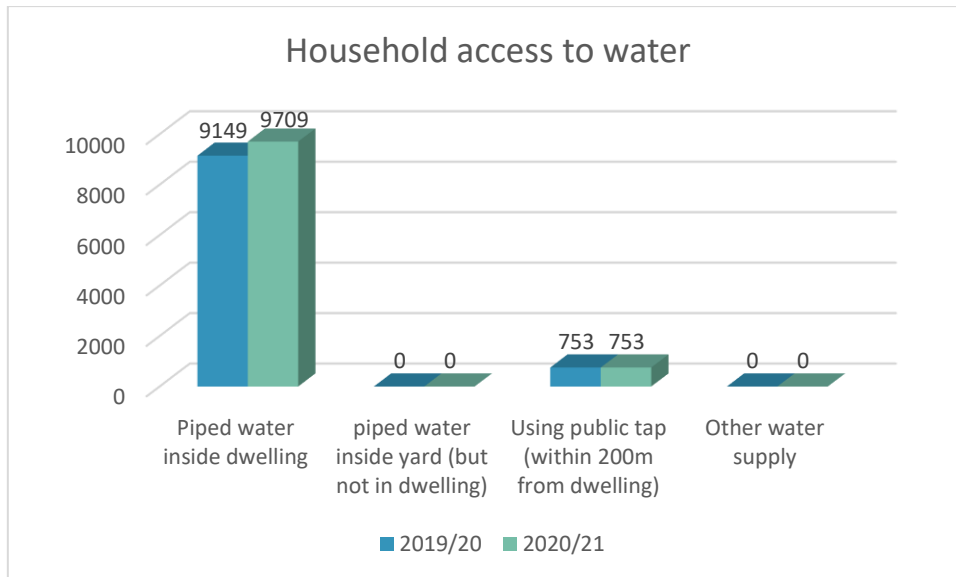


FINANCIAL YEAR	PROPORTION OF HOUSEHOLDS WITH ACCESS TO WATER POINTS*	PROPORTION OF HOUSEHOLDS WITH ACCESS TO PIPED WATER	PROPORTION OF HOUSEHOLDS RECEIVING 6 KL FREE
2018/19	12%	88%	100%
2019/20	13%	87%	100%
2020/21	7.1%	92.8%	100%

TABLE 88 WATER SERVICE DELIVERY LEVELS: HOUSEHOLDS

DESCRIPTION	HOUSEHOLDS	
	2019/20	2020/21
	ACTUAL NO	ACTUAL NO
<b>Water: (above min level)</b>		
Piped water inside dwelling	9149	9709
Piped water inside yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling)	753	753
Other water supply (within 200m)	0	0
Minimum Service Level and Above sub-total	9902	10462
Minimum Service Level and Above Percentage	100%	100%
<b>Water: (below min 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>
*Includes informal settlements		

FIGURE 11 WATER SERVICE DELIVERY LEVELS



## c) Human resources

TABLE 89 EMPLOYEES WATER SERVICES

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
o to 3	18	19	19	0	0%
4 to 8	34	31	30	1	3%
9 to 13	8	8	7	1	13%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>61</b>	<b>59</b>	<b>57</b>	<b>2</b>	<b>3%</b>

*These positions also perform the sanitation function.*

## d) Financial performance: Capital expenditure

TABLE 90 CAPITAL EXPENDITURE: WATER SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Machinery & Equipment: Water Treatment Instrumentation	100 000,00	-	100 000,00	48 843,00	-51%
Equipment for boreholes in Napier and Suiderstrand	-	250 000,00	250 000,00	-	-100%
FMSG - Bulk Water meters	500 000,00	-500 000,00	-	-	-
Water: Bulk Mains - Upgrade and replace Bulk Water Meters	60 000,00	-	60 000,00	-	-100%
Water Distribution: Old Water Mains (Replacement)	500 000,00	-	500 000,00	-	-100%
Water: Distribution - Replacement of Rising Main in L'Agulhas	2 500 000,00	-1 354 400,00	1 145 600,00	1 185 074,88	3%
Water: Distribution - Boreholes: Struisbaai & Agulhas (DPLG)	-	3 050 000,00	3 050 000,00	692 765,95	-77%
<b>TOTAL</b>	<b>3 660 000,00</b>	<b>1 445 600,00</b>	<b>5 105 600,00</b>	<b>1 926 683,83</b>	<b>-62%</b>

## 3.7.2 SANITATION

## a) Introduction to sanitation

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

▪ **Service delivery highlights for 2020/21**

- The completion of the upgrading of Bredasdorp WWTW to 3.6Ml/day.
- Procurement of an additional sewer truck to assist with high number of septic tanks to be emptied during holiday periods.
- Commence with planning stage of the Upgrade of the Napier WWTW

▪ **Service delivery challenges for 2020/21**

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

**b) Service statistics**

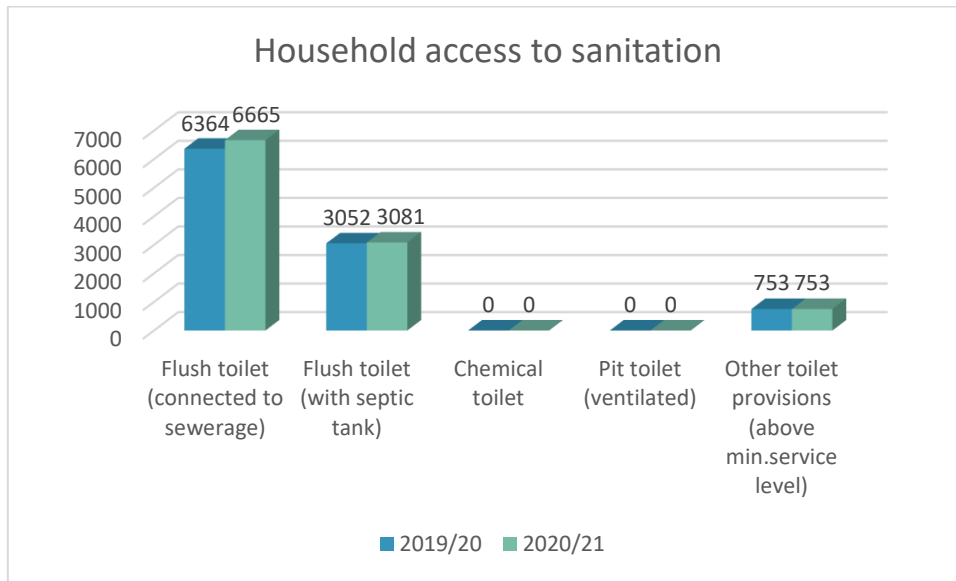
▪ **Household access to sanitation**

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

**TABLE 91 SANITATION SERVICE DELIVERY LEVELS**

DESCRIPTION	HOUSEHOLDS	
	2019/20	2020/21
	ACTUAL NO	ACTUAL NO
<b>Sanitation/sewerage: (above minimum level)</b>		
Flush toilet (connected to sewerage)	6364	6665
Flush toilet (with septic tank)	3052	3081
Chemical toilet	0	0
Pit toilet (ventilated)	0	0
Other toilet provisions (above min. service level) (Communal flush toilets)	753	753
<b>Minimum Service Level and Above sub-total</b>	<b>10169</b>	<b>10499</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 12 SANITATION SERVICE DELIVERY LEVELS



c) Human resources

TABLE 92 EMPLOYEES SANITATION SERVICES

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	18	19	19	0	0%
4 to 8	34	31	30	1	3%
9 to 13	8	8	7	1	13%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>61</b>	<b>59</b>	<b>57</b>	<b>2</b>	<b>3%</b>

The same employees are utilised for the water service.

d) Financial performance: Capital expenditure

TABLE 93 CAPITAL EXPENDITURE: SANITATION SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Transport: Vacuum Tank - CS1577 (Replacement)	100 000,00	200 000,00	300 000,00	-	-100%
Sewer Pumpstation - Sewer Screen	250 000,00	-	250 000,00	-	-100%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Structure & Associate works					
Sewer Pumpstation - Refurbish Sewer Pumpstation Napier	500 000,00	-	500 000,00	-	-100%
Sewer Reticulation - New Additional Informal Toilet Structure	-	250 000,00	250 000,00	157 000,00	-37%
Sewer Reticulation - Sewerage Pipe Replacement	500 000,00	-500 000,00	-	-	-
Sewer Reticulation - Sewerage pipe replacement	-	2 000 000,00	2 000 000,00	-	-100%
Sewer WWTW - Rehab Wastewater Treatment Works	4 479 373,00	-	4 479 373,00	4 479 371,70	0%
Sewer WWTW - Rehab Wastewater Treatment Works	27 081 467,00	1 250 000,00	28 331 467,00	25 345 133,31	-11%
<b>TOTAL</b>	<b>32 910 840,00</b>	<b>3 200 000,00</b>	<b>36 110 840,00</b>	<b>29 981 505,01</b>	<b>-17%</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 94 ELECTRICITY DISTRIBUTION AREAS

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

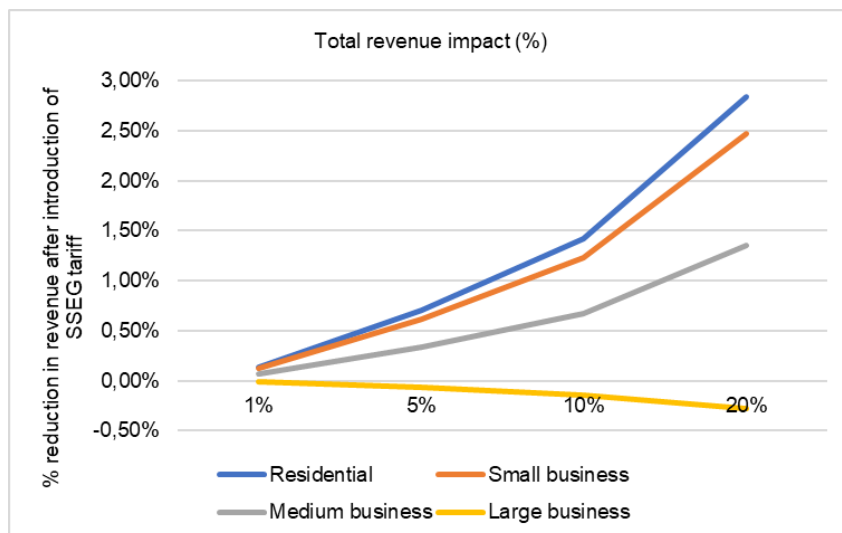
- **Small Scale Embedded Generation (SSEG)**

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. During 2020/2021 financial year the Municipality bought 363 000 KWhr’s from SSEG customers. Below is a table of the current SSEG approved installations and commencement approvals.

TABLE 95 SSEG INSTALLATIONS AND COMMENCEMENT APPROVAL

DESCRIPTION	KWP	NO.
Application Received	0	0
Application Approved	1518	5
Postponed	4,6	1
Approved	0	0
Installed	2383,85	51
Contract Signed	0	0
<b>Totals</b>	<b>3906,45</b>	<b>57</b>

FIGURE 13 REVENUE IMPACT TABLE OF SSEG INSTALLATIONS AS A PERCENTAGE OF PENETRATION



▪ **Service delivery highlights for 2020/21**

- Maintenance of streetlights in the Eskom supply areas in accordance with an agreement concluded with Eskom
- Successful application for assistance with an energy demand management system from GIZ. One of only five Municipalities in the country to be accepted, two of which are in the Western Cape. This project is progressing well, with internal base load figures now far more accurate and will help with obtaining funding for own renewable energy.
- Completed electrification of Area "F" (Mill Park) in Bredasdorp utilising our own staff.
- Completed electrification of Area "H" (Park View) in Bredasdorp utilising our own staff.
- Commencement of converting High Street in Napier from an ageing overhead reticulation system to underground cables and providing a ring feed for the CBD.
- Distribution losses are limited to 6.24% which when compared with the industry standard of 10% is an achievement.
- The successful application to Eskom for an upgrade of Notified Maximum Demand for Bredasdorp for an additional 2 MVA and Napier for an additional 700KVA which will enable development in the area. Eskom capacity restraints has been an issue for the past few years but will be adequate for the current five-year development plan.
- Continuous upgrading of ageing infrastructure through CAM's 20-year master plans for the towns within our area of supply.

▪ **Service delivery challenges for 2020/21**

- 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.
- The unpredictable nature of Eskom's loadshedding practices
- Eskom's ageing infrastructure in the rural areas causing quality of supply issues and continuity of supply problems.

**b) Service statistics**

▪ **Unaccounted for electricity (Losses)**

The Municipality's electricity losses increased from 5.04% in 2019/20 to 6.24% in 2020/21. Our unaccounted electricity remains well below the norm.

TABLE 96 ELECTRICITY LOSSES

YEAR	UNITS PURCHASED (kWh)	LOSSES (kWh)	%	RAND VALUE (APPROXIMATE)
2018/19	76 293 217	4 956 856	6.50%	3 668 073.37
2019/20	73 267 305	3 695 121	5.04%	3 140 853
2020/21	73 435 236	4 579 634	6.24%	4 167 467

▪ **Household access to electricity**

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

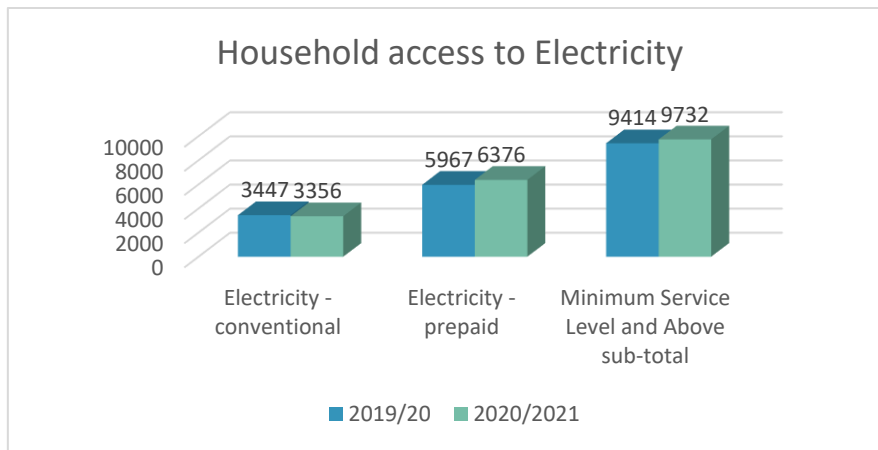
TABLE 97 ELECTRICITY SERVICE DELIVERY LEVELS

DESCRIPTION	HOUSEHOLDS	
	2019/20	2020/21
	ACTUAL NO	ACTUAL NO
<b>Energy: (above minimum level)</b>		
Electricity - conventional	3447	3356
Electricity - prepaid	5967	6376
Minimum Service Level and Above sub-total	9414	9732
Minimum Service Level and Above Percentage	100%	100%
<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 14 ELECTRICITY SERVICE DELIVERY LEVELS



c) Human resources

TABLE 98 EMPLOYEES: ELECTRICITY SERVICES

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	4	4	4	0	0%
4 to 8	6	9	9	0	0%
9 to 13	10	13	13	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>21</b>	<b>27</b>	<b>27</b>	<b>0</b>	<b>0%</b>

d) Financial performance: Capital expenditure

TABLE 99 CAPITAL EXPENDITURE: ELECTRICITY SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Furniture: White Board	16 000,00	-3 300,00	12 700,00	12 625,56	-1%
Machinery & Equipment: Tools	28 000,00	-	28 000,00	19 565,61	-30%
Transport: Trailor -Diesel bower (Pump & Meter 1000L)	69 000,00	11 000,00	80 000,00	80 000,00	0%
Electricity MV Stations: Change Transformers Minisubs	535 700,00	-11 350,00	524 350,00	496 742,40	-5%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Electricity MV Network: Quality of Supply Meters	56 000,00	-500,00	55 500,00	55 500,00	0%
Electricity MV Network: Generator: Borehole 4-8 Struisbaai	367 000,00	-79 200,00	287 800,00	287 797,00	0%
Electricity MV Network: Generator: Borehole 1-3 Struisbaai:	245 000,00	-51 500,00	193 500,00	193 267,00	0%
Electricity MV Network: Generator: Booster Pumps L'Agulhas:	220 000,00	-29 900,00	190 100,00	190 067,00	0%
Electricity MV Network: Generator: Boreholes L'Agulhas: 60KV	245 000,00	-51 700,00	193 300,00	193 267,00	0%
Electricity MV Network: Generator: Boreholes Suiderstrand: 2	135 000,00	12 650,00	147 650,00	147 626,00	0%
Electricity MV Network: Generator: Napier Sewer Pumps: 120KV	367 000,00	-41 950,00	325 050,00	324 979,61	0%
Electricity MV Network: Generator: Ou Meule Sewer Pumps: 25K	135 000,00	12 650,00	147 650,00	147 626,00	0%
Electricity MV Network: Generator: Bredasdorp Water Treatment	367 000,00	-41 950,00	325 050,00	324 979,61	0%
Electricity MV Network: Generator: Sewer Pumpstation 10 Struisbaai	135 000,00	12 650,00	147 650,00	147 626,00	0%
Electricity MV Network: Generator: Struisbaai Office: 30KVA	155 000,00	4 050,00	159 050,00	159 026,00	0%
Electricity MV Network: Replace Med/Low Volt Overhead lines	640 900,00	-	640 900,00	668 330,01	4%
Electricity LV Network: Integrated National Electrification	2 150 000,00	-	2 150 000,00	2 241 116,55	4%
Electricity LV Network: Electrification - Informal Set	129 400,00	-	129 400,00	129 176,52	0%
Electricity LV Network: Street Lights - New	332 946,00	-	332 946,00	328 924,37	-1%
<b>TOTAL</b>	<b>6 328 946,00</b>	<b>-258 350,00</b>	<b>6 070 596,00</b>	<b>6 148 242,24</b>	<b>1%</b>

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

#### a) Introduction to waste management

##### ▪ Landfill sites and drop offs

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

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

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

Indications are that a regional landfill will be the most suitable option and this has been included as a priority project in the District One Plan or Joint District Approach.

The data from the landfill and Drop-Off's is reported on the IPWIS system of the Department of Environmental Affairs. Internal and External audits were completed as stated in the permit conditions. Three new boreholes were drilled as part of the permit conditions and monitoring the groundwater quality.

##### ▪ Refuse collection

All households in the Municipal Area have access to a weekly refuse collection service. In the low-income areas, the bags are carried out to the nearest collection point. Cape Agulhas has a new compactor truck funded by MIG for the collection of households waste in all towns. Collection days in some areas changes because of new housing developments in Bredasdorp.

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

##### ▪ Recycling

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

##### ▪ Awareness

The following awareness campaigns were rolled out:

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

▪ **Service delivery highlights for 2020/21**

- Completion of the MIG Technical report for new waste facility (composting, sorting, transfer station)
- Acquisition through donation of a property from P&B Limeworks which will be used for future expansion of the waste function.

▪ **Service delivery challenges for 2020/21**

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

**b) Service statistics**

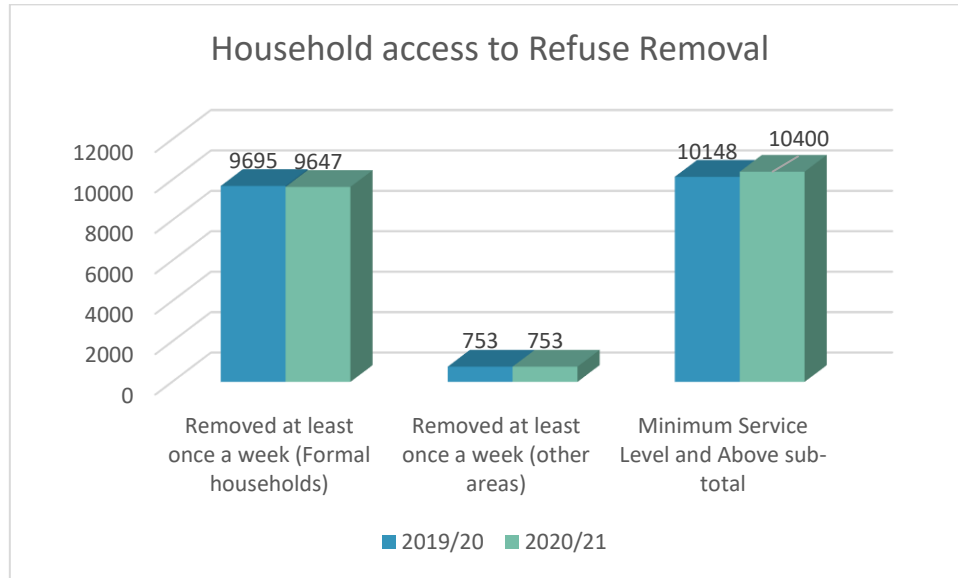
Basic level services for refuse removal are defined as free weekly refuse removal. All households in urban areas have access to a weekly refuse removal service.

**TABLE 100 WASTE MANAGEMENT SERVICE DELIVERY LEVELS**

DESCRIPTION	HOUSEHOLDS	
	2019/20	2020/21
	ACTUAL NO	ACTUAL NO
<b>Solid waste removal (Minimum level)</b>		
Removed at least once a week (Formal households)	9395	9647
Removed at least once a week (Other areas)	753	753
Minimum Service Level and Above sub-total	10148	10400
Minimum Service Level and Above percentage	100%	100%
<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

No rubbish disposal	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level percentage	0	0
<b>Total number of households</b>	<b>0</b>	<b>0</b>

FIGURE 15 WASTE MANAGEMENT SERVICE DELIVERY



c) Human resources

TABLE 101 EMPLOYEES: WASTE MANAGEMENT

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	23	25	23	2	8%
4 to 8	7	7	7	0	0%
9 to 13	1	2	2	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>32</b>	<b>35</b>	<b>33</b>	<b>2</b>	<b>6%</b>

d) Financial performance: Capital expenditure

TABLE 102 CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Waste Drop-off Points - Wheelie bins	380 000,00	-34 100,00	345 900,00	324 792,00	-6%
P & B Lime works facility (Donation)	-	1 400 000,00	1 400 000,00	1 760 000,00	26%

Transport: Truck - Compactor Refuse Collection	1 800 000,00	-1 472 500,00	327 500,00	327 284,82	0%
Transport: Truck - Compactor Refuse Collection (MIG)	-	1 365 000,00	1 365 000,00	1 341 388,52	-2%
<b>TOTAL</b>	<b>2 180 000,00</b>	<b>1 258 400,00</b>	<b>3 438 400,00</b>	<b>3 753 465,34</b>	<b>9%</b>

### 3.7.5 HOUSING

#### a) Introduction to housing

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

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

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

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

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

The housing development process entails the following:

- Initiating, planning, facilitating and co-ordinating appropriate housing development.
- Promoting private sector development and playing the role of developer.

- Preparing a housing delivery strategy and setting up housing development goals.
- Identifying and allocating land for housing development.
- Creating a financially and socially viable environment for housing delivery.
- Facilitating the resolution of conflicts arising from housing delivery initiatives.
- Facilitating the provision of bulk services.
- Administering national housing programmes.

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

The Municipality adopted a Human Settlement Plan in June 2021, which focuses on the implementation of the housing programme in accordance with the IDP of Council. It is currently being reviewed and will be workshopped first by Senior Management and Council. This plan is used to facilitate and assist the Municipality to fulfil the role assigned to it in terms of the National Housing Code. The Housing Plan addresses the following:

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

When developing the Human Settlement Plan the extensive migration of people into the Cape Agulhas Municipal Area was taken into account. South Africa as a country 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.
- The majority of people travel by foot to school and work. This has an implication for delivery of future housing, which should be located in close proximity to existing work opportunities and education facilities.

The following progress was made in the 2020/21 financial year:

- CAM drafted a business plan to cater for the middle-income group after identification of a huge demand for housing in this group. The Municipality, together with the Department of Human Settlements are embarking on a new project that will cater for the middle-income group (Deferred Ownership). This is a pilot project for the Western Cape and the idea is to roll it out as part of a National Housing programme.
- Planning is underway for a new mixed housing project in Bredasdorp and Struisbaai. These projects will also address the issue of informal settlements like the relocation of Oukamp in Struisbaai. The Municipality is also targeting the affordable market beneficiaries. The planning processes are very lengthy due to public participation processes and outcomes such as objections from adjacent communities where projects are planned for implementation.

Projects in Implementation stages:

- IRDP in Struisbaai of 441 houses (Final Basic Assessment Report has been submitted to Department of Environmental Affairs and Planning) and CAM received a positive outcome. An in-house survey was done at Oukamp, Struisbaai and the plan is to relocate qualifying beneficiaries to Struisbaai, Area A. Non-qualifiers will be given serviced sites. With this initiative, we hope to eradicate the Oukamp Informal settlement entirely.
- Finance Linked Individual Subsidy Programme Projects (GAP) was replaced by the deferred ownership module (rent-to-buy). R10m was already secured for project implementation.
- We are also in planning phase at the Blompark precinct and Insitu upgrade at the Oukamp informal settlement
- Completed the Rapid Appraisal of all informal settlements and prioritisation of the informal settlements. The Department of Human Settlements appointed People's Environmental Planning (PEP) for the upgrade programme of all informal settlements within the municipal jurisdiction.
- Commenced with planning for Napier 150 houses IRDP
- Completed and handed over 570 housing units to qualifying beneficiaries Mill Park, Bredasdorp.
- Planning phase for the upgrade of Zwelitsha and Napier Informal Settlements

The biggest priority for Cape Agulhas Municipality is to reduce the number of households in the various informal settlements and create better living conditions for back yard dwellers.

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

**c) Title deed restoration programme**

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

**b) Service statistics**

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



TABLE 103 PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING

YEAR	TOTAL HOUSEHOLDS (INCLUDING IN FORMAL AND INFORMAL SETTLEMENTS)	HOUSEHOLDS IN FORMAL SETTLEMENTS	PERCENTAGE OF HHS INFORMAL SETTLEMENTS	HOUSEHOLDS IN INFORMAL SETTLEMENTS
2018/19	10 161	9408	7.4%	753
2019/20	10 161	9408	7.4%	753
2020/21	10 499	9746	7.7%	753

Source : Statistics SA – Census 2011 / Informal settlement register

There are currently 3635 applicants or potential beneficiaries on the waiting list for Cape Agulhas Municipality.

TABLE 104 HOUSING WAITING LIST

FINANCIAL YEAR	HOUSING APPLICANTS	% HOUSING WAITING LIST (INCREASE/DECREASE)
2018/19	3635	-1.36
2019/20	3351	7.81
2020/21	3635	8.48

TABLE 105 HOUSES BUILT / STANDS SERVICED IN 2020/21

FINANCIAL YEAR	ALLOCATION R'000	AMOUNT SPENT R'000	% SPENT	NUMBER OF HOUSES BUILT	NUMBER OF SITES SERVICED
2018/19	29 900	29 900	100	55	230
2019/20	54 249 168	55 304 873	102	402	728
2020/21	*20,651,000	17,286,045	83.7	728	0

\*R10 000 000 grant not included in allocation (received for rent-to-own-houses)

### c) Human resources

TABLE 106 EMPLOYEES: HOUSING SERVICES

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	2	1	1	0	0%
9 to 13	2	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>

**d) Financial performance****TABLE 107 CAPITAL EXPENDITURE: HUMAN SETTLEMENTS**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Furniture & Office Equipment: Chair	3 500,00	-1 200,00	2 300,00	2 253,00	-2%
<b>TOTAL</b>	<b>3 500,00</b>	<b>-1 200,00</b>	<b>2 300,00</b>	<b>2 253,00</b>	<b>-2%</b>

A grant to the amount of R30 651 000 was allocated by the Western Cape Provincial Government for the planning and services during the financial year under review. The amount of R17 286 045 was spent and the following was completed:

- Planning for Site G 351 houses in Bredasdorp
- Planning for Site A 443 houses Struisbaai
- Planning for 150 houses and 10 GAP erven in Napier
- 158 houses in Area H, completed and handed over to qualifying beneficiaries
- 570 houses in Area F, completed and handed over to qualifying beneficiaries

**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 R3 800.00 for indigents and R5 500.00 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 108 FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS**

YEAR	TOTAL HH'S	HOUSEHOLDS EARNING LESS THAN R4750.00 PER MONTH							
		FREE BASIC WATER		FREE BASIC SANITATION		FREE BASIC ELECTRICITY		FREE BASIC REFUSE	
		ACCESS	%	ACCESS	%	ACCESS	%	ACCESS	%
2019/20	10 161	3380	33.26	3380	33.26	3380	33.26	3380	33.26
2020/21	10 499	3711	35.34	3711	35.34	3711	35.34	3711	35.34

**TABLE 109 COST TO THE MUNICIPALITY OF FREE BASIC SERVICES DELIVERED**

SERVICES DELIVERED	2019/20	2020/21			
	ACTUAL	BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO BUDGET
Water	22 388 729.00	22 232 900.00	22 232 900.00	23 928 513.00	- 1 695 613.00
Wastewater (Sanitation)	12 453 132.00	11 836 364.00	11 836 364.00	12 943 413.00	- 1 107 049.00
Electricity	103 946 132.00	107 039 756.00	107 039 756.00	110 170 002.00	- 3 130 246.00
Waste Management (Solid Waste)	20 682 656.00	23 426 800.00	23 426 800.00	22 039 900.00	1 386 900.00
<b>TOTAL</b>	<b>159 470 649.00</b>	<b>164 535 820.00</b>	<b>164 535 820.00</b>	<b>169 081 828.00</b>	<b>-4 546 008.00</b>

### 3.8 COMPONENT B: ROAD TRANSPORT AND STORMWATER

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

#### 3.8.1 ROADS

##### a) Introduction to roads

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

##### ▪ Service delivery highlights for 2020/21

- Phase 3 of the existing gravel roads in the Zwelitsha RDP area in Bredasdorp have been upgraded to paved roads to the value of ± R 4.9 m and has been funded from the MIG.
- A portion of Buitekant Street in the Bredasdorp CBD has been re-constructed to the value of R2m.
- The gravel portion of Roux Street, Bredasdorp has been upgraded to a tarred surface.

##### ▪ Service delivery challenges for 2020/21

- Funding to address the backlog in road maintenance and rehabilitation is limited.
- A significant number of working hours have been lost due to the Covid 19 regulations and the lock down period.
- Storm water infrastructure in numerous areas in Struisbaai is inadequate and needs to be upgraded urgently.

##### b) Service statistics

TABLE 110 GRAVEL ROAD INFRASTRUCTURE

YEAR	TOTAL GRAVEL ROADS KM	NEW GRAVEL ROADS CONSTRUCTED KM	GRAVEL ROADS UPGRADED TO TAR KM	GRAVEL ROADS GRADED/MAINTAINED KM
2018/19	38.10	0	1.21	25.00
2019/20	40.30	0	0.38	40.30
2020/21	40.30	0	2.0	40.30

TABLE 111 TARRER ROAD INFRASTRUCTURE

YEAR	TOTAL TARRER ROADS KM	NEW TAR ROADS KM	EXISTING TAR ROADS RE-TARRER KM	EXISTING TAR ROADS RE-SEALED KM	TAR ROADS MAINTAINED KM
2018/19	187.65	0	0	0.62	187.65
2019/20	187.65	0	0	0.35	187.65
2020/21	187.65	0	0	0.30	187.65

TABLE 112 COST OF CONSTRUCTION/MAINTENANCE

YEAR	GRAVEL			TAR		
	NEW (R' 000)	GRAVEL – TAR (R' 000)	MAINTAINED (R' 000)	NEW (R' 000)	RE-WORKED (R' 000)	MAINTAINED (R' 000)
2018/19	0	5 700	260	0	0	1 600
2019/20	0	2 338	250	0	1000	1 600
2020/21	0	2 338	250	0	1000	1 600

c) Human resources

TABLE 113 EMPLOYEES: ROADS AND STORMWATER

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
o to 3	15	17	16	1	6%
4 to 8	12	12	12	0	0%
9 to 13	12	12	11	1	8%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	40	42	40	2	5%

d) Financial performance: Capital expenditure

TABLE 114 CAPITAL EXPENDITURE ROADS

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Machinery & Equipment - Paving Breakers (x2)	20 000,00	-8 600,00	11 400,00	11 400,00	0%
Machinery & Equipment - Concrete Mixers (x2)	10 000,00	-	10 000,00	-	-100%
Equipment - Portable Radios (x10)	25 000,00	-500,00	24 500,00	24 480,00	0%

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Machinery & Equipment - Cutter (x1)	20 000,00	-3 350,00	16 650,00	16 550,00	-1%
Roads Infrastructure – Struisbaai Industrial services	800 000,00	293 960,00	1 093 960,00	1 093 947,32	0%
Roads Infrastructure: Reseal Roads - CAM / Master plan	1 500 000,00	500 000,00	2 000 000,00	1 852 341,80	-7%
Roads Infrastructure: Re-gravel Roads - Landfill Site - SB	300 000,00	-1 100,00	298 900,00	298 894,98	0%
Roads Infrastructure: Roads Upgrade - RDP Bredasdorp	4 910 757,00	992 820,00	5 903 577,00	4 575 365,30	-22%
Roads Infrastructure: Construction Roux Street Bredasdorp	500 000,00	-50 000,00	450 000,00	425 764,75	-5%
Roads Infrastructure: Barriers and stabilisation Spookdraai	250 000,00	-	250 000,00	94 712,78	-62%
Roads Infrastructure: Roads Informal trading area [Dirkie Uys]	200 000,00	-	200 000,00	181 478,06	-9%
Roads Infrastructure: Roads - Sidewalks [SBN]	500 000,00	-	500 000,00	236 285,22	-53%
Storm Water Conveyance: Stormwater Rand / Sabat str- Bredasdorp	500 000,00	-300 000,00	200 000,00	114 181,78	-43%
<b>TOTAL</b>	<b>9 535 757,00</b>	<b>1 423 230,00</b>	<b>10 958 987,00</b>	<b>8 925 401,99</b>	<b>-19%</b>

### 3.8.2 STORMWATER DRAINAGE

#### a) Introduction to storm water

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

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

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

#### ▪ Service delivery highlights for 2020/21

- Storm water infrastructure in Rand Street and Sabbat Street, Bredasdorp has been upgraded.

#### ▪ Service delivery challenges for 2020/21

- Insufficient financial resources
- High risk of flooding in certain areas in Arniston, Struisbaai and Bredasdorp.

#### b) Service statistics

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

TABLE 115 STORMWATER INFRASTRUCTURE

YEAR KM	TOTAL STORM WATER MEASURES KM	NEW STORM WATER MEASURES KM	STORM WATER MEASURES UPGRADED KM	STORM WATER MEASURES MAINTAINED KM
2018/19	77.8	0	0	77.80
2019/20	77.8	0	0	77.80
2020/21	77.8	0	0.2	77.80

TABLE 116 STORM WATER INFRASTRUCTURE COST

YEAR	STORM WATER MEASURES		
	NEW (R'000)	UPGRADED (R'000)	MAINTAINED (R'000)
2018/19	0	0	Part of roads budget
2019/20	0	0	Part of roads budget
2020/21	0	0	Part of roads budget

**c) Human resources**

The same personnel are utilised for both roads and stormwater.



### 3.9 COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT

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

#### 3.9.1 INTEGRATED DEVELOPMENT PLANNING

##### a) Introduction to Integrated development planning

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

##### ▪ Third Review of the Integrated Development Plan

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

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

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

34. Annual review and amendment of integrated development plan.

*“A municipal council –*

*(a) must review its integrated development plan –*

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

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

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

The municipality developed an IDP and Budget Time Schedule, which serves as a “plan to plan” for the third review of the 5-year IDP of Cape Agulhas Municipality. It was adopted by Council on 23 July 2019 with resolution number 132/2019 and contains clear deliverables and specific timeframes. The purpose of the time schedule is to indicate and manage the planned activities and strategies that the municipality will follow to review the IDP.

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

responsive to the needs and conditions of local communities.

▪ **IDP Assessment**

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

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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 the spatial planning of various land uses such as industrial, institutional, residential and business. The section has three main sub-sections namely: Town Planning, GIS and Environmental Management.

The Town Planning Section oversees:

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

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

▪ **Implementation of SPLUMA**

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

The Municipality has appointed an Authorised Official and successfully constituted its Municipal Planning Tribunal (MPT) and Municipal Appeal Tribunal (MAT), which deals with land use applications and application

appeals respectively. This includes applications for rezoning, removal/suspension of restrictive conditions, township establishments, etc. The turnaround time for processing of land use applications has been expedited through this process.

▪ **Spatial Development Framework (SDF)**

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

The SDF is one of the core components of the Municipal IDP and gives spatial effect to the vision, goals and objectives of the new 2017/18 – 2012/22 IDP. It indicates spatially the long-term growth and development of the Municipality and co-ordinates 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 2021/2022 the current SDF will be reviewed. It will be a review of the Municipality's Internal Performance in terms of the Spatial Development Framework. Findings of this review will be included in the Draft IDP 2021/2022. The outcome of this review will inform Council to amend or to re-draft the SDF during 2022/23.

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

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

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

▪ **Service delivery highlights for 2020/21**

- A site development plan and feasibility study were completed for the taxi interchange in Bredasdorp.
- Application was made to the RSEP Programme for funding for the third node within the Ou Meule Street Precinct, namely the Anene Booysen Memorial Park. Phase 1 is completed and includes, park lighting, outdoor gym and civil works (Pathways, focal nodes, paving, access road, walls, bollards).
- Various guest accommodation and business applications have been considered favourably, thus promoting economic development.
- We managed to render a continuous planning service during Covid 19 Level 3 and 4 Regulations, by using technology to enable clients to upload applications electronically on the Ovvio portal.

▪ **Service delivery challenges for 2020/21**

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

**b) Service statistics**

**TABLE 117 APPLICATIONS FOR LAND USE DEVELOPMENT**

DESCRIPTION	FORMALIZATION OF TOWNSHIPS		REZONING		AUTHORISED OFFICIAL		MUNICIPAL PLANNING TRIBUNAL MPT		PLANNING APPEAL COMMITTEE MAYOR	
	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21
Planning Applications received	0	0	13	74	128	136	9	0	6	4
Decisions made in current year	0	0	9	59	124	110	9	0	4	4
Applications withdrawn	0	0	0		0	2	0	0	0	0
Applications outstanding at year end	0	0	4	15	4	24	0	0	2	0

**c) Human resources**

**TABLE 118 EMPLOYEES SPATIAL PLANNING**

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	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**

None

### 3.9.3 BUILDING CONTROL

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

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

The functions of the Building Control Department are:

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

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

A survey was done by SACAP which determined that the Building Control Department delivered a full service during the national lockdown period due to the Covid-19 pandemic.

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

- Monthly staff meetings
- Workshops and training of staff in terms of new legislation and policies
- Access to user-friendly data and equipment – electronic building plan register and plan submission on the Ovvio portal implemented for better service delivery.
- Consideration of building plans within 10 days of submission.
- Paperless plan approval will be soon implemented.

#### ▪ Service delivery highlights for 2020/21

- Electronic submission of plans on the Ovvio portal which worked well especially during the earlier phases of lockdown and help to keep plan submission possible.
- SMS notification of plan approvals.
- Staff are knowledgeable to help improve service delivery.
- Tasks are completed within the prescribed time framework.
- Complaints are dealt with immediately.
- To have our own equipment to do Ambient Air Quality Monitoring.
- To do own Nnoise monitoring with our equipment.

- Legal requirements and processes are adhered to.
- Compliance to the Air Quality Management plan of CAM.
- Assisting the public with building plans where they cannot afford architects.
- Doing site visits and giving advice in terms of building work.
- Low-cost housing projects: ASLA and Melon Housing projects
- Completed the Ou Meule Square container project.
- Complete the Lesedi container project.
- Participation in and attend the following forums and or meetings:
  - o Member of the National Steering Committee for Building Control SA.
  - o Regional Tourism Liaison Committee (RTLCL)
  - o Legislative Task Team Forum.
  - o Air Quality Provincial Forum and working groups.
  - o Noise Provincial forum.

▪ **Service delivery challenges for 2020/21**

- Illegal building operations
- Illegal land uses
- To take people to court for illegal activities.
- Cooperation with courts to address illegal building work.
- To get the Municipal fines list approved at Court.
- To go paperless on plan submission and approval to improve service delivery and shorten approval time.

**a) Service statistics**

**TABLE 119 VALUE AND NUMBER OF BUILDING PLANS**

YEAR	TOTAL VALUE	RESIDENTIAL	BUSINESS / INDUSTRIAL	TOTAL PLANS APPROVED
2015/2016	R284 428 000	352	12	364
2016/2017	R353 503 000	432	14	446
2017/2018	R346 160 202	428	0	428
2018/2019	R412 647.00	396	6	402
2019/2020	R352 746 000	374	6	380
2020/2021	R418 952 000	448	16	464

**b) Human resources**

**TABLE 120 EMPLOYEES BUILDING CONTROL**

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
o to 3	0	0	0	0	0%
4 to 8	0	0	0	0	0%

9 to 13	4	4	3	1	25%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>20%</b>

### c) Financial performance: Capital expenditure

TABLE 121 CAPITAL EXPENDITURE: BUILDING CONTROL

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Furniture & Office Equipment: Cupboard	3 300,00	-	3 300,00	2 731,00	-17%
Furniture & Office Equipment: High Back Chair	2 600,00	-	2 600,00	2 253,00	-13%
<b>TOTAL</b>	<b>5 900,00</b>	<b>-</b>	<b>5 900,00</b>	<b>4 984,00</b>	<b>-16%</b>

## 3.9.4 LOCAL ECONOMIC DEVELOPMENT AND TOURISM

### a) Introduction to local economic development

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

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

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

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

**b) LED Strategy**

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

During the 2019/20 financial year, there was a significant shift to regional economic development. The Overberg District Municipality commenced the process of developing a Regional Economic Development Strategy (RED), and the Municipality participated in this process. A revised LED and Tourism Strategy incorporating an action plan, was once again submitted to and approved by Council in 2019/20.

In order to neutralise the destabilising effects of the Covid-pandemic on all sectors of our society, we have drafted an Economic Recovery Plan which was approved by Council in the year under review.

**c) Entrepreneurship Development**

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

- We have partnered with various local stakeholders such as the Disabled Association, Forestry Workers, Healthgro, Elim Joinery, etc in order to capacitate them to become sustainable.
- The municipality has established street markets with steering committees in all the major towns with the necessary resources, with the view of encouraging entrepreneurship.
- We are continuing to include these entrepreneurs on training programmes and assist them with funding applications.
- We have hosted a small business development summit in collaboration with DEDAT, SARS, and SEEFA with the purpose of exposing them to funding and training opportunities.
- In addition to the above, we have hosted two contractor development workshops, aimed at empowering upcoming contractors.
- We have also hosted funding workshops in partnership with the Department of Small Business Development.
- To ensure the security of entrepreneurs amidst the Covid-pandemic, we have teamed up with Salga as well as the provincial Department of Economic Development & Tourism to supply safety kits to entrepreneurs and the broader business fraternity.

**TABLE 122 ENTREPRENEURSHIP REGISTRATIONS**

REGISTRATIONS	2019/20	2020/21
Co-operatives registered	15	2
Companies registered	20	13
Non-profit Company	1	5
SARS related matters	206	120
CIDB	5	11



COIDA	14	20
UIF	700	32
Supplier data bases	90	93
National Credit Regulator	0	1
Access to finance through CASIDRA/SEDA Department of small Business development	15	174

**d) Rural development programmes**

▪ **Agricultural projects on municipal land**

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

• **Installation of Water Tanks**

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

**e) SMME Development**

• **Acquisition of Land for Informal Traders**

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

• **SMME-Summit**

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

• **Annual Street Market**

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

- **Sponsoring-a-Shelf Project**

We have engaged different retailers to sponsor shelf space to show-case the products of our informal traders and other upcoming entrepreneurs. The idea is to introduce such products to a bigger market whilst utilising these facilities. We have managed to secure an agreement with Super Spar in terms whereof we are supplying them with products to be sold on the informal traders/local entrepreneurs behalf.

- **Kapula Candles Collaboration**

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

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

- **Partnership with Department of Small Business Development**

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

- **Partnership with Cape Nampo**

We have partnered with Cape Nampo to roll-out training initiatives which involves Hydroponics, Aquaponics as well as Spinning & Weaving.

- **Regional Socio-Economic Programme** The Municipality successfully applied to participate in the Regional Socio-Economic Programme (RSEP). The re-development of the Ou Meule Street precinct is the focus of the programme, and the first phase of the project which was done over 2 financial years entailed the construction of a container trading area. The RSEP Programme contributed R2 000 000 and the Council R800 000 for this project. The project, known as Ou Meule Square is finalised, and there are 12 business units available for upcoming entrepreneurs. The other project that was completed in the year under review is a pedestrian bridge on the corner of Long and Ou Meule Street. RSEP Provided R800 000 for this project.

- **RSEP Fund project**

A successful application was lodged to the DEDAT SMME Booster Fund to develop another container hub trading area in Ou Meule Street to an amount of R 1 465 000. The project, which is known as Lesedi Square is complete and can accommodate between 6 and 12 entrepreneurs.

- **DEDAT SMME Booster Fund Project**

We were awarded an amount of approximately R 1 million for the development of a container business hub, called Lesedi Square, after having been successful in our applications. CAM prides itself in having been the only Overberg Municipality to have received a positive outcome. This project provides space to 6 upcoming entrepreneurs.

f) **Tourism**

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

- **Colour Fun Run**

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

- **Schools Project**

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

- **Dining-with-Locals**

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

- **Partnering with Community Festivals**

We have partnered and participated in the following community events:

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

- **Local Tours Initiative**

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

- **LED/Tourism Forum**

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

- **Filming Desk**

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

- **Establishment of Khoi San Village**

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

#### **g) Skills Development**

We have hosted several training sessions in the following disciplines:

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

#### **h) Marketing**

- The Municipality has invited representatives of various tour agencies to a working holiday during which we have showcased our tourist attractions, with the view of convincing these agencies to extend their tour packages to our area.
- We have overhauled our social media platforms in order to reach as many people as possible, to keep them abreast of developments in our area. This includes a user-friendly website, Facebook Page (Consider Cape Agulhas) and Instagram Account.
- We have extended the distribution line of our tourism brochures to reach as many potential tourists as possible.
- Our office is also making use of the municipality's newly created You Tube-channel to market our area and to expose the public to new initiatives.
- We are also utilising a weekly radio slot which was allocated to us by Radio Overberg to market our area more extensively.
- We have embarked on a process of constructing a digital mall. It will be featured on our You Tube-channel, Facebook page, website and others. The aim with this is to provide bigger exposure to our local businesses and put them with reach of national and global markets.
- Due to the prevailing Covid-lock down regulations, we have shifted our sights to attracting more inland visitors to our region.

## i) Human resources

TABLE 123 EMPLOYEES LED AND TOURISM

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
o 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>

## j) Financial performance: Capital expenditure

TABLE 124 CAPITAL EXPENDITURE LOCAL ECONOMIC DEVELOPMENT

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
DEAT (DPLG) Lesedi LED Containers units	-	170 900,00	170 900,00	167 006,93	-2%
<b>TOTAL</b>	<b>-</b>	<b>170 900,00</b>	<b>170 900,00</b>	<b>167 006,93</b>	<b>-2%</b>

### 3.10 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes libraries, cemeteries and human development.

#### 3.10.1 LIBRARIES

##### a) Introduction to libraries

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

TABLE 125 MUNICIPAL LIBRARIES

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

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

##### ▪ Service delivery highlights for 2020/21

- The Elim modular library was opened on the 24<sup>th</sup> of May 2021 by the current Minister of Arts, Cultural Affairs and Sport Western Cape province, Mrs Anrou Marais, and the Executive Mayor, Cllr Paul Swart.

##### ▪ Service delivery challenges for 2020/21

- The Covid-19 restrictions have caused a drop in membership count as well as circulation statistics as libraries were closed to the public for 6 months from March 2020 and again at the end of December until March 2021 due to the second wave Covid-19 as Cape Agulhas was identified as a hotspot. The old age homes were serviced in accordance with Covid 19 protocols.

##### b) Service statistics

TABLE 126 SERVICE STATISTICS FOR LIBRARIES

TYPE OF SERVICE	2018/19	2019/20	2020/21
Library members	13 436	14082	12509
Books circulated	178 868	141262	62857
Exhibitions held	215	183	172
Internet users	2075*	20*	*69
Children programmes	82	85	* 26
Visits by school groups	43	53	4
Book group meetings for adults	27	23	8
Primary and Secondary book education sessions	3 **	-*	-* 26

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

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

**c) Human resources**

TABLE 127 EMPLOYEES: LIBRARIES

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	9	8	8	0	0%
9 to 13	3	3	3	0	0%
14 to 18	0	0	0	0	0%
<b>TOTAL</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>0</b>	<b>0%</b>

**c) Financial performance: Capital expenditure**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Computer Equipment: Scanner & Laminating machine	-	12 000,00	12 000,00	8 690,00	-28%
Furniture & Office Equipment: Extra shelving, furniture Arniston	15 000,00	- 300,00	14 700,00	14 680,00	0%
Furniture & Office Equipment: Furniture Hall chairs & tables	15 000,00	- 100,00	14 900,00	14 802,00	-1%
Machinery & Equipment: Bar Fridge - Proteem & Klipdale	6 000,00	- 1 300,00	4 700,00	4 693,91	0%

Machinery & Equipment: Aircon - Libraries	-	15 000,00	15 000,00	12 495,65	-17%
Machinery & Equipment: Aircon Nuwerus	20 000,00	- 2 800,00	17 200,00	17 177,70	0%
<b>TOTAL</b>	<b>56 000,00</b>	<b>22 500,00</b>	<b>78 500,00</b>	<b>72 539,26</b>	<b>-8%</b>

### 3.10.2 CEMETERIES

#### a) Introduction to cemeteries

The Municipality has eight cemeteries within its Municipal Area.

TABLE 128 CEMETERIES PER TOWN

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

- **Service delivery highlights for 2020/21**
  - Specialist studies completed for expansion of Struisbaai Cemetery
- **Service delivery challenges for 2020/21**
  - Vandalism and theft

#### b) Service statistics

TABLE 129 SERVICE STATISTICS FOR CEMETERIES

TYPE OF SERVICE	2018/19	2019/20	2020/21
Pauper burials	14	16	17
Ordinary burials	84	147	89

#### c) Human resources

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

#### d) Financial performance: Capital expenditure

None



### 3.10.3 HUMAN DEVELOPMENT

#### a) Introduction to human development

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

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

#### ▪ Service delivery highlights for 2020/2021

- Youth Employment
  - Appointed 3 youth to implement youth development programmes on EPWP for the 2020/2021 financial year
- Established 11 soup kitchens
  - Facilitated the implementation and monitoring of the 11 soup kitchens in the Municipal Area during the winter season and other humanitarian relief programmes during the Covid 19 lockdown period
- Youth Development Programmes/ Projects
  - Conducted a Virtual Youth Summit with youth representatives from all over the Cape Agulhas municipal area. Information gathered from this engagement informed the content of the Cape Agulhas Youth Policy and the Youth Development Strategy.
  - The Youth Development Strategy, Youth Development Policy and Youth Council Constitution was approved by council this year
  - Continuous interaction with a functional Youth Council for advocacy on youth matters.

#### ▪ Service delivery challenges for 2020/2021

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

#### a) Service Statistics

TABLE 130 SERVICE STATISTICS FOR HUMAN DEVELOPMENT PROGRAMMES

ACTIVITY	2019/2020	2020/2021
Soup kitchens established or supported	11	11
Youth educated and empowered	- Functional Youth Council	- Functional Youth Council

	<ul style="list-style-type: none"> <li>- Members of the Youth Council participated in the Provincial Youth Parliament</li> <li>- Conducted workshops with youth in collaboration with Open up to introduce them to municipal bylaws</li> <li>- Distribution of information for employment and study opportunities</li> <li>- Conducted a Two - day Youth summit to follow-up on the progress of youth development projects and programmes</li> <li>- Facilitated the mosaic art project for the pedestrian bridge in ward 2 which created youth employment and showcasing local skills</li> <li>- Only 1 women empowerment camp could be conducted due to Covid 19 lockdown restriction</li> </ul> <p>2 legislative education workshops were conducted with women in Struisbaai and Bredasdorp</p>	<ul style="list-style-type: none"> <li>- Members of the Youth Council participated in the Virtual Provincial Youth Parliament.</li> <li>- Youth Council members participated in an international virtual platform representing CAM and giving an overview of the status of youth development in our municipal area</li> <li>- Youth participated in webinars within collaboration with Open up in the following topics: 1. Youth and the Integrated Development Plan (IDP) 2. CAM sharing best practice model for youth development with youth in other municipalities.</li> <li>- Distribution of information for employment and study opportunities</li> <li>- Conducted a virtual Youth summit to re-elect a new youth council for the next 2 years and to follow-up on the progress of youth development</li> </ul>
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**b) Human resources**

**TABLE 131 EMPLOYEES: HUMAN DEVELOPMENT**

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	1	1	1	0	0%
9 to 13	0	1	1	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0%</b>

**c) Financial performance: Capital expenditure**

**TABLE 132 CAPITAL EXPENDITURE: HUMAN DEVELOPMENT**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Machinery & Equipment: Refrigerator (Thusong hall) – replacement	6 000,00	-2 840,00	3 160,00	3 155,65	0%
<b>TOTAL</b>	<b>6 000,00</b>	<b>-2 840,00</b>	<b>3 160,00</b>	<b>3 155,65</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.

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

#### 3.11.1 AIR QUALITY CONTROL

##### a) Introduction to air quality control

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

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

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

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

Our officials participate in the following forums:

- Overberg Air Quality Control Forum.
- Legislative Task Team Forum.
- Provincial Air Quality and Noise Management Forum and three working groups.
- Member of the National Association for clean Air. (NACA)

##### ▪ Service delivery highlights for 2020/21

- Two officials successfully completed their follow up training in Air Quality Monitoring
- Air Quality/ noise awareness banners was made
- 'Spekbome' planted at some of the new RDP houses.
- Purchased air quality measuring and monitoring equipment which are operational.
- Planting Spekbome for arbour day on the 5th of September 2020.
- Planted an additional 650 spekbome.
- Awareness program with banners on save our ocean from plastic at Struisbaai.

▪ **Service delivery challenges for 2020/21**

- To implement awareness and education programmes for local schools and in the workplace during Covid-19.
- To make people aware not to just cut trees, safe our trees campaign.
- To have an awareness week for World Earth Day 2022.
- Complaints about dust increased.

**b) Human resources**

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

**c) Financial performance: Capital expenditure**

TABLE 39 CAPITAL EXPENDITURE AIR QUALITY

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Machinery & Equipment: Sensors (replacement)	60 000,00	-60 000,00	-	-	-
Machinery & Equipment: Noise measuring equipment	10 000,00	-800,00	9 200,00	9 115,00	-1%
<b>TOTAL</b>	<b>70 000,00</b>	<b>-60 800,00</b>	<b>9 200,00</b>	<b>9 115,00</b>	<b>-1%</b>

**3.11.2 NOISE CONTROL**

**a) Introduction to noise control**

The Environment Conservation Act, 1989 Western Cape Noise Regulations was promulgated in 2013. The Municipality must ensure compliance with these Regulations. Noise control has become a national priority.

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

▪ **Service delivery highlights for 2020/21**

- Noise awareness banners were created and displayed in key locations.
- We purchased our own Noise monitoring equipment to do monitoring.

▪ **Service delivery challenges for 2020/21**

- Awareness raising at the workplace about noise, difficult due to Covid-19.
- Education at local schools for noise control and to the public during Covid-19

Our officials participated in the following forums:

- Noise Control Forum.
- Legislative Task Team Forum

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### **3.11.3 BIO-DIVERSITY AND LANDSCAPE**

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

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

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

During the year under review, the Municipality spent an amount of **R60 000** for cleaning the garden section of the Heuningberg Reserve

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### **3.11.4 COASTAL PROTECTION**

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

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

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

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

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### 3.11.5 CLIMATE CHANGE

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

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

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

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

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

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

The Department of Environmental Affairs in collaboration with the South African National Biodiversity Institute (SANBI) has also developed a Strategic Framework and Overarching Implementation Plan for EbA (i.e. the EbA Strategy) in 2015. The Strategy is aimed at implementing a programme of activities that will enhance the resilience of ecosystems and communities to adapt to the adverse effects of climate change as part of South Africa's overall climate change adaptation strategy in support of a long-term, just transition to a climate-resilient economy and society.

### 3.12 COMPONENT F: SAFETY AND SECURITY

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.

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#### 3.12.1 TRAFFIC SERVICES, LICENSING AND LAW ENFORCEMENT

##### 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 integrated with SAPS and All Security Companies within the municipal boundary
  - Set off point of all alerts and arrange for emergency needs were needed

- Assist with social assistance arrangements and sharing of information from CAM Communication Department for issuing and loud hailing during emergency situations.
  
- **Traffic Control**
  - Traffic Officers operate in a shift system to ensure that the National Road Traffic Act (NRTA) is 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 is done weekly with all three SAPS stations Napier, Struisbaai and Bredasdorp
  - Vehicle check points (VCP's) is done daily to ensure licensing of vehicles and drivers is in good standing
  - Ensure road safety during events in area
  - Attending accidents and traffic complaints
  - Daily point duties at crossings and scholar patrol points
  - Traffic safety education programs done with Schools, Government EPWP projects, SANParks, Eskom, Telkom and other private companies on road safety and vehicle safety
  - Operate speed enforcement equipment.
  
- **Law Enforcement**
  - Do visible policing on a 24 - hour basis 7 days a week
  - Attend to complaints regarding hawkers, and by-law offences
  - Protection of the Municipality's councillors, employees, and properties
  - Ensure crime prevention by detecting and combating crime generators
  - Ensure that community announcements are done, and information received from CAM Communication Department is issued in the form of pamphlets or loud hailing
  - Promote law and order in municipal area.
  - Work closely with the SAPS and other enforcement entities in all towns during the day and night to curb illegal activities
  - Give assistance to community during disaster situations
  - Enforce the gathering act – Crowd control function during Civil Unrest situations Disperse prohibited gatherings
  - Combat land invasion by regular patrols and inspection on municipal Commonage
  - Inspection regarding business and hawkers' licenses
  - Integrated visits to shebeens and drug houses
  - Stop and search alerted vehicles, monitors on camera systems to arrest and confiscate illegal amounts of alcohol, drugs, and abalone
  - Monitor and patrol 24/7 coastal towns during holiday seasons and long weekends
  - Identify and report on all road defects/ damage and vandalism found on municipal and private owned properties in the area
  - Do bicycle patrols in Hotspot Areas of the CBD and in coastal towns
  - Writing Section 341 fines for none moving offences on vehicles
  - Issue J534 for all Municipal By-Law offences
  - Prevention of crime and enforcing of regulation at Blue Flag Beaches
  - Monitor restrictions on Water abuse and wastage



- Reaction to illegal dumping and environmental degradation
- Act on Public violence and public nuisances
- Act on drunk or under the influence of alcohol or drugs
  
- **Peace Officers on Bikes Project**
  - We run a three-year EPWP Project under the wing of Law Enforcement called Peace Officers on Bikes. These officers are patrolling the area on bicycles and have a visible police function. They also provide direction to foreigners and holiday makers who visit our area. The project is funded for the training and first year of deployment for skills transfer of each officer by the Department of Community Safety. This project gives unemployed youth who matriculated an opportunity to skills and work experience in the field of the enforcement environment. We received 30 bicycles from the Provincial Department of Community Safety and 13 officers received training at Chrysalis Academy for thirteen Peace Officers funded by Department of Community Safety
  
- **Law Enforcement: Animal Control Unit**
  - Attend to complaints regarding animal control
  - Educate the community about the safekeeping and caring for animals
  - Operate the CAM Dog Kennel with stray dogs within a 7-day caring plan
  - Assist community members with sick animals who cannot afford medical care for their pets
  - Assist with euthanizing of dogs and cats where needed
  - Ensure that dogs and cats population growth is under control.
  - Weekly campaigning animal health visits in Bredasdorp and surrounding towns
  - Assist upcoming farmers with livestock to comply with regulations
  - Do regular inspections on fencing, managing livestock and lease agreement functions at all municipal property where upcoming farmers operate.
  - Assist with training programs from DAFF and work integrated with AACL and other NGO's.
  - The Protection Services Division have annually 4 planned sterilization campaigns with AACL and other NGO's
  - The Animal Control unit have biannual educational programs with local Vets were the importance of sterilization is prioritised. Huge prizes and funds for the programs is sponsored by the local Bredasdorp Animal Clinic.
  
- **Administration: Licensing, Fines and Systems**
  - **Licensing**
    - Motor Vehicle Registration and Licensing Function
    - Vehicle licensing is a function of the Department of Transport and Public Works, but the Municipality renders this service as an agency for the Department.
    - Registering new, used or build-up vehicles (Different types of registration: Estates, home-build, build-up, and imported vehicles)
    - Do payments on license fees and RTMC fees for every vehicle registered and licensed.
  
  - **Learners- & Drivers Licensing Function**
    - Manage Licensing Booking System for Learners and Driver's license Tests:
      - Learners Licenses – Codes 1,2 and 3

- K53 Drivers Licenses – Codes A, A1, B, EB, C, C1 and EC
  - Do payments on learners and driver’s license test application on NaTIS System
  - Renewal or replacement of Divers License Cards
  - Renewal of Professional Driver’s License Permits (PRDP)
  - Issue Learners Licenses - Passed their test
  - Issue Drivers Licenses - Passed their K53 Test
  - Record learners and driver’s license test failed
  - Issue temporary drivers’ licenses
- **Roadworthiness Function**
  - Payment on NaTIS for application of VTS
  - Recording of vehicle roadworthy test results on NaTIS
  - Vehicle Fitness Testing Grade A - Test All classes of vehicles
  - Issue discontinues notices – Vehicles found with more than six defects
  - Re- testing within 14 days of original test date
  - Pass - issue Roadworthy Certificate
  - Fail - Chassis defects
  - All transactions done must be done on NaTIS and manual testing
  - Vehicle fitness for scholar transport vehicles
- **Traffic Fines**
  - Managing traffic fines by processing it on internal systems, which ensure that all processes are followed
  - Payment of Traffic Fines
  - Adjudication of traffic speed fines
  - Court process (Printing of Court Roll / Register)
  - Update court register
  - NaTIS Block on outstanding Warrants of Traffic Fines
  - Issuing and maintaining of warrants of arrest
  - Handling of fines representation
  - Give feedback on outcome to offenders
- **Public Transport Function**
  - Receive request for comments from the Transportation Board
  - Provide direction on operation licence applications
  - Inspection of identification marks of vehicles
  - Assist Western Cape Education Department with vehicle fitness for scholar transport vehicles
  - Public Transport Route identification for Public Transport Routes – awarding of Route Permits on the issue of operating licenses.
- **Service delivery highlights for 2020/21**
  - Managed a co-ordinated response to the Covid -19 Pandemic National Disaster.
  - Upgrading of the licensing facility.

- The DLTC facilities had an interior upgrade during this financial year. The reception area is improved by adding a waiting room with seating capacity and the Live Enrolment Units (LEU) is now moved into the same area. Completing all licensing applications eye testing, taking photos and fingerprints for the different driver's licence functions, card processing and clearances for Professional Driving Permits is part of a one stop waiting area with immediate access to the NaTIS Cashiers to process and pay your application for completion. The department also has two Satellite Offices one in Struisbaai and one in Napier where vehicle license renewal transactions can be done.
- The new electronic vehicle license renewal function was also introduced which is available on the municipal website and EFT payment system. This helps ease the license renewal process.
- More office space is also available for the Examiner of Vehicles within the Roadworthy Pit Area to improve his performance and save time with updating the national system with the outcome of every test.
- The different operational enforcement functions also received a small office to improve their administration management and work more focused with planning and liaison with staff members on a professional level.
- **Traffic and Law enforcement**
  - The law enforcement function was also enlarging by expending the services to Napier and Struisbaai with permanent appointment with a Law Enforcement Officer in each town. These officers receive their instructions from the Protection Services Department in Bredasdorp but work and stay in the respective towns.  
The Traffic function upgrade on of their operational vehicles which was budgeted for in the 2020/2021 financial year.
- **Animal Control**
  - The Animal Control Unit conducted eight (8) sterilization projects in the CAM area for cats and dogs in co-operation with local municipality, Animal Anti Cruelty League (AACL) and Enviro Vet CVC. The program drive was in different towns: Bredasdorp, Napier, Struisbaai, Aniston, Elim, Klipdale and Proteem a total number of four hundred and ninety-six (496) sterilization was executed.
  - The department handled three (3) Deworming, Tick and Flea Campaigns in Arniston, Elim and Zwelitsha Bredasdorp.
  - During the COVID19 lockdown the Animal Control Unit had several food drives to assist animal owners in the less fortunate communities to ensure that animals do not starve from hunger. Owners of dogs and cats was issued weekly with food to feed their pets. Forty-eight (48) upcoming pig farmers was assisted with funding by Department of Agriculture in the form of food coupons to ensure that their animals have food during the pandemic period.
- **Service delivery challenges for 2020/21**
- **Safety and Security Challenges**
  - 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.

More law enforcement officers are needed during the holiday season to assist with the large numbers of holidaymakers and vehicles within our coastal towns.

- The need to have more Traffic and Law Enforcement Officers arise due to the increase of permanent residents
  
- Licensing Section Challenges
  - Need to appoint another Grade A: K53 Examiner of Driver’s Licenses to increase the number of driver’s and learner’s tests per day.
  
- Law enforcement - Animal Control
  - A fully functional pound is needed for all types of animals.
  - Staff shortages, need to have another two (2) assistant animal control officers to ensure that service delivery regarding animals is attend to in the less fortunate communities in all nine towns on a weekly basis.

**b) Service statistics**

**TABLE 134 TRAFFIC SERVICES AND LAW ENFORCEMENT AVAILABILITY**

DETAIL	2019/20	2020/21
Number of Traffic and Law Enforcement Officers in the field on an average day	32	32
Number of Traffic and Law Enforcement Officers on duty on an average day	36	36
Number of EPWP Law Enforcement Officers in the field on an average day	23	23
Number of K53 Examiners of Drivers Licenses and Examiners of Vehicles on duty on an average day	4	4

**TABLE 135 TRAFFIC SERVICES AND LAW ENFORCEMENT SERVICE STATISTICS**

SERVICE	DESCRIPTION	2019/20	2020/21
<b>Traffic</b>	Number of road traffic accidents during the year	224	224
	Fines issued for traffic offenses	22349	6039
	R-value of fines	4430050.00	2645550.00
	Roadblocks held	112 (COVID 19 Fix Roadblocks 24/7)	271
	Special Functions – Escorts	49 (COVID 19)	16
<b>Law enforcement</b>	Awareness initiatives on public safety	2	2
	Number of by-law infringements attended to	760	1026
	Animals impounded	31	52
	Number of Animals handled	1609	1972
<b>Licensing</b>	Motor vehicle licenses processed and registration	12339	63170
	Learner driver licenses processed and issued	271861	8672
	Driver licenses processed	2112	13441
	Driver licenses issued	2719	2466

**c) Human resources**

TABLE 136 EMPLOYEES: TRAFFIC AND LAW ENFORCEMENT

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	2	1	1	0	0%
4 to 8	0	3	2	1	33%
9 to 13	22	22	18	4	18%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>25</b>	<b>27</b>	<b>22</b>	<b>5</b>	<b>19%</b>

**d) Financial performance: Capital expenditure**

TABLE 137 CAPITAL EXPENDITURE: TRAFFIC AND LAW ENFORCEMENT AND LICENCING

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Furniture & Office Equipment: Drawers Filing Cabinet (L/L &	4 000,00	-	4 000,00	22 205,00	455%
Furniture & Office Equipment: 20 Chairs & 20 Tables (replace	20 000,00	-	20 000,00	-	-100%
Furniture & Office Equipment: Cordless answer set	1 600,00	-	1 600,00	-	-100%
Furniture & Office Equipment: 10L URN	5 000,00	-4 000,00	1 000,00	925,22	-7%
Buildings: Pay / Enquiry Points: Renovation -Reception Area	100 000,00	2 000,00	102 000,00	102 380,00	0%
Furniture & Office Equipment: Note Counter	5 000,00	-700,00	4 300,00	2 682,58	-38%
Machinery & Equipment: Two Way Radios	25 000,00	-500,00	24 500,00	24 480,00	0%
Machinery & Equipment: Hydraulic Play Detector plates	130 000,00	-130 000,00	-	-	-
Community Asset: Renovating Vehicle Testing Area	35 000,00	-	35 000,00	35 000,00	0%
<b>TOTAL</b>	<b>325 600,00</b>	<b>-133 200,00</b>	<b>192 400,00</b>	<b>187 672,80</b>	<b>-2%</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 report to the Provincial and National Disaster Management Centres on the activities occurring during the 2020/21 financial year, the following was reported:

### **Fires**

A total of seventeen informal settlement structures burned down during the 2020/21 financial year. Most of the fires occurred in the Zwelitsha Informal Settlement area in Bredasdorp. All three Informal Settlement areas Struisbaai North (Ou Kamp), Napier Informal area and Bredasdorp (Zwelitsha / Polla Park) suffered the loss of their structures, household items, food, and clothing due to fires.

All the affected households were assisted through the Cape Agulhas Municipalities Disaster Management function where social assistance in the form of food and clothing to the amount of R1000.00 was provided to them and where needed structure material as a starter kit to rebuild their structure again.

**TABLE 138 HOUSE FIRES**

DATE	TOWN	TYPE OF HOUSE	NUMBER AFFECTED
14/ 07/2020	Struisbaai North	Structure	3
07/08/ 2020	Bredasdorp	Caravan	2
11/08/2020	Struisbaai North	House	2
25/09/2020	Arniston	House	2
03/09/2020	Bredasdorp	House	8 households
28/11/2020	Bredasdorp	Structure	1
27/01/2021	Bredasdorp	Structure	2
02/02/2021	Bredasdorp	Structure	2
12/03/2021	Napier	Structure	3
15/03/2021	Struisbaai North	Structure	2
12/03/2021	Napier	Structure	3
29/03/2021	Bredasdorp	Structure	1
07/06/2021	Bredasdorp	House	2
11/06/2021	Bredasdorp	House	3
<b>TOTAL</b>			<b>36</b>

### **Rain /Floods**

A flood disaster started on 5 May 2021, followed by intermittent heavy rains until 15 May 2021, which aggravated the situation and made mop up operations challenging. The primary cause of the flood disaster was the extreme climatic event included cold, high volumes of rain, hail and strong winds.

The secondary cause is the inability of the existing stormwater infrastructure to handle the excessive rainfall. This was particularly the case in Struisbaai North which is extremely flat. Run off was too slow during the flash flood, and the wetland on the property of Langezandt became saturated, causing water to accumulate in the streets of Struisbaai-North and subsequent flooding of private property. The location of the Ou Kamp informal Settlement in Struisbaai also played a role.

The whole municipal area was affected by the flood. The following table provides a summary of how different towns were affected. This is followed by a social, infrastructural, and economic impact assessment.

TABLE 139 AFFECTED TOWNS

WARD	TOWN	DESCRIPTION AND EXTENT
1	Napier	Minor damage to gravel roads
1	Elim	Some houses were flooded and there was significant damage to gravel roads. This is private property.
2	Klipdale	The flood isolated the town and the whole of the informal settlement was flooded. Klipdale could only be accessed via the Napier Road.
2,3,4,6	Bredasdorp	Damage to roads in and flooding of shacks in Zwelitsha informal settlement.
4	Protem	Access to Protem was limited as the R317 was closed and access could only be obtained via the Napier Road.
5	Struisbaai, L'Agulhas & Suiderstrand	Private properties bore the brunt of the damage. Damage was reported as follows: <ul style="list-style-type: none"> <li>o Struisbaai North: 6<sup>th</sup> Avenue and Iris Street</li> <li>o Struisbaai: Freesia Street, Malvern Drive and Oceanview Drive</li> <li>o L'Agulhas: Melkbos Street</li> <li>o Suiderstrand: Minor damage to gravel roads</li> </ul> <p>The caretakers house at the Agulhas Caravan Park and chalets at the Struisbaai Caravan Parks were flooded.</p> <p>Access ramps from the Caravan Park to the sea were damaged.</p>
6	Arniston	Lower area of the Main Road and 5 <sup>th</sup> Avenue were flooded, but no damage occurred.

TABLE 140 SOCIAL IMPACT

WARD	TOWN	DESCRIPTION AND EXTENT
1	Napier	No households were displaced in Napier. Fifty gum last black plastic sheets were distributed to affected households.
1	Elim	o No households were displaced or severely affected in Elim.
2	Klipdale	o Thirty-one households received blankets, mattresses and gum last black plastic sheets.
2,3,4,6	Bredasdorp	o <b>Ward 2:</b> Two houses were flooded, and 18 houses received gum last black plastic sheets.
		o <b>Ward 3:</b> Twenty households were affected by the flood. The municipality arranged for alternative accommodation, but the families did not want to leave their houses, because they were afraid that they would be robbed. Thirty- one gum last black plastic sheets were distributed in the ward.
		o <b>Ward 4:</b> No households were displaced. Two flats were flooded and sand- bags were provided to prevent further flooding. Forty gum last black plastic sheets were distributed.
4	Protem	o No households were displaced.

WARD	TOWN	DESCRIPTION AND EXTENT
5	Struisbaai, L'Agulhas & Suiderstrand	<ul style="list-style-type: none"> <li>○ Sixty- one (61) people were displaced in Struisbaai North due to the flood. This total also includes six (6) families from the Renosterkop farm. Seven (7) families were displaced and were accommodated at the Struisbaai North and Struisbaai South caravan parks. The families at the Struisbaai South caravan park were accommodated for six days. The two (2) families from the "Ou Kamp" informal settlement are still accommodated at the Struisbaai North caravan park. 298 affected households received blankets, mattresses, food and gum last black plastic.</li> <li>○ The Ou kamp Informal Settlement was totally flooded, shacks were full of water, the municipality was called in to pump out water within the Informal Settlement.</li> <li>○ Private homes as well as furniture, bedding and appliances was damaged due to the floods. This mainly occurred in Struisbaai.</li> </ul>
6	Arniston	<ul style="list-style-type: none"> <li>○ Arniston - No households were displaced. 55 gum last plastic were distributed.</li> </ul>

In addition, schools in Struisbaai and L'Agulhas were closed and learners from these areas could not attend schools in Bredasdorp due to road closures and busses that did not run because of dangerous road conditions.

#### **Humanitarian Relief**

- Assessments for humanitarian relief were done by the Municipality and incident reports submitted to the department of Social Development.
- All humanitarian relief received to date was generously provided by the private sector. Gift of the Givers provided food parcels and groceries to the affected communities as well as food donations to two NPO's in Struisbaai. The South African Red Cross Society provided 110 blankets, 200 mattresses, tents, etc and Islamic Relief SA provided 400 food parcels.
- A total of 588 pieces (6m x 3m in size) black plastic gum last sails were provided by the Municipality and SANPARKS assisted with sealing of the houses.
- Local businesses and individuals were very enthusiastic to assist and contributed blankets and food. Trolleys were placed at shopping centres where people could donate food and other supplies.
- The soup kitchens in the respective towns provided food to the affected communities during the flood.
- The Municipality established a flood disaster fund to which contributions could be made.
- The Community Works Programme also assisted the Municipality.

#### **COVID-19 Lockdown**

During March 2020 COVID-19, was contracted in South Africa. The President of South Africa declared a nation-wide lock down in South Africa on Monday 23 March 2020. Cape Agulhas Municipal Disaster Management had to improvise and play a coordinating role to the Declared National Disaster and put the necessary actions in place to ensure control and respond to the emergency.

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



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

The Lockdown was on Level 3 as of 30 June 2021 and CAM Disaster Manager report daily on the Disaster Management Regulations and the virus situation at hand to the Overberg District Disaster Management Centre.

**b) Service statistics**

**TABLE 141 SOCIAL ASSISTANCE PROVISION STATISTICS**

SOCIAL ASSISTANCE DESCRIPTION	2019/20	2020/21
Total number of families assisted during disasters / incidents	275	624
Number of people receiving social assistance	27	81
Number of people receiving assistance with accommodation	5	64
Number people receiving assistance with structure material after fires	12	58
Number people receiving assistance with plastic sheeting to mitigate leaking structures	248	588

**3.12.3 FIRE SERVICES**

**a) Introduction to fire services**

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

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

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

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

### 3.13 COMPONENT G: SPORT AND RECREATION

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

#### a) Introduction to sport and recreation

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

#### ▪ Service delivery highlights for 2020/21

- Outdoor gyms in all wards

#### ▪ Service delivery challenges for 2020/21

- Vandalism and theft at all municipal buildings
- Security is a challenge at all municipal buildings

#### b) Service statistics

TABLE 142 SPORT AND RECREATION SERVICE STATISTICS

Type of service	2018/19	2019/20	2020/21
Number of parks with play park equipment	21	21	21
Number of wards with community parks	6	6	6
Number of visitors per annum	101 000	75 000	
R-value collected from visitation and/or accommodation fees	R6 766 721.99	R6 887 000.00	R4 750 470.28
Number of wards with sport fields	6	6	6
Number of sport associations utilizing sport fields	10	11	8
Number of wards with community halls	6	6	6
Number of sport associations utilizing community halls	11	1	0
R-value collected from rental of sport halls	R138 281,57	R160 700.00	R15 328.05

#### c) Human resources

TABLE 143 EMPLOYEES: SPORT AND RECREATION

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
o to 3	8	10	10	0	0%
4 to 8	28	28	28	0	0%
9 to 13	17	16	16	0	0%

14 to 18	1	1	1	0	0%
<b>TOTAL</b>	54	55	55	0	0%

**d) Financial performance: Capital expenditure**

**TABLE 144 CAPITAL EXPENDITURE: SPORT AND RECREATION**

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Machinery & Equipment: Grass machine	165 000,00	-	165 000,00	141 300,00	-14%
Machinery & Equipment: Blower Mower & "Bossie slaner"	110 000,00	-11 000,00	99 000,00	99 000,00	0%
Machinery & Equipment: Weed eater (x2) Replacement	-	25 000,00	25 000,00	19 858,38	-21%
Machinery & Equipment: Chainsaw	-	7 800,00	7 800,00	7 734,78	-1%
Community Facility: Outdoors - Playpark - Outside gyms	300 000,00	-42 400,00	257 600,00	233 200,00	-9%
Community Facility: Outdoors - Goalpost nets - Zwelitsha	40 000,00	-4 100,00	35 900,00	35 880,00	0%
Community Facility: Outdoors - Construction Soccer Field (Napier)	1 200 000,00	-725 000,00	475 000,00	451 287,16	-5%
Community Facility: Outdoors - Soccer Field Napier (Grant)	-	725 000,00	725 000,00	738 555,00	2%
<b>TOTAL</b>	<b>1 815 000,00</b>	<b>-24 700,00</b>	<b>1 790 300,00</b>	<b>1 726 815,32</b>	<b>-4%</b>

### 3.14 COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

#### 3.14.1 EXECUTIVE AND COUNCIL

##### a) Introduction to Executive and Council

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

##### b) Human resources

TABLE 145 EMPLOYEES: EXECUTIVE AND COUNCIL

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	6	8	8	0	0%
9 to 13	12	11	11	0	0%
14 to 18	4	3	3	0	0%
<b>TOTAL</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>0</b>	<b>0%</b>

##### c) Financial performance: Capital expenditure

TABLE 146 CAPITAL EXPENDITURE: EXECUTIVE AND COUNCIL

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Open Spaces: Mosaic Panel at Parkview	-	36 850,00	36 850,00	36 842,00	0%
<b>TOTAL</b>	<b>-</b>	<b>36 850,00</b>	<b>36 850,00</b>	<b>36 842,00</b>	<b>0%</b>

#### 3.14.1.1 COUNCIL ADMINISTRATION

##### a) Introduction to Council administration

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

##### ▪ Property management

The Department manages municipal owned immovable property, excluding social/low-cost housing properties. This entails the management of the processes associated with the sale, buying and leasing of municipal immovable property as well as the administration of the valuation appeal board. The activities of this unit are

key to the financial viability of the Municipality. During the year under review, the municipality sold a few properties by tender and public auctions.

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

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

▪ **Record keeping and archiving**

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

▪ **Committee services**

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

**3.14.1.2 HUMAN RESOURCE AND ORGANISATIONAL DEVELOPMENT SERVICES**

**a) Introduction to Human Resource and Organisational Development Services**

The primary objective of the Human Resource Department is to render an innovative human resource service that addresses both human resource development and human resource administration. The activities of this section are detailed under Organisational Performance (Chapter 4).

▪ **Organisational development highlights for 2020/21**

- Employment Equity Plan for the period 2020-2025 which was approved on 29 September 2020
- Upskilling of the semiskilled & unskilled labour through the Recognition of Prior Learning (RPL) to create a skill pull within the organisation for succession.
- Increasing utilisation of the Anene Booysen Skills Centre through partnerships with private business and other Government departments.
- 28 EPWP Projects were implemented
- Fully functioning top management structure through innovation, attraction of scarce & critical skills and employment strategies.
- Timeous management of unsatisfactory behaviour led to sound labour relations in the workplace.
- We have trained 63% of unemployed learners compared to 57% of Employed employees however a balance was created through the allocation of Bursaries through the SETA's.

▪ **Organisational development challenges for 2020/21**

- Employment Equity targets are compromised due to scarcity of experienced candidates locally on core skills needed locally.
- Managing Performance, training of Managers, Middle and Junior Management completed and assessed and deemed compliant, upskilling of management on softer skills continues.
- Attracting and retaining Disabled workers a challenge in the area although in this financial year we attracted a Junior Management level disabled employee in the skilled technical Occupational Level achieved.
- In Occupational Health Safety we are still experiencing human behavioural challenges, more so during Covid-19 period.

**b) Human resources**

TABLE 147 EMPLOYEES: HUMAN RESOURCES

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	3	2	1	1	50%
9 to 13	14	10	10	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	<b>18</b>	<b>13</b>	<b>12</b>	<b>1</b>	<b>8%</b>

**c) Financial performance: Capital expenditure**

None

**3.14.2 FINANCIAL SERVICES**

**a) Introduction to financial services**

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

**b) Human resources**

**TABLE 148 EMPLOYEES: FINANCE**

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
o to 3	0	0	0	0	0%
4 to 8	12	12	11	1	8%
9 to 13	29	30	30	0	0%
14 to 18	4	4	4	0	0%
<b>TOTAL</b>	45	46	45	1	2%

**c) Financial performance: Capital expenditure**

None

**3.14.3 INFORMATION COMMUNICATION TECHNOLOGY**

**a) Introduction to Information Communication Technology**

Business as usual was the slogan for ICT during 2020/2021.

In the Annual report of 2018 / 2019 and 2019/2020, we mentioned that the Council of Cape Agulhas Municipality, approved a Smart City Strategy, a 20-year strategy, to contribute getting citizens involved in the working of the Municipality. This took up quite some time of this division and ensured that the eventfulness as mentioned above, kept us on our toes, but we will elaborate on this later in this section.

Over the last 2 financial years, a lot of focus was on Cyber Security and then Covid-19 and its related aftereffects came to be.

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

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

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

As Microsoft 365 was rolled out to all users by end of June 2020, the focus now shifted to additional security measures as it became clear at the beginning of the financial year that most users will continue working from home not only then, but the probability of this happening in the coming year is also very likely.

Integration of onsite and Cloud authentication, the next focal point and enabling security measures to further protect both environments was as prudent as focusing on the users themselves.

During this year we continued our user centric security focus by means of Cyber Security awareness training. This program ran over a period of 12 months where users got trained, tested, and subjected to real life experiences in order to make them aware of cyber risks and the impact thereof.

Due to the limitations of people being able to attend meetings, more than the allowed count per venue, we continued with live streaming events such as Council meetings, Municipal Planning Tribunals and other such as Youth Day events.

The Town Planning and Building Control departments now also allows the public to now submit building plans and Town planning applications electronically. <https://ovvio.capeagulhas.gov.za/ovvio>.

From 1 July 2020 the Protection of Personal Information Act or better known as the POPI act came into effect. Municipalities needed to fully comply to this act by 1 July 2021 and all efforts were made to achieve this. A lot of focus was given to ICT's readiness in terms of safeguarding Personal Information, and subsequently a readiness assessment was concluded in May 2021. The mitigating controls was budget for and will be implemented during the first 2 months of the coming financial year. These additional controls are to further provide surety and accountability to ratepayers that the Municipality did everything possible to reasonably safeguard the information of not only ratepayers but all electronic data in the organization.

## **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.

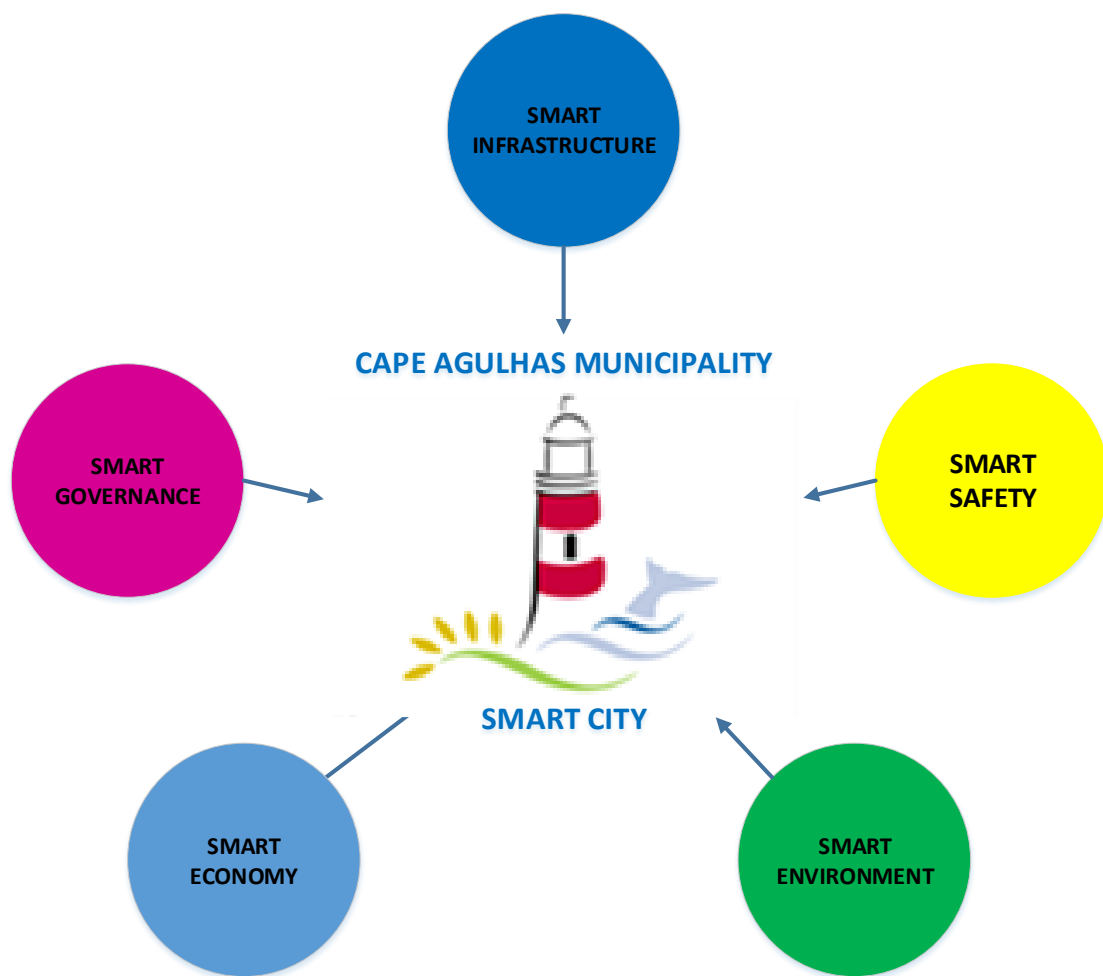


Expected outcomes to achieve through this process are to ensure that better services are available to the communities we serve, as well as potential investors who want to invest in our Municipal Area. We also want to improve the management and utilization of our resources to the point where we always 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 16 SMART CITY INITIATIVES



As per the previous years, Business plans was submitted to fund some of the projects identified by the Municipality. Although a few additional camera sites were identified, the big focus area for the Smart City roadmap in the 2020 / 2021 financial year was on water infrastructure.

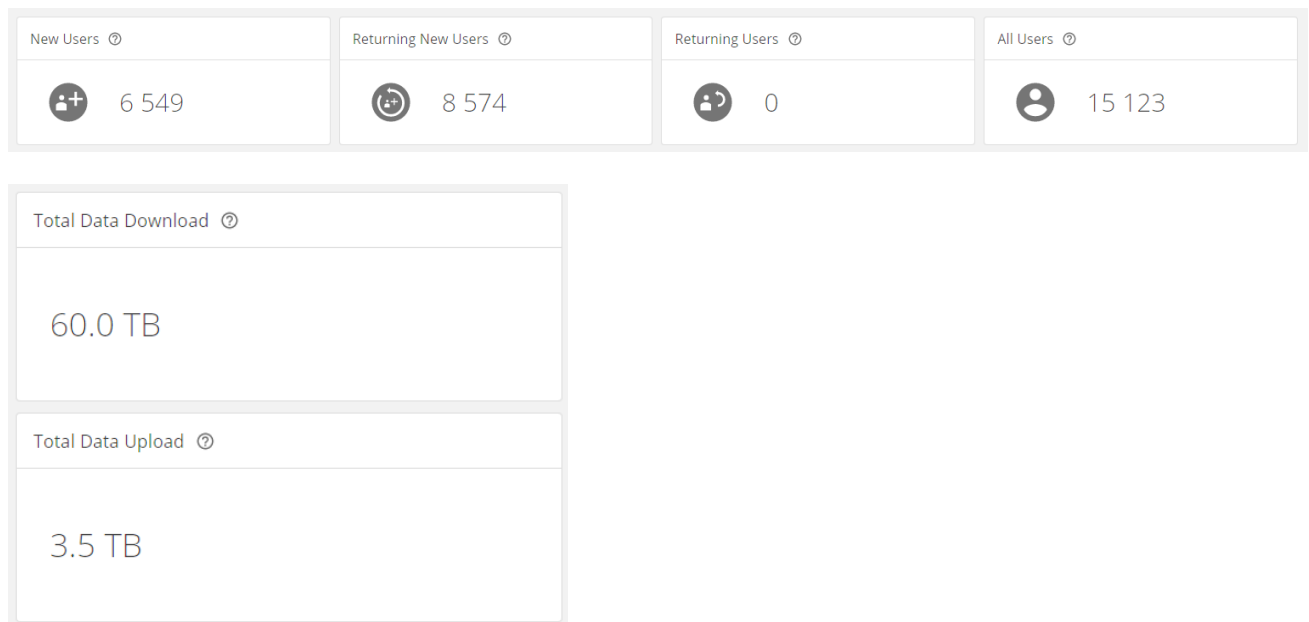
Although the estimated budget for the Smart City Project in the 2020 / 2021 book year were R 3 500 000, Council only approved R 2000 000 due to other fundamental projects, so we will be adjusting our implementation plan accordingly to make provision for the reduced funding.

**Public Wi-Fi and CCTV cameras**

The second phase of the Smart City project has been completed. 41 Cameras with 64 views and 15 Access Points is now installed and functioning.

The Access Points utilization drop during Covid-19 peak times as these Wi-Fi hotspots was disabled to reduce the risk of a lot of people getting together at a single site. As the year progressed and lockdown levels were reduced, we gradually opened these hotspots again.

**FIGURE 17 WIFI USERS**



Over the 12-month period 1 July 2020 to 30 June 2021, 15 123 devices accessed the Free public Wi-Fi. The public downloaded 60TB of data during this period. If one were to quantify this in terms of apparent cell phone data sales at a conservative R 115 per GB it equates to **R 7 065 600**.

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

**TABLE 149 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

SITE / TOWN	DEVICE	QTY	WARD	TOWN
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	2	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	3	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.

During this year the Municipal Council also approved a CCTV policy that enabled these engagements between the Municipality and local law enforcement agencies.

### Operations centre (ODM)

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

By the end of the previous financial year, they were already fully functional in terms of the video monitoring and the implementation of the Cape Agulhas Municipality after hours support centre at this centre also went live for service requests.

### Boreholes / Ground water intervention project

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

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

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

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

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

In addition, a project to monitor water levels of dam also kicked off and was concluded which now gives us the ability to monitor all water sources within the Cape Agulhas Municipal area.

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 150 BOREHOLE / RESERVOIR MONITORING SITES**

<b>Boreholes</b>				
<b>BD3</b>	1	1	1	1
<b>BD7</b>	1	1	1	1
<b>BD10</b>	1	1	1	1
<b>BD11</b>	1	1	1	1
<b>BD12</b>	1	1	1	1
<b>LA1</b>	1	1	1	1
<b>LA2</b>	1	1	1	1
<b>NA6</b>	1	1	1	1
<b>NA8</b>	1	1	1	1
<b>NA9</b>	1	1	1	1
<b>NA10</b>	1	1	1	1
<b>SB1</b>	1	1	1	1
<b>SB2</b>	1	1	1	1
<b>SB3</b>	1	1	1	1
<b>SB4</b>	1	1	1	1
<b>SB6</b>	1	1	1	1
<b>SB8</b>	1	1	1	1
<b>SS1</b>	1	1	1	1
<b>SS2</b>	1	1	1	1
<b>Reservoirs</b>				
<b>BD1</b>	1	1	1	
<b>BD2</b>	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	
<b>Dams</b>				
Sanddrif				1
Vleikloof				1

The coming financial years focus will be on completing the last boreholes in Bredasdorp, Napier and Arniston / Waenhuiskrans. In addition to the monitoring of these water sources and storage facilities, the focus will also be on the control of these sites, the monitoring of bulk water infrastructure and on the water balance of towns in the Municipal area. 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.

#### **Public Engagement Application (APP)**

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

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

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

Engagements in the development of the App started and we hope to go live with the App for public use by September 2021.

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

**Conclusion**

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

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

▪ **Service delivery highlights for 2020/21**

- Cyber Security Awareness Training
- CCTV - Video Management System
- Public Wi-Fi in each Ward
- Ground water intervention project (IOT component)
- Microsoft 365 implementation
- Citizen engagement Applications (APP)

▪ **Service delivery challenges for 2020/21**

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

**b) Human resources**

TABLE 151 EMPLOYEES: ICT

JOB LEVEL	POSTS 2019/20	POSTS 2020/21	EMPLOYEES	VACANCIES	VACANCIES (%)
0 to 3	0	0	0	0	0%
4 to 8	0	0	0	0	0%
9 to 13	4	3	3	0	0%
14 to 18	1	1	1	0	0%
<b>TOTAL</b>	5	4	4	0	0%

## c) Financial performance: Capital expenditure

TABLE 152 CAPITAL EXPENDITURE: ICT

PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGETS	FULL YEAR TOTAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE %
Computer Equipment: New PC's	15 000,00	42 900,00	57 900,00	57 889,87	0%
Computer Equipment: New Laptops	55 500,00	-8 700,00	46 800,00	46 798,52	0%
Computer Equipment: Screens New	12 500,00	4 700,00	17 200,00	17 193,00	0%
Computer Equipment: UPS small (Offices)	10 000,00	-1 450,00	8 550,00	8 532,00	0%
Computer Equipment: Smart city project - IT Related Infrastructure	2 000 000,00	-150 000,00	1 850 000,00	1 849 469,30	0%
Computer Equipment: New Printers	-	14 400,00	14 400,00	14 365,22	0%
Intangible Assets: Software Vesta programs	-	225 000,00	225 000,00	220 704,00	-2%
Computer Equipment: NAS Device	-	150 000,00	150 000,00	149 224,00	-1%
Computer Equipment: Replacement PC's	225 000,00	-4 750,00	220 250,00	220 208,34	0%
Computer Equipment: Replacement Laptops	185 000,00	-9 400,00	175 600,00	175 566,36	0%
Computer Equipment: External HDD	8 400,00	-250,00	8 150,00	8 147,00	0%
Computer Equipment: Switch POE	75 000,00	-500,00	74 500,00	74 500,00	0%
Computer Equipment: Servers	220 000,00	-6 800,00	213 200,00	213 186,30	0%
Machinery & Equipment: Two Way Radios	14 000,00	10 600,00	24 600,00	24 574,50	0%
Machinery & Equipment: Plant and machinery - (Small tools)	2 300,00	-710,00	1 590,00	1 586,92	0%
Computer Equipment: Alarm system - PMB Lime works	-	17 500,00	17 500,00	17 436,00	0%
<b>TOTAL</b>	<b>2 822 700,00</b>	<b>282 540,00</b>	<b>3 105 240,00</b>	<b>3 099 381,33</b>	<b>0%</b>

**3.15 COMPONENT I: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES 2021/22**

This section provides an overview of the Municipalities Key Performance Indicators for the 2021/22 Financial Year.

**TABLE 153 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES PER KPA****3.15.1 NATIONAL KPA 1: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
TL2	Implement 87% of the RBAP for 2021/22 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	87.00%
TL8	Develop and implement an internal induction programme for new Councillors by 30 December 2021	Number of internal induction programmes conducted for new councillors	1
TL21	95% of the budget allocated for the implementation of the SMART CITY water monitoring project spent by 30 June	% of the financial years project budget spent	95.00%
TL31	95% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/Number of water samples tested)x100}	% of water samples compliant	95.00%
TL32	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	62.08%

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

REF	KPI NAME	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}	% of the personnel budget spent on training	1.00%



REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
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	Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management	1
TL6	Submit a revised essential services agreement for CAM to Council for approval that addresses pandemic conditions by 30 September 2021	Number of essential service agreements submitted	1

### 3.15.3 NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT

REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
TL3	Create FTE's through government expenditure with the EPWP by 30 June	Number of FTE's created	102
TL5	Develop a strategy to empower local entrepreneurs to participate in available economic opportunities by 30 December 2021.	Number of strategies 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

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

REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
TL16	The percentage of the municipality's capital budget spent by 30 June {(Actual amount spent on projects / Total amount budgeted for capital projects)X100}	% of the municipal capital budget spent	95.00%
TL17	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 Operating Revenue)	% Debt to Revenue	15.00%

REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
TL18	Financial viability measured in terms of the outstanding service debtors as at 30 June (Total outstanding service debtors/ revenue received for services) (Target is maximum))	% Service debtors to revenue	10.00%
TL19	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	1.50
TL20	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	96.00%
TL23	95% of the total approved management services capital budget spent by 30 June	% of management services budget spent	95.00%
TL27	95% of the roads and storm water capital budget spent by 30 June {(Actual expenditure divided by the total approved roads and stormwater capital budget) x 100}	% of roads and storm water capital budget spent	95.00%
TL28	95% of the approved refuse removal capital budget spent by 30 June{(Actual expenditure divided by the total approved refuse removal capital budget) x 100}	% of refuse removal capital budget spent	95.00%
TL29	95% of the approved water capital budget spent by 30 June {(Actual expenditure divided by the total approved water capital budget) x 100}	% of water capital budget spent	95.00%
TL30	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	20.00%

REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
TL34	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	8.00%
TL35	95% of the electricity capital budget spent by 30 June {(Actual expenditure divided by the total approved capital budget) x 100}	% of electricity capital budget spent	95.00%

### 3.15.5 NATIONAL KPA5: BASIC SERVICE DELIVERY

REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
TL7	95% of the available budget (grant) spent for the implementation of the RSEP Programme (Anene Booysen Urban Park) by 30 June	% of RSEP grant allocation for financial year spent	95.00%
TL9	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	9 149
TL10	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June	Number of formal residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas)	9 414
TL11	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	9 416
TL12	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	9 395

REF	KPI NAME	UNIT OF MEASUREMENT	ANNUAL TARGET
TL13	Provide 6kl free basic water per month to all formal households during the financial year	Number of formal Households receiving free basic water	9 149
TL14	Provide 50 kwh free basic electricity per month to registered indigent / poor households in terms of the equitable share requirements during the financial year	Number of registered indigent / poor households receiving free basic electricity in terms of Councils indigent policy	3 380
TL15	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	3 380
TL24	Revise the Human Settlement Plan, which includes the provision of serviced erven and submit to Council by 30 June	Revised Human Settlement Plan submitted to Council	1
TL25	Host an annual youth summit review for the Cape Agulhas Municipal Area by 30 March 2022.	Number of youth summit reviews held	1
TL26	Submit a CAM Community Safety Plan to Council for approval by 30 September 2021	Number of CAM Community Safety Plans submitted for approval	1
TL33	95% of the available budget for the upgrade of the Napier WWTW spent by 30 June	% of project allocation for financial year spent	95%
TL36	Register the Waste Material Recovery Site as a MIG Project by 30 June 2021	Number of Waste Material Recovery Site projects registered with MIG	1

## 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 impact of the Covid-19 pandemic on organizational development**

One of the most significant factors affecting organisational performance in the year under review was the ongoing Covid-19 pandemic and the associated state of disaster that was declared in response thereto with its myriad of ever- changing regulations. An introduction to this Chapter would not be complete without addressing this impact and our response.

In March 2020, National Government declared a state of disaster and declared a nationwide lockdown in response to the global Covid-19 pandemic that was rapidly spreading. Initially this was a three- week lockdown which has remained in place, with differing levels of restrictions.

Nobody anticipated a pandemic of this magnitude, or the effect it would have on communities and organizations. Cape Agulhas Municipality rose to the challenge of ensuring ongoing service delivery and good governance albeit in a different way.

Our functional Risk and Business Continuity Committees and Nationally Approved Essential Workers Agreement enabled us to navigate this changed work environment and respond to the anticipated effects of the pandemic.

The Municipality had to rapidly apply essential work arrangements to ensure continuous service delivery. The following emergency response was implemented with resources at our disposal:

- The Essential Workers Agreement is a National document approved by CAM. CAM was one of the few if not only Municipality that approved it. This ensured that we had a binding agreement signed by all three parties (CAM as Employer) and SAMWU and IMATU (Employees) that we could rely on. This agreement was extended to all departments, that would have to render services internally and externally to ensure that employees are paid salaries and EPWP Essential Job Creation Projects continue, according to COVID-19 directives and Protocols.
- Posters and COVID 19 awareness education regarding Covid-19, how it spreads and how to protect oneself and one's family was circulated and placed at strategic places in the organization. The Communication Unit circulated posters to the community at large.
- With little knowledge and available research at the time the Human Resources Team had to link with various municipalities to share information and formulate, Covid-19 Policy and Risk Assessment Documents which incorporate information from National and Provincial Government as well as the World Health Organization.

- The Risk Management Team and Compliance Officer appointed by the Municipal Manager, Divisional Head HR and Overberg District Municipality Chief Risk Officer worked virtually during the Lockdown to compile and ensure that these documents were approved by the Mayor.
- The Risk and Business Continuity Committees already compiled and approved the IT Business continuity Documents on how to continue working in the event of a disasters and were able to apply these to the pandemic. Challenges were experienced ensuring that incumbents of all critical positions could work from home. This was due to lack of remote working equipment resources. Senior Management and Middle Management were adequately resourced to cope.
- The Human Resource Occupational Health & Safety through its Safety Committees and Management played a vital role in ensuring that the work- place remained safe for both employees and public.

Despite challenges, the Municipality endeavored to achieve its Key Performance targets in terms of training. Some of its planned Infrastructure training targets were narrowly missed as artisan training was discontinued during some lockdown level due to closure of simulation training plants.

Employment equity targets and organizational performance targets in respect of recruitment and selection were achieved. Selection processes were conducted virtually, and interviews conducted in terms of Covid-19 protocols.

All labour relations cases were dealt with in the 2020/21 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 component work in collaboration and strive to achieve unity even when there is some disagreement about labour matters. We always endeavor to find a common ground.

The Extended Public Works Programme targets for creating fulltime equivalents through work opportunities were achieved in order to offer beneficiaries longer meaningful work. The Public Works Department awarded Cape Agulhas with a Law Enforcement training program, to ensure that training takes place whilst beneficiaries are active and are able to exit the programme with acquired skills. This is an ongoing request as more programmes will be sourced for the unemployed.

**TABLE 154 FINANCIAL IMPACT OF COVID-19 ON THE ORGANIZATION**

<b>COVID-19 IMPACT ON THE ORGANISATION MONETARY AND SERVICE DELIVERY CONSIDERATIONS</b>		
<b>Item</b>	<b>Target</b>	<b>Comments</b>
<b>Staff</b>	Essential staff and critical key staff	Fear of exposure to the virus Fear of infection
<b>Financial</b>	Entire workforce	Leave Overtime Salaries and wages paid whilst staff were at home
<b>Service Delivery</b>	Residents and external visitors to the Municipal Area	Community education about the virus Managing the Level 5-1 regulations & protocols
<b>Health</b>	Workforce	Training: Due to lack of knowledge Infection Control/Managing

		Health Protocols Education Quarantine & Isolation Fear of Contracting the Virus Workplace Covid-19 Education
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As the pandemic changes work trends, Human Resource leaders need to rethink workforce and employee planning, management, performance and experience strategies. The war is on for organizations to recruit, train and retain the right people and it is now time to create the best workplace for our employees.

▪ **Organisational development highlights for 2020/21**

- Upskilling of semiskilled and unskilled labour through the Recognition of Prior Learning (RPL) to create a skill pool within the organisation for succession.
- Increasing utilisation of Anene Booysen Skills Centre through partnerships with private business and other Government departments.
- We created 628 jobs (157 full time equivalents) during the financial year through the Expanded Public Works Programme
- Between 2014 and 2021, we appointed 63 EPWP workers on a permanent basis through our recruitment and selection processes.
- Decreased staff turn-over during 2020/21
- Increased recruiting/appointments in terms of female gender classification of 5.07% in terms of EE Plan 2020-2025.

▪ **Organisational development challenges for 2020/21**

- Lack of provision of mid-management positions in organisational structure
- Vertical/gender gaps in terms of compliance to the government’s Employment Equity Act.
- Training budget for 2020/21 not fully utilised due to the national pandemic lockdown.
- Technical training interventions not fully implemented as they required practical components and face to face contact mode of deliveries which were halted due to lockdown regulations.

## 4.2 THE MUNICIPAL WORKFORCE

The Cape Agulhas Municipality currently employs 355 people (excluding the Municipal Manager and 3 Directors) with these positions included it is 359. 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 2020/21 Organisational Structure was approved by Council on 27 August 2020. The design of the Macro Structure was amended to respond 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, EEA9 Occupational Levels guides organisations on “ fair and equal pay for equal work of the same value”. The table below takes into consideration all types of grading systems that might be used to determine employee pay.

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

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

In 2020/21 Cape Agulhas Municipality and the SALGA Western Cape Provincial Audit Committee completed 27 Final Outcome Reports on processing Job descriptions for re-evaluation due to various reasons, such as additional functions, removal of functions and newly created position on the structure, it is very important that this takes place to determine the grading of the position, irrespective of the incumbent.

**TABLE 155 OCCUPATIONAL CATEGORIES, TASK LEVELS AND DESCRIPTIONS**

OCCUPATIONAL LEVELS	TASK LEVELS	DESCRIPTION
Top Management/ Executives	23-26	Controls the functional integration of the business. Determines the overall strategy and objectives of the business. Directs the company into the future. The nature of the work and focus is long-term. Sign-off on policy or strategy.



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

▪ **The Productivity Assessment**

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

A transfer of Skills Workshop was facilitated by Productivity South Africa to impart the skills needed to conduct productivity assessments internally to Managers and Senior Managers. Currently Senior Management and

Middle Managers are sufficiently skilled and knowledgeable to conduct the productivity assessments at their departments.

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#### **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. The time frame of this plan was increased from 3 years to 5 years to improve achievements in all occupational levels. 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 approved Employment Equity Plan 2017-2020 makes provision for targets by racial classification for the Top Three Levels of Management:

TABLE 156 PROGRESS REPORT I.T.O NUMERICAL GOALS FOR ALL EMPLOYEES, INCLUDING PEOPLE WITH DISABILITIES (OCCUPATIONAL LEVELS, RACE, GENDER AND FOREIGN NATIONALS) 2017-2020

Occupational Levels	TASK Numerical Targets and Goals – 2020-2025								Total Permanent	Vacancies	Total Posts
	Male				Female						
	A	C	I	W	A	C	I	W			
<b>Top Management</b>	1	4	0	3	1	3	0	1	14	1	15
<b>Goals: 2020 to 2025</b>	1	1 (1)		0	1						3 (2)
<b>Senior Management</b>	0	0	0	1	1	0	0	1	3	0	3
<b>Goals: 2020 to 2025</b>	1				0	1				0	2
<b>Professionally qualified</b>	1	9	0	9	0	3	0	1	23	1	24
<b>Goals: 2020 to 2025</b>	1	1		0	1	1		1			5 (4)
<b>Skilled technical</b>	6	56	0	10	6	43	0	14	135	9	144
<b>Goals: 2020 to 2025</b>	3	2		1	3	2		1			12
<b>Semi-skilled</b>	19	66	0	0	7	31	0	0	123	5	128
<b>Goals: 2020 to 2025</b>	3	3(1)			3	2					11 (9)
<b>Unskilled</b>	15	35	0		1	12	0	0	63	8	71
<b>Goals: 2020 to 2025</b>	8(3)	7(8)		0	3	3(2)					21(10)
<b>Total Permanent</b>	<b>41</b>	<b>171</b>	<b>0</b>	<b>24</b>	<b>16</b>	<b>92</b>	<b>0</b>	<b>16</b>	<b>361*</b>	<b>24*</b>	<b>385*</b>

Employment Equity Plan 2020-2025. Actuals reflect workforce inclusive of Councillors as at 1 July 2021

\*\*Figures applicable to date of approval of plan on 20 September 2020.

Achievements in all occupational levels according to the EE Plan timeframe:

- One target achieved on the top management level: coloured male
- One target achieved on the professional level: white female

- Two targets achieved: 11 goals on semi-skilled occupational level (1 coloured male and 1 coloured female – racial classification)
- Overachieved with 1 coloured male on unskilled occupational level
- Seven internal movements / promotions in terms of succession planning objectives.

#### 4.2.2 VACANCY RATE

The approved organogram for the Municipality had 369 funded posts of which 355 posts were filled as 30 June 2021. The Department of Public Service and Administration states that the public vacancy rate should be below 10%. The vacancy rate of Cape Agulhas Municipality is stable and remains within the acceptable norm. The vacancy rate of 3,79% for the 2020/21 financial year is therefore well below the norm.

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

TABLE 157 ANNUAL VACANCY RATE

PER POST LEVEL	2018/2019		2019/2020		2020/2021	
POST LEVEL	FILLED	VACANT	FILLED	VACANT	FILLED	VACANT
MM & MSA section 57 & 56 (Top Management)	3	1	4	0	4	0
Senior Management	3	0	2	1	3	0
Professionally qualified and experienced specialists and middle management	26	2	23	1	23	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	120	7	135	4	137	8
Semi-skilled and discretionary decision making	98	5	123	6	121	3
Unskilled and defined decision making	99	2	63	4	71	3
<b>TOTAL</b>	<b>347</b>	<b>17</b>	<b>346</b>	<b>16</b>	<b>359</b>	<b>14</b>

TABLE 158 VACANCY RATE PER DEPARTMENT

PER FUNCTIONAL LEVEL	2018/19		2019/2020		2020/2021	
FUNCTIONAL AREA	FILLED	VACANT	FILLED	VACANT	FILLED	VACANT
Office of the Municipal Manager	47	4	46	3	43	1
Financial Services	50	2	50	1	48	1

Management Services	97	3	97	4	98	5
Infrastructure Services	153	8	153	8	166	7
<b>TOTAL</b>	<b>347</b>	<b>17</b>	<b>346</b>	<b>16</b>	<b>355</b>	<b>14</b>

**TABLE 159 VACANCY RATE FROM MONTH TO MONTH**

MONTH	TOTAL FUNDED POSTS	FILLED POSTS	VACANCIES	% VACANCY RATE
July 2020	362	346	16	4.42
August 2020	362	346	16	4.42
September 2020	369	349	20	5,42
October 2020	369	356	13	3.52
November 2020	369	356	13	3.52
December 2020	369	356	13	3.52
January 2021	369	356	13	3.52
February 2021	369	355	14	3.79
March 2021	369	357	12	3.25
April 2021	369	356	13	3.52
May 2021	369	356	13	3.52
June 2021	369	355	14	3.79

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

**TABLE 160 VACANCY RATE HIGHEST LEVELS OF MANAGEMENT**

SALARY LEVEL	NUMBER OF CURRENT CRITICAL VACANCIES	NUMBER TOTAL POSTS AS PER ORGANOGRAM	VACANCY JOB TITLE	% VACANCIES (AS A PROPORTION OF TOTAL POSTS PER CATEGORY)
Municipal Manager	0	1	n/a	n/a
Chief Financial Officer	0	1	n/a	n/a
Other Section 57 Managers	0	2	n/a	n/a
Senior management	0	3	n/a	n/a
<b>TOTAL</b>	<b>0</b>	<b>7</b>	n/a	<b>0%</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 decreased from 2019/20 to 2020/21. Turnover is primarily due medical boarding, resignations due to better prospects, personal reasons and retirements. As a result, we are using strategies like staff progression and upskilling to close those gaps. We are now focusing on using our local skills pool to create stability within the Municipality.

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

**TABLE 161 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
2018/19	347	14	14	4.00%
2019/20	346	12	16	4.62%
2020/21	355	16	9	2.43%

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

The Community Work Programme is a government wide programme which requires the formation of partnership to support its implementation. The aim is to improve the quality of work and the outcomes of the programme within the Cape Agulhas Municipal area. CWP gave a variety of training interventions through the programme for their beneficiaries. They also had a few success stories of beneficiaries that were appointed permanent at organizations and that exited the programme.

Cape Agulhas Municipality continues to implement the Expanded Public Works Programme (EPWP), support and accommodate the Community Works Programme (CWP). Also creating employment through the Coastal Management Programme. In this financial year 2020/21, 28 EPWP Projects were implemented. Cape Agulhas Municipality's job opportunities target for the unemployed were as follows:

**TABLE 162 JOB OPPORTUNITIES CREATED THROUGH EPWP**

DESCRIPTION	TARGET	ACTUAL ACHIEVED	ACHIEVEMENT %
Job Opportunities	555	628	113%
Full time Equivalent	100	157	157%

Cape Agulhas Municipality was allocated a grant of R2 026 000.00 for the 2020/21 financial year. The Extended Public Works Program issued a District Annual Performance Report showing that the Municipality over -performed in terms of its Full Time Equivalent (FTE) with a percentage of 157% and Work Opportunities (WO) with a percentage of 113%. Cape Agulhas Municipality are commended for their full-time equivalent performance. Six EPWP beneficiaries were appointed permanently within 2020/21 financial year.

Cape Agulhas Municipality aims to create **2849** job opportunities for the next 5 years. Cape Agulhas was selected as the Top Performing EPWP Programmed for the 2020/21 financial year and created meaningful job opportunities. Although CAM cannot employ everybody, we have, as a collective, together with participating departments contributed and benefitted. This includes our own funded projects as well as grant funded projects.

### 4.3 MANAGING THE MUNICIPAL WORKFORCE

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

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

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

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

The Directors of Infrastructure, Management service and Finance, or his/her designee, 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 COVID 19 PANDEMIC

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

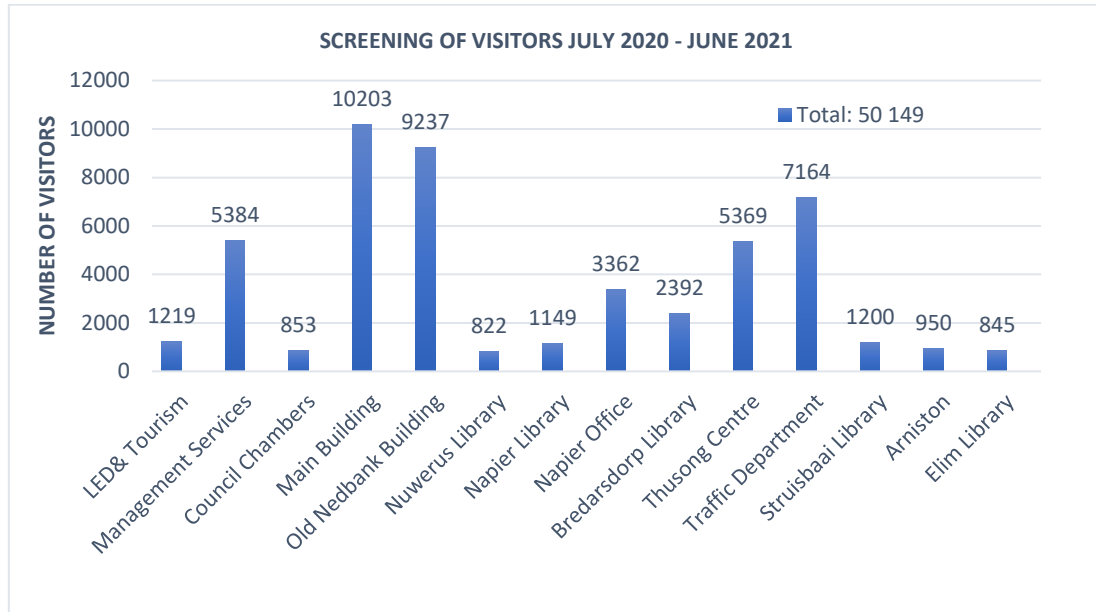
TABLE 163 CONFIRMED COVID 19 CASES

DEPARTMENT	NUMBER	RECOVERY CASES
Management services	8	Recovered
Finance department	4	Recovered
MM Office	2	Recovered
Infrastructure department	8	Recovered

▪ **Screening of workers / visitors**

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

**FIGURE 18 SCREENING OF VISITORS DURING 2020/21**



▪ **Decontamination of vehicles and equipment**

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

**4.3.1.2 INJURIES**

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

Section 35 prevents an employee who has been injured on duty to claim damages from the employer. An amendment was made whereby employee can now claim from the compensation commissioner. COIDA actually makes it easier for employees as they do not have to prove, *inter alia*, that the employer acted negligently (in other words not as a reasonable man) in order to claim compensation. The employee will however only be entitled to a fixed amount of compensation. All injuries and incidents must in terms of 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 health and safety induction that is being conducted on a monthly basis, especially with new employees, has led to a decrease of injuries on duty. Also, due to the Covid 19 lockdown, much of the workforce were at home for the period. The table below indicates the decrease and total number of injuries within the different directorates.

**TABLE 164 INJURIES ON DUTY**

DIRECTORATES	2018/19	2019/20	2020/21
Office of the Municipal Manager	2	5	1
Financial Services	3	3	4
Management Services	9	6	8
Infrastructure Services	28	19	4
<b>TOTAL</b>	<b>42</b>	<b>33</b>	<b>17</b>

The following table distinguishes between minor and major injuries for 2020/21. 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 165 INJURIES ON DUTY**

DIRECTORATES	MINOR INJURIES	MAJOR INJURIES.
Office of the Municipal Manager	1	0
Financial Services	4	0
Management Services	8	0
Infrastructure Services	4	0
<b>TOTAL</b>	<b>17</b>	<b>0</b>

The total rand value of injuries on duty for 2020/21 is R192 832.42

#### 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 **2020/21** financial year shows an overall **decrease**. The decrease can be attributed to Covid – 19 because of the necessary protocols put in place where the employees worked on a rotational basis. Most of our employees worked remotely and the management of sick leave became a priority.

The electronic leave management system (Employee Self Service) is used to ensure leave is accounted for in areas where it was previously difficult to obtain supporting documentation for leave reconciliations. This has enabled us to identify trends and improve leave management.

**TABLE 166 SICK LEAVE**

DEPARTMENT	2018/19	2019/20	2020/21
Office of the Municipal Manager	507	372.44	243.50
Financial Services	326	309.25	278
Management Services	1079	814.08	490.30
Infrastructure Services	931	735.62	530.75
<b>TOTAL</b>	<b>2843</b>	<b>2231.39</b>	<b>1542.55</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 2020/21.

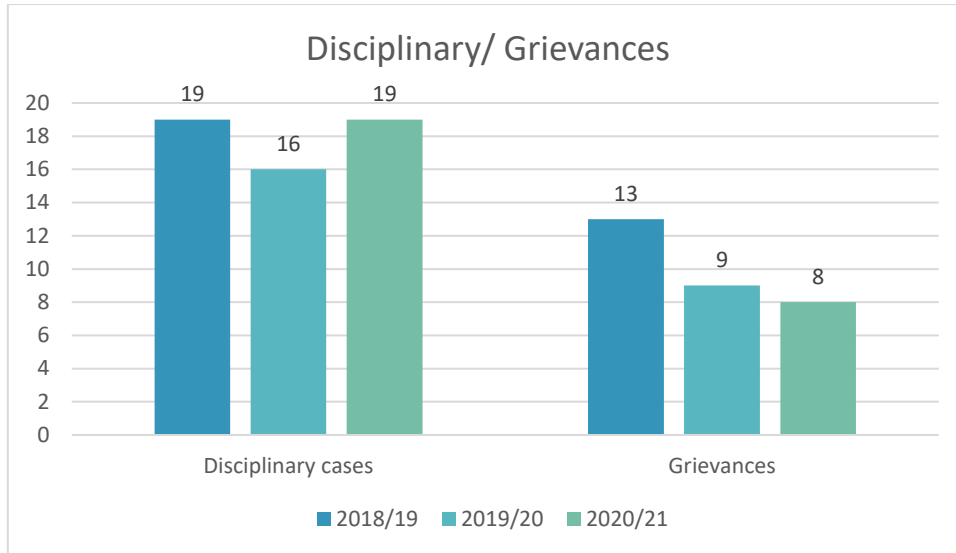
TABLE 167 LOCAL LABOUR FORUM

NAME OF REPRESENTATIVE	CAPACITY	MEETING DATES
E Phillips	Municipal Manager	23 July 2020
H Van Biljon	Director Financial Services and ICT	20 August 2020
A Jacobs	Director Infrastructure	17 September 2020
Z Tonisi	Councillor	15 October 2020
D Burger	Councillor	19 November 2020
M October	Councillor	18 February 2021
F Xinela	SAMWU	23 March 2021
C Ahrendse	SAMWU	15 April 2021
R Jansen	SAMWU	13 May 2021
S Hendricks	SAMWU	17 June 2021
S Graaff	IMATU	
S Murtz	IMATU	
The Divisional Head: HR and Organisational Development, and The Labour Relations Specialist participate in all Labour Forum meetings and play advisory role.		

#### 4.3.4 DISCIPLINARY CASES AND GRIEVANCES

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

FIGURE 19 DISCIPLINARY HEARINGS AND GRIEVANCES



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

#### 4.3.5 HUMAN RESOURCE POLICIES AND PLANS

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

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

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

TABLE 168 HUMAN RESOURCE POLICIES AND PLANS

POLICY	DATE APPROVED	SCHEDULED REVISION
--------	---------------	--------------------

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

#### 4.3.6 EMPLOYEE PERFORMANCE REWARDS

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

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

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

TABLE 169 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
	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 CAPACITATING THE MUNICIPAL WORKFORCE

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

The Municipality was able to implement its 2020/21 Workplace Skills Plan (WSP). Funding was received from the Local Government SETA and the Construction SETA in the form of learnerships and bursaries which were utilised for municipal employees and for unemployed youth of Cape Agulhas. The Local Government SETA also funded bursaries for Municipal employees to pursue local government related academic studies at all levels.

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

**TABLE 170 RPL PROGRAMME IN PARTNERSHIP WITH NORTHLINK COLLEGE**

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

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

**4.4.1 SKILLS MATRIX**

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

DEPARTMENT	TRAINING	INTERNAL / EXTERNAL	TOTAL	PURPOSE	SERVICE PROVIDER
Human resources	Learnership: Community Housebuilding NQF L2	External	18	Equip unemployed with Community Housebuilding skills	IETI / LGSETA
Human resources	Internship project	External	09	Cape Agulhas is the host employer for Interns to equip them with practical experience in different fields of studies.	Department Local Government (DLG) and Department of Economics Development and Tourism (DEDAT)
Various departments CAM & ODM	Advance Excel training	Internal	15 11	Ensuring cyber safety to employees	PST Training Solutions
Management Services	Law Enforcement/Peace Officer	External	25	Induction and placement of Chrysalis Academy placements of new recruits	Chrysalis Academy
Human resources	Early Childhood Development	External	26	Community base project	Boland College
Various	Adult Education and Training (AET)	Internal	7		Siyaphambili / LGSETA
Economic Development and Tourism	Dining with Locals Project	External	11	New Catering and Hospitality Hostesses	
Various	CAM Customer Relation and EQ Training	Internal	11		LORON Education and Sports Management
	<b>Total</b>		<b>133</b>		

**TABLE 171 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	2
	Male	7	1
MM and S57, snr Managers	Female	8	4
	Male	27	6
Professionals	Female	13	4
	Male	11	5
Technicians and Associate Professionals	Female	11	4
	Male	26	9
Clerical Support Workers	Female	39	2

MANAGEMENT LEVEL	GENDER	NUMBER OF EMPLOYEES IDENTIFIED FOR TRAINING AT START OF THE YEAR	NUMBER OF EMPLOYEES THAT RECEIVED TRAINING
	Male	7	3
Service and Sales Workers	Female	9	0
	Male	8	0
Skilled Agricultural, forestry, Fishery, Craft and related Trade workers	Female	2	0
	Male	6	0
Plant and Machine Operators and Assemblers	Female	0	0
	Male	49	14
Elementary Occupations	Female	10	1
	Male	49	11
<b>Sub total</b>	<b>Female</b>	<b>95</b>	<b>17</b>
	<b>Male</b>	<b>190</b>	<b>49</b>
<b>Total</b>		<b>285</b>	<b>66</b>

#### 4.4.2 SKILLS DEVELOPMENT

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

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

TABLE 172 SKILLS DEVELOPMENT

OCCUPATIONAL CATEGORY	GENDER	EMPLOYEE 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	4	0	0	0	0	0	0	0	3	2	3	2	0	0
	Male	7	0	0	0	0	0	0	0	7	1	7	1	0	0
MM and S57, Snr Managers	Female	8	0	0	0	7	2	0	0	13	4	8	4	10	2
	Male	30	1	2	0	6	8	1	1	53	5	27	6	10	0
Professionals	Female	16	0	1	0	2	1	0	1	6	4	13	4	46	17
	Male	13	3	2	0	3	4	1	0	11	5	11	5	40	5
Technicians and Associate Professionals	Female	18	4	1	1	3	3	1	0	7	2	11	4	12	0
	Male	29	3	5	3	12	4	4	0	19	4	26	9	13	2
Clerical Support and Workers	Female	33	1	2	0	22	7	1	0	11	1	39	2	0	0



CAPE AGULHAS MUNICIPALITY ANNUAL PERFORMANCE REPORT 2020/21

	Male	9	0	0	0	2	1	1	0	4	3	7	3	0	0
Services and Sales	Female	12	1	0	0	0	5	0	0	7	0	9	0	10	0
	Male	8	0	0	0	1	4	0	0	3	0	8	0	10	0
Skilled Agricultural, forestry, Fishery, Craft and related Trade workers	Female	2	0	0	0	0	0	0	0	2	0	2	0	40	0
	Male	8	0	1	0	3	0	0	0	4	0	6	0	45	0
Plant and Machine Operators and Assemblers	Female	4	0	0	0	0	0	0	0	0	0	0	0	10	0
	Male	68	2	19	0	17	1	7	0	35	5	49	14	10	0
Elementary	Female	29	0	2	0	1	1	0	0	1	0	10	1	10	11
	Male	81	0	15	0	11	5	9	0	27	0	49	11	10	7
<b>TOTAL</b>	<b>Male</b>	<b>253</b>	<b>9</b>	<b>44</b>	<b>3</b>	<b>55</b>	<b>27</b>	<b>23</b>	<b>1</b>	<b>163</b>	<b>23</b>	<b>190</b>	<b>49</b>	<b>138</b>	<b>14</b>
	<b>Female</b>	<b>126</b>	<b>6</b>	<b>6</b>	<b>1</b>	<b>35</b>	<b>19</b>	<b>2</b>	<b>1</b>	<b>50</b>	<b>13</b>	<b>95</b>	<b>17</b>	<b>138</b>	<b>30</b>
<b>TOTAL</b>		<b>379</b>	<b>15</b>	<b>50</b>	<b>4</b>	<b>90</b>	<b>46</b>	<b>25</b>	<b>2</b>	<b>213</b>	<b>36</b>	<b>285</b>	<b>66</b>	<b>276</b>	<b>44</b>

We have trained 63% of unemployed learners compared to 57% of Employed employees however a balance was created through the allocation of Bursaries through the SETA's.

#### Gender Mainstreaming in terms of skills development

The above table also illustrates how many employees have been given training opportunities, by gender. Out of the employees identified for training in 2020/21 financial year 33% were females and 67% were males. The above statistics show that more male employees than female employees received training opportunities.

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

**TABLE 173 TRAINING IN TERMS OF GENDER**

OCCUPATIONAL CATEGORY	GENDER	PERCENTAGE
Top Management	males	63%
	females	37%
Middle Management	males	35%
	females	65%
Lower Management	males	82%
	females	18%

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

#### 4.4.3 MFMA COMPETENCIES

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

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcome based NQF Level 6 qualification in Municipal Finance Management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 in terms of Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

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

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

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

**TABLE 174 FINANCIAL COMPETENCY DEVELOPMENT PROGRESS REPORT**

DESCRIPTION	A. TOTAL NUMBER OF OFFICIALS EMPLOYED BY MUNICIPALITY (REGULATION 14(4)(A) AND (C))	B. TOTAL NUMBER OF OFFICIALS EMPLOYED BY MUNICIPAL ENTITIES (REGULATION 14(4)(A) AND (C))	CONSOLIDATED: TOTAL OF A AND B	CONSOLIDATED: COMPETENCY ASSESSMENTS COMPLETED FOR A AND B (REGULATION 14(4)(B) AND (D))	CONSOLIDATED: TOTAL NUMBER OF OFFICIALS WHOSE PERFORMANCE AGREEMENTS COMPLY WITH REGULATION 16 (REGULATION 14(4)(F))	CONSOLIDATED: TOTAL NUMBER OF OFFICIALS THAT MEET PRESCRIBED COMPETENCY LEVELS (REGULATION 14(4)(E))
<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	44	0	44	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
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**4.4.4 SKILLS DEVELOPMENT – BUDGET ALLOCATION**

A personnel budget of R149 246 586 was allocated for the 2020/21 financial year of which R886 497.79 was spent on training. Mandatory Grants received during the 2020/21 financial year from the Local Government Seta were located towards the Municipalities internal training budget.

**TABLE 175 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT**

YEAR	TOTAL OPERATIONAL BUDGET	TOTAL SPENT	% SPENT
<b>2019/20</b>	139 510 700.00	1 127 477,85	0.81%
<b>2020/21</b>	149 246 586.00	886 497.79	0.59%

#### 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 176 TOTAL PERSONNEL EXPENDITURE

FINANCIAL YEAR	TOTAL EXPENDITURE SALARY AND ALLOWANCES R'000	TOTAL OPERATING EXPENDITURE R'000	PERCENTAGE %
2018/19	125,207	316,923	39,50
2019/20	137,233	342,300	40,09
2020/21	149, 418, 095	366, 136, 502	40.8

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 177 DETAIL OF PERSONNEL EXPENDITURE

FINANCIAL YEAR	2020/21			
DESCRIPTION	ACTUAL R'000	ORIGINAL BUDGET R'000	ADJUSTED BUDGET R'000	ACTUAL R'000
<b>Councillors (Political Office Bearers plus Other)</b>				
Salary	3,252	3,599	3,599	3,306
Pension contributions	558	693	693	511
Medical aid contributions	41	60	60	35
Motor vehicle allowance	1,291	1,193	1,193	1,283
Cell phone allowance	488	488	488	488
Other allowance				
Sub Total	<b>5,631</b>	<b>6,034</b>	<b>6,034</b>	<b>5,625</b>
% increase/ (decrease)	0.11%			
<b>Key Personnel</b>				
Basic salaries and wages	4,537	3,593	3,593	4,287
Pension and medical aid and UIF contributions	7	342	342	100
Motor vehicle allowance	252			283
Cell phone allowance	64			64
Housing allowance				
Performance bonus	352	312	312	440
Other benefits or allowances	184	511	511	50
Sub Total	<b>5,568</b>	<b>4,759</b>	<b>4,759</b>	<b>5,664</b>
% increase/ (decrease)	1%			
<b>Other Staff</b>				
Basic salaries and wages	87,526	100,882	101,230	99,705
Pension and UIF contributions	14,385	16,825	16,825	15,865

Medical aid contributions	4,916	6,157	6,157	5,289
Motor vehicle allowance	5,770	6,314	6,113	4,485
Cell phone allowance	430	509	509	475
Housing allowance	1,032	1,181	1,181	900
Overtime	4,737	3,670	4,349	4,767
Performance bonus	201	201	24	134
Other benefits or allowances	5,160	4,795	4,928	5,774
<b>Sub Total</b>	<b>128,842</b>	<b>144,588</b>	<b>144,486</b>	<b>143,753</b>
<b>Total Municipality</b>	<b>140,043</b>	<b>155,382</b>	<b>155,280</b>	<b>155,043</b>
<b>Total managers and staff</b>	<b>134,411</b>	<b>149,348</b>	<b>149,246</b>	<b>149,418</b>

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.1 INTRODUCTION

The Cape Agulhas municipality's overall financial position in respect of the 2020/21 financial year continues to reflect sound mainly due to positive cash balances at year-end, the net surplus, favourable liquidity and solvency positions as well as the municipality's ability to effectively manage its working capital. Despite many challenges, 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 in an effort to provide affordable, quality and sustainable services within its legislative mandate.

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 displayed a decline mainly because of some pressure experienced on its revenue base with specific reference to the continued COVID 19 lockdown regulations applicable as well as the country wide economic reduction outlook.

Cash and investments increased in comparison with the previous financial year because of the higher than anticipated debt collection rate together with the increase in external borrowing as a funding mix to support the municipality's medium term capital investment programme. 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 negative effects of the disaster lockdown regulations. Notwithstanding the actual lower than anticipated results, the municipality continues with its effort to improve the liquidity profile of the municipality by maintaining a credit score of A through managing credit risk factors such as collection levels, liquidity levels and operational management. Therefore, the main 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.

One of the biggest treats and risks to the municipality remain 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. These factors, alongside the drastic increase of high unemployment because of the COVID 19 pandemic will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is required for future municipal revenue projections. Although the expenditure has been growing at a slower pace than revenue over the past few years it been imperative for the municipality to pay attention to the employee related cost as the second biggest cost driver and to continue its improved efforts to limit non-priority spending and implementation of stringent cost-containment measures.

Following and overview of the municipality's financial performance for the year under review:

The Community Wealth (CRR and Unappropriated Surplus) has increased from approximately R393,52 million to R421,88 million for the financial year under review.

**(i) OPERATING RESULTS**

Council has achieved an operating surplus to the net amount of R16,57 million. The positive results can mainly be attributed to higher than anticipated property rates income and other services such as refuse removal and sewerage as well as, in respect of gains on the disposal of fix property for the financial year under review and ongoing savings realized partially due to the impact of COVID 19 which deviated from the normal expenditure historic trends. Variance in operating grants & transfers can mainly be attributed to the housing grant's accounting treatment based on an agency basis.

The operating results for the year ended 30 June 2021 are as follows:

**TABLE 178 FINANCIAL OVERVIEW 2020/21**

<b>Financial Overview 2020/21</b>			
<b>Details</b>	<b>Original budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>
<b>Income</b>			
<b>Grants - Operational</b>	75,101,870	78,381,300	60,005,734
<b>Grants - Capital</b>	14,389,130	20,311,600	15,904,232
<b>Taxes, Levies and tariffs</b>	272,406,000	272,030,100	269,614,030
<b>Other</b>	32,536,000	34,910,900	24,477,137
<b>Sub Total</b>	394,433,000	405,633,900	370,001,133
<b><u>Less: Expenditure</u></b>	385,623,166	685,960,494	353,430,783
<b>Net Total*</b>	8,809,834	19,673,406	16,570,350

Council's performance, when compared to the budget, must be seen in the context of conservative budgeting practices and the application of strict expenditure control measures aligned with the municipality's budget & virement policy.

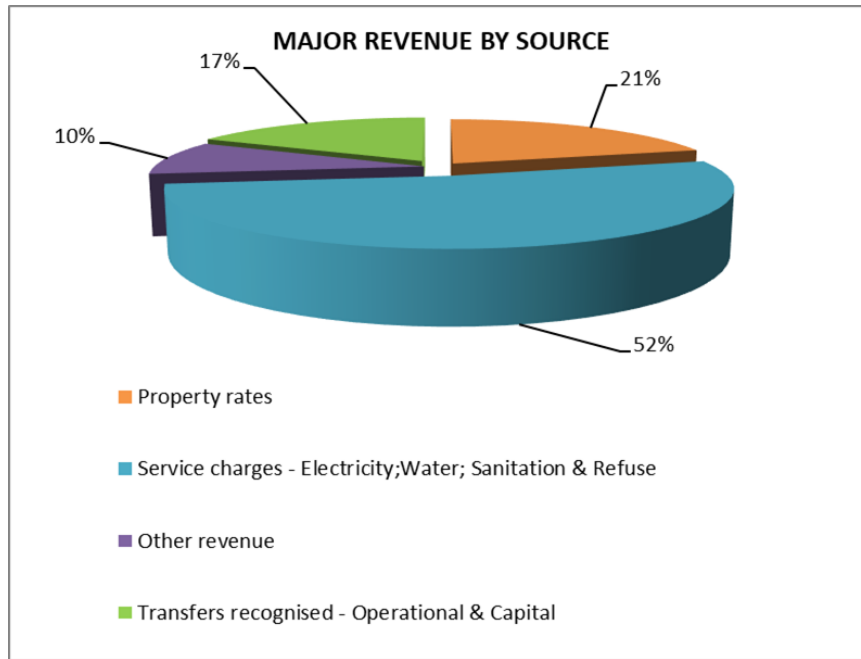
**(ii) OPERATING REVENUE**

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



- Property Rates
- Service Charges – Electricity, Water, Sanitation and Refuse
- Grants and Subsidies – Operating & Capital
- Other Revenue: - Rental of Facilities, Interest earned, Agency Services, Fines & other income

FIGURE 20 MAJOR REVENUE BY SOURCE



The main sources of revenue (73%) are received by way of Property Rates and Service Charges (Own Funding) whilst 17% is received from grants & subsidies in terms of the Division of Revenue Act (DoRA) as well as contributed assets. Conditional grant allocations from Government and other sources are only recognized as revenue to the extent that there has been compliance with the conditions associated with such amounts received.

**(iii) OPERATING EXPENDITURE**

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

FIGURE 21 MAJOR EXPENDITURE BY TYPE

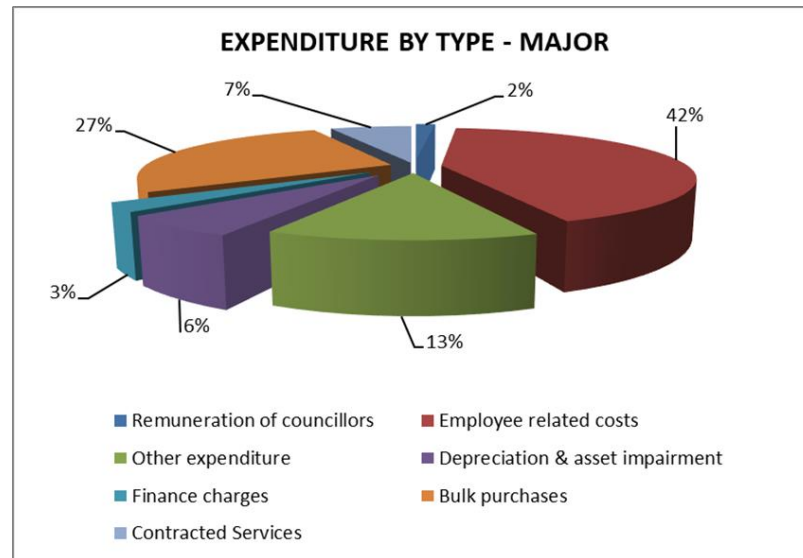


TABLE 40 OPERATING RATIOS

DETAIL	%
Employee Cost (Excl. Councillor Remuneration)	42,35%
Bulk Purchases	27,05%
Contracted Services	6,61%
Finance Charges	2,83%
Depreciation & Debt Impairment	6,39%

The Municipality’s employee cost ratio of 42.35% (Excl. councillors remuneration) is the biggest cost driver and is considered high compared to the municipal norm of 25%-40% set by National Treasury. It has been identified as one of the key challenges in terms of the Long Term Financial Plan and the Municipality is in process of addressing this to ensure future financial sustainability.

The depreciation / debt impairment decreased by R12,49 million compared to the previous financial year, mainly due to the negative impact of Covid -19 whereby the revenue from traffic fines decreased significantly by R6,37 million in comparison to the previous year.

**(iv) APPROPRIATIONS (ACCUMULATED SURPLUS / DEFICIT)**

Appropriations for the year amount to a net inflow of R16,570 million which can mainly be attributed to:

▪ Net Surplus for the year	R 16 570 350
▪ Transfer to Capital Replacement Reserve	(R17 385 143)
▪ Property, Plant and Equipment purchased	R 14 885 143

**(v) CAPITAL EXPENDITURE**

Actual expenditure incurred on fixed assets represents an efficiency rate of 91,91% compared to the previous financial year's percentage at 99,45%.

**(vi) CONDITIONAL GOVERNMENT GRANTS**

Except for the conditional portion of the Equitable Share allocation towards COVID 19 disaster support as well as the Water Services Infrastructure Grant mainly all other conditional grants has been dealt with in compliance with DoRA with a 100% expenditure rate for the financial year under review. The unspent conditional grants to the amount of R13,089 million has been requested for rolled over to the new financial year.

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

**(vii) EXTERNAL BORROWINGS**

The Municipality has external loans to the total amount of R54,96 million from ABSA Bank, Nedbank and Standard Bnk as at the end of 30 June 2021.

Some financial ratios relevant to external borrowings are:

	<u>2020/21</u>	<u>2019/20</u>
Interest Bearing Debt to Own Revenue (Excluding Grants)	17,99%	8.78%

Although the ratio for external gearing remained conservative at 17,99% compared to the norm of 45% set by National Treasury, the potential for Cape Agulhas' to borrow remains limited to the order of 30% due to the current cash position of the municipality. However, the Municipality is in a strong position to provide assurance that sufficient revenue will be generated to repay its liabilities and have put measures in place in terms of the Long-Term Financial Plan to improve the cash position of the Municipality over the past five financial years.

**(viii) CASH AND INVESTMENTS**

The Municipality's cash and investments amount to R109,20 million and reflect an increase of R36,160 million compared to the previous financial year mainly as a result of improved debt collection as well as the increase in external borrowing as a funding mix to support the municipality's medium-term capital investment programme.

The Municipality currently has adequate cash available to cover its operating requirements with a cash coverage of at least three months of the average operational expenditure as per National Treasury best practice guidelines. At the moment the ratio reflects close to three months with a ratio of 3,63. However it remains a risk to sustain this position over the medium to long term period in terms of the Long- Term Financial Plan with specific measures on how to keep improving the Municipality’s cash position.

**(ix) OUTSTANDING RECEIVABLES**

The total nett outstanding receivables increased by R2,64 million compared to the previous financial year. This was mainly influenced by the effect of the Covid-19 pandemic on the last quarter.

The reported debtor payment ratio reflects slightly less than the National Treasury norm of 95% at 98,27% for the financial year under review. The Municipality must in terms of its Long-Term Financial Plan target remain at a debt collection rate above 97% to remain financially viable. The Municipality implemented more effective and improved debt collection and credit control strategies aligned with its approved Revenue Enhancement strategy directive.

**(x) OUTSTANDING PAYABLES**

Increase of outstanding payables to the amount of R8,72 million compares to the previous financial year.

Some financial ratios relevant to payables are:

<u><i>Creditors Management</i></u>	<u><i>2020/21</i></u>	<u><i>2019/20</i></u>
Creditor’s system efficiency	100%	100%

A trademark of the Municipality is its commitment and ability to fully settle its creditors’ accounts within the required terms of 30 days or as per applicable legislative requirement. This statement is supported by the constant 100% payment levels to creditors.

**(xi) RATIO ANALYSIS / BENCHMARKS**

Financial viability and sustainability is one of the key performance areas of the Municipality as contained in the IDP. In order to ensure that the Municipality maintains a healthy financial position, appropriate financial ratios / benchmarks are used to assist with the assessment of its financial wealth.

<u><i>Liquidity</i></u>	<u><i>2020/21</i></u>	<u><i>2019/20</i></u>
Liquidity - Current Ratio	1,81: 1	1,89: 1

The liquidity ratio decreased from 1.89 in 2020 to 1.81 in 2021. Although this is still above the minimum National Treasury norm of 1.5:1, a target of at least 2:1 should be set to provide a healthy buffer to absorb unforeseen challenges and obstacles as well as to minimize the effect thereof on the local economy. (Long Term Financial Plan Strategy ratio target remains at 2,00:1).

(xii) **CONCLUSION**

According to the key financial indicators the municipality could still manage to sustain its healthy financial position despite the ongoing challenges posed through the COVID 19 pandemic and in most instances the financial ratio indicators still reflect positive. The increase in the debtor's collection rate is mainly due to improved debt collection processes implemented during the financial year under review whilst the constant increase in the employee related expenditure as the biggest cost driver requires urgent intervention to ensure the long-term financial sustainability of the municipality.

**COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE**

The Statement of Financial Performance provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality.

**5.2 FINANCIAL SUMMARY**

The table below provides a summary of the financial performance of the Municipality for the 2020/21 financial year:

TABLE 41 SUMMARY OF FINANCIAL PERFORMANCE

DESCRIPTION	2019/20	2020/21			2020/21 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET
	R'000				%	
Property rates	71 198	74 061	74 704	76 730	3,48%	2,64%
Service charges	182 496	196 287	195 596	192 884	-1,76%	-1,41%
Investment revenue	6 283	3 300	2 410	3 138	-5,15%	23,21%
Transfers recognised - operational	44 939	75 102	78 381	46 870	-60,23%	-67,23%
Other own revenue	43 101	31 294	32 831	32 714	4,34%	-0,36%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>348 017</b>	<b>380 044</b>	<b>383 922</b>	<b>352 337</b>	<b>-7,86%</b>	<b>-8,96%</b>
Employee costs	137 471	149 680	149 579	149 693	0,01%	0,08%
Remuneration of councillors	5 632	6 034	6 034	5 626	-7,26%	-7,26%
Debt Impairment	19 861	9 904	9 569	6 678	-48,29%	-43,28%
Depreciation & asset impairment	15 205	11 369	11 369	15 902	28,51%	28,51%
Finance charges	10 262	13 963	11 821	9 990	-39,77%	-18,32%
Materials and bulk purchases	89 331	91 250	91 230	95 595	4,54%	4,57%
Transfers and grants	35 878	82 390	76 960	38 121	-116,13%	-101,89%
Other expenditure	28 530	21 032	29 399	31 826	33,92%	7,63%
<b>Total Expenditure</b>	<b>342 170</b>	<b>385 623</b>	<b>385 960</b>	<b>353 431</b>	<b>-9,11%</b>	<b>-9,20%</b>
<b>Surplus/(Deficit)</b>	<b>5 848</b>	<b>-5 579</b>	<b>-2 038</b>	<b>-1 094</b>	<b>-410,04%</b>	<b>-86,33%</b>
Transfers recognised - capital	19 120	14 389	20 312	15 904	9,53%	-27,71%
Contributions recognised - capital & contributed assets	2047,13445	0	1 400	1 760	100,00%	20,45%
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>27 015</b>	<b>8 810</b>	<b>19 673</b>	<b>16 570</b>	<b>46,83%</b>	<b>-18,73%</b>
<b>Capital expenditure &amp; funds sources</b>						
<b>Capital expenditure</b>						
Transfers recognised - capital	19 120	14 389	20 312	15 904	9,53%	-27,71%
Public contributions & donations	2047,13445	0	1 400	1 760	100,00%	20,45%

<b>Borrowing</b>	7 709	36 183	37 139	33 530	-7,91%	-10,76%
<b>Internally generated funds</b>	14 169	11 917	11 131	13 125	9,20%	15,19%
<b>Total sources of capital funds</b>	43 046	62 490	69 981	64 320	2,84%	-8,80%
<b><u>Financial position</u></b>						
<b>Total current assets</b>	119 755	99 218	118 056	158 184	37,28%	25,37%
<b>Total non-current assets</b>	478 544	503 116	533 779	526 114	4,37%	-1,46%
<b>Total current liabilities</b>	62 255	66 108	69 441	87 486	24,44%	20,63%
<b>Total non-current liabilities</b>	105 510	125 295	140 837	149 709	16,31%	5,93%
<b>Community wealth/Equity</b>	430 533	410 931	441 557	447 103	8,09%	1,24%
<b><u>Cash flows</u></b>						
<b>Net cash from (used) operating</b>	30 388	2 579	28 298	58 118	95,56%	51,31%
<b>Net cash from (used) investing</b>	-35 454	-62 482	-66 379	-50 635	-23,40%	-31,09%
<b>Net cash from (used) financing</b>	-5 632	22 239	28 474	28 678	22,45%	0,71%
<b>Cash/cash equivalents at the year end</b>	73 041	26 332	63 435	109 202	75,89%	41,91%
<b><u>Cash backing/surplus reconciliation</u></b>						
<b>Cash and investments available</b>	73 041	26 332	63 435	109 202	75,89%	41,91%
<b>Application of cash and investments</b>						
<b>Balance - surplus (shortfall)</b>	20 670	37 410	35 638	30 875	-21,16%	-15,42%
<b><u>Asset management</u></b>						
<b>Asset register summary (WDV)</b>	478 383	502 947	533 621	525 960	4,38%	-1,46%
<b>Depreciation &amp; asset impairment</b>	15 205	11 369	11 369	15 902	28,51%	28,51%
<b>Renewal of Existing Assets</b>	29 366	35 376	31 227	51 930	31,88%	39,87%
<b>Repairs and Maintenance</b>	56 952	71 861	72 287	65 391	-9,89%	-10,55%
<b><u>Free services</u></b>						
<b>Cost of Free Basic Services provided</b>	8 008	10 375	10 404	10 854	4,42%	4,15%
<b>Revenue cost of free services provided</b>	8 008	10 375	10 404	10 854	4,42%	4,15%
<b><u>Households below minimum service level</u></b>						
<b>Water:</b>	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>	-	-	-	-	-	-
<b>Energy:</b>	-	-	-	-	-	-
<b>Refuse:</b>	-	-	-	-	-	-

\*Re-stated figures

The table below shows a summary of performance against budgets for the 2020/21 financial year:

TABLE 181 PERFORMANCE AGAINST BUDGETS

FINANCIAL YEAR	REVENUE				OPERATING EXPENDITURE			
	BUDGET	ACTUAL	DIFF.	%	BUDGET	ACTUAL	DIFF.	%
	(R'000)				(R'000)			
2019/20	411 172	369 185	-41 987	-11,37%	393 756	342 170	-51 586	-15,08%
2020/21	405 634	370 001	-35 633	-9,63%	385 960	353 431	-32 530	-9,20%

### 5.2.1 REVENUE COLLECTION BY VOTE

The table below indicates the revenue collection performance by vote for the 2020/21 financial year:

TABLE 182 REVENUE BY VOTE

VOTE DESCRIPTION	2019/20		2020/21		2020/21 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'000			%		
Executive and Council	38 176	36 384	40 971	39 766	8,50%	-3,03%
Financial Services & ICT	101 086	81 968	88 356	96 247	14,84%	8,20%
Management Services	25 032	61 415	57 310	18 647	-229,36%	-207,34%
Engineering Services	204 891	214 666	218 996	215 342	0,31%	-1,70%
<b>Total Revenue by Vote</b>	<b>369 185</b>	<b>394 433</b>	<b>405 634</b>	<b>370 001</b>	<b>-6,60%</b>	<b>-9,63%</b>

### 5.2.2 REVENUE COLLECTION BY SOURCE

The table below indicates the revenue collection performance by source for the 2020/21 financial year:

TABLE 183 REVENUE BY SOURCE

DESCRIPTION	2019/20		2020/21		2020/21 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'000			%		
Property rates	71 198	74 061	74 704	76 730	3,48%	2,64%
Property rates - penalties & collection charges	0	0	0	0	#DIV/0!	#DIV/0!
Service Charges - electricity revenue	123 684	136 457	135 310	130 028	-4,94%	-4,06%
Service Charges - water revenue	28 129	30 178	30 178	30 168	-0,03%	-0,03%
Service Charges - sanitation revenue	13 136	12 669	12 669	14 112	10,23%	10,23%
Service Charges - refuse revenue	19 864	19 041	19 169	20 969	9,20%	8,58%
Service Charges - other	0	0	0	0	#DIV/0!	#DIV/0!
Rental of facilities and equipment	2 330	1 200	1 305	2 338	48,69%	44,17%
Interest earned - external investments	6 283	3 300	2 410	3 138	-5,15%	23,21%
Interest earned - outstanding debtors	1 381	1 839	1 839	2 190	16,04%	16,04%
Dividends received	0	0	0	0	#DIV/0!	#DIV/0!
Fines, Penalties and Forfeits	8 836	12 419	7 379	2 437	-409,53%	-202,74%
Licences and permits	9	25	25	3	-876,92%	-876,92%
Agency services	2 708	3 121	3 121	3 405	8,35%	8,35%



Transfers recognised - operational	44 939	75 102	78 381	46 870	-60,23%	-67,23%
Other revenue	20 466	10 633	15 232	14 165	24,94%	-7,53%
Gains on disposal of Properties	5 054	0	2 200	5 782	100,00%	61,95%
Total Revenue (excluding capital transfers and contributions)	<b>348 017</b>	<b>380 044</b>	<b>383 922</b>	<b>352 337</b>	-7,86%	-8,96%

### 5.2.3 OPERATIONAL SERVICES PERFORMANCE

The table below indicates the operational services performance for the 2020/21 financial year:

TABLE 184 OPERATIONAL SERVICES PERFORMANCE

DESCRIPTION	2019/20		2020/21		2020/21 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUST- MENTS BUDGET
	R'000				%	
<b>Operating Cost</b>						
Water Management	22 389	22 604	22 175	24 007	5,85%	7,63%
Wastewater Management	12 453	11 960	11 936	12 627	5,28%	5,47%
Energy Sources	103 946	106 613	107 040	110 190	3,25%	2,86%
Waste Management	20 683	23 433	24 317	22 344	-4,87%	-8,83%
Housing	2 541	34 014	33 931	2 843	-1096,53%	-1093,63%
Component A: sub-total	162 011	198 623	199 399	172 011	-15,47%	-15,92%
Roads and Stormwater	17 541	16 813	16 737	17 333	3,00%	3,44%
Component B: sub-total	17 541	16 813	16 737	17 333	3,00%	3,44%
Planning and Development	10 107	11 753	11 461	9 375	-25,36%	-22,24%
Local Economic Development	1 172	3 176	2 996	3 105	-2,28%	3,52%
Component C: sub-total	11 279	14 928	14 456	12 480	-19,62%	-15,84%
Libraries	6 251	6 009	6 015	7 805	23,02%	22,93%
Social services & community development	5 025	3 130	2 764	1 851	-69,09%	-49,31%
Component D: sub-total	11 277	9 139	8 780	9 657	5,36%	9,08%
Environmental Protection (pollution control, biodiversity, landscape, open spaces, parks, and coastal protection)	1 330	1 378	1 314	1 315	-4,77%	0,07%
Component E: sub-total	1 330	1 378	1 314	1 315	-4,77%	0,07%
Traffic & licensing	21 553	23 252	21 578	15 374	-51,24%	-40,36%
Fire Services and Disaster Management	0	0	0	0	#DIV/0!	#DIV/0!
Component F: sub-total	21 553	23 252	21 578	15 374	-51,24%	-40,36%
Holiday Resorts and Campsites	7 368	7 791	7 739	7 501	-3,86%	-3,17%

Swimming Pools, Stadiums and Sport Ground	5 016	5 705	5 652	5 034	-13,33%	-12,27%
Community halls, facilities, Thusong centres	4 961	5 652	5 745	5 414	-4,39%	-6,12%
Component G: sub-total	17 345	19 147	19 136	17 949	-6,68%	-6,61%
Financial Services	59 509	61 788	64 636	68 800	10,19%	6,05%
Office of the MM	2 655	4 308	3 960	3 857	-11,68%	-2,66%
Administration	27 037	26 190	25 746	25 018	-4,68%	-2,91%
Internal Audit	1 278	1 528	1 495	1 506	-1,43%	0,76%
Shared Services	46	313	250	57	-447,41%	-337,23%
HR	9 311	8 216	8 473	8 072	-1,78%	-4,97%
Component H: sub-total	99 834	102 343	104 560	107 312	4,63%	2,56%
Total Expenditure	342 170	385 623	385 960	353 431	-9,11%	-9,20%

### 5.3 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

#### 5.3.1 WATER SERVICES

TABLE 185 FINANCIAL PERFORMANCE: WATER SERVICES

DESCRIPTION	2019/20	2020/21			VARIANCE TO ORIGINAL BUDGET %
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	
	R'000				
Total Operational Revenue	28 201	30 182	30 182	30 176	-0,02%
Expenditure:					
Employees	11 244	12 401	12 401	12 370	-0,25%
Other	11 145	10 203	9 774	11 637	12,32%
Total Operational Expenditure	22 389	22 604	22 175	24 007	5,85%
Net Operational (Service)	5 812	7 578	8 007	6 169	-22,84%

#### 5.3.2 WASTE WATER (SANITATION)

TABLE 186 FINANCIAL PERFORMANCE: WASTEWATER (SANITATION) SERVICES

DESCRIPTION	2019/20	2020/21			VARIANCE TO ORIGINAL BUDGET %
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	
	R'000				
Total Operational Revenue	13 136	12 679	12 679	14 112	10,15%
Expenditure:					
Employees	5 742	6 409	6 409	6 886	6,93%
Other	6 711	5 552	5 527	5 741	3,31%
Total Operational Expenditure	12 453	11 960	11 936	12 627	5,28%
Net Operational (Service)	683	719	743	1 485	51,59%

#### 5.3.3 ELECTRICITY

TABLE 187 FINANCIAL PERFORMANCE: ELECTRICITY

DESCRIPTION	2019/20	2020/21			VARIANCE TO ORIGINAL BUDGET
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	

	R'000				%
Total Operational Revenue	124 586	136 888	135 774	130 410	-4,97%
Expenditure:					
Employees	7 936	9 073	9 073	9 078	0,06%
Other	96 010	97 540	97 967	101 111	3,53%
Total Operational Expenditure	103 946	106 613	107 040	110 190	3,25%
Net Operational (Service)	20 640	30 275	28 735	20 220	-49,73%

### 5.3.4 WASTE MANAGEMENT

TABLE 188 FINANCIAL PERFORMANCE: WASTE MANAGEMENT

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	19 864	19 041	19 169	20 969	9,20%
Expenditure:					
Employees	6 597	9 564	9 564	10 195	6,19%
Other	14 085	13 869	14 753	12 149	-14,15%
Total Operational Expenditure	20 683	23 433	24 317	22 344	-4,87%
Net Operational (Service)	-819	-4 392	-5 148	-1 375	-219,42%

### 5.3.5 ROADS AND STORMWATER

TABLE 189 FINANCIAL PERFORMANCE: ROADS AND STORMWATER

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	0	0	0	0	#DIV/0!
Expenditure:					
Employees	10 725	11 073	11 073	10 068	-9,98%
Other	6 817	5 739	5 664	7 265	21,00%
Total Operational Expenditure	17 541	16 813	16 737	17 333	3,00%
Net Operational (Service)	-17 541	-16 813	-16 737	-17 333	3,00%

### 5.3.6 LIBRARIES

TABLE 190 FINANCIAL PERFORMANCE: LIBRARIES

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	6 067	6 389	6 341	6 320	-1,09%
Expenditure:					
Employees	5 847	5 408	5 408	7 399	26,91%
Other	404	600	607	406	-47,74%
Total Operational Expenditure	6 251	6 009	6 015	7 805	23,02%
Net Operational (Service)	-184	381	325	-1 485	125,63%

### 5.3.7 ENVIRONMENTAL PROTECTION

TABLE 191 FINANCIAL PERFORMANCE: ENVIRONMENTAL PROTECTION

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	0	0	0	0	#DIV/o!
Expenditure:					
Employees	871	768	768	873	11,98%
Other	459	610	546	442	-37,81%
Total Operational Expenditure	1 330	1 378	1 314	1 315	-4,77%
Net Operational (Service)	-1 330	-1 378	-1 314	-1 315	-4,77%

### 5.3.8 SOCIAL SERVICES AND COMMUNITY DEVELOPMENT

TABLE 192 FINANCIAL PERFORMANCE: SOCIAL SERVICES AND COMMUNITY DEVELOPMENT

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				%
Total Operational Revenue	174	200	312	299	33,05%
Expenditure:					
Employees	3 875	1 847	1 847	1 124	-64,28%
Other	1 151	1 283	917	727	-76,52%
Total Operational Expenditure	5 025	3 130	2 764	1 851	-69,09%

Net Operational (Service)	-4 851	-2 930	-2 452	-1 553	-88,74%
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### 5.3.9 TRAFFIC AND LAW ENFORCEMENT

TABLE 193 PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT

DESCRIPTION	2019/20	2020/21			VARIANCE TO ORIGINAL BUDGET
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	
	R'000				
Total Operational Revenue	11 482	15 581	10 581	5 823	-167,60%
Expenditure:					
Employees	10 292	11 762	11 762	10 367	-13,45%
Other	11 261	11 490	9 816	5 007	-129,50%
Total Operational Expenditure	21 553	23 252	21 578	15 374	-51,24%
Net Operational (Service)	-10 071	-7 671	-10 997	-9 551	19,69%

### 5.3.10 HOLIDAY RESORTS AND CAMPSITES

TABLE 194 FINANCIAL PERFORMANCE: HOLIDAY RESORTS AND CAMPSITES

DESCRIPTION	2019/20	2020/21			VARIANCE TO ORIGINAL BUDGET
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	
	R'000				
Total Operational Revenue	6 713	7 778	7 678	5 000	-55,56%
Expenditure:					
Employees	5 584	5 458	5 458	5 523	1,19%
Other	1 784	2 333	2 281	1 978	-17,96%
Total Operational Expenditure	7 368	7 791	7 739	7 501	-3,86%
Net Operational (Service)	-654	-12	-60	-2 501	99,51%

### 5.3.11 SWIMMING POOLS AND SPORT GROUNDS

TABLE 195 FINANCIAL PERFORMANCE: SWIMMING POOLS AND SPORT GROUNDS

DESCRIPTION	2019/20	2020/21			VARIANCE TO ORIGINAL BUDGET
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	
	R'000				
Total Operational Revenue	242	262	262	220	-18,85%

<b>Expenditure:</b>					
<b>Employees</b>	4 163	4 756	4 756	4 358	-9,11%
<b>Other</b>	853	950	896	676	-40,54%
<b>Total Operational Expenditure</b>	5 016	5 705	5 652	5 034	-13,33%
<b>Net Operational (Service)</b>	-4 774	-5 443	-5 390	-4 814	-13,08%

### 5.3.12 COMMUNITY FACILITIES AND THUSONG CENTRES

TABLE 196 FINANCIAL PERFORMANCE: COMMUNITY FACILITIES AND THUSONG CENTRES

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				
Total Operational Revenue	313	284	505	297	4,34%
Expenditure:					
Employees	3 516	3 877	3 877	3 849	-0,74%
Other	1 445	1 774	1 868	1 565	-13,37%
Total Operational Expenditure	4 961	5 652	5 745	5 414	-4,39%
Net Operational (Service)	-4 648	-5 367	-5 241	-5 117	-4,90%

### 5.3.13 OFFICE OF THE MUNICIPAL MANAGER

TABLE 197 FINANCIAL PERFORMANCE: OFFICE OF THE MUNICIPAL MANAGER

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				
Total Operational Revenue	0	0	0	0	#DIV/0!
Expenditure:					
Employees	2 329	3 332	3 332	3 387	1,64%
Other	325	977	629	470	-107,70%
Total Operational Expenditure	2 655	4 308	3 960	3 857	-11,68%
Net Operational (Service)	-2 655	-4 308	-3 960	-3 857	-11,68%

### 5.3.14 ADMINISTRATION

TABLE 198 FINANCIAL PERFORMANCE: ADMINISTRATION

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				
Total Operational Revenue	35 149	35 336	38 619	39 083	9,59%
Expenditure:					
Employees	12 025	11 737	11 737	11 793	0,48%
Other	15 012	14 453	14 009	13 226	-9,28%
Total Operational Expenditure	27 037	26 190	25 746	25 018	-4,68%



<b>Net Operational (Service)</b>	8 112	9 146	12 873	14 065	34,97%
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### 5.3.15 HUMAN RESOURCES

TABLE 199 FINANCIAL PERFORMANCE: HUMAN RESOURCES

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				
Total Operational Revenue	1 338	574	574	799	28,16%
Expenditure:					
Employees	7 009	6 825	6 825	6 820	-0,06%
Other	2 302	1 391	1 648	1 252	-11,11%
Total Operational Expenditure	9 311	8 216	8 473	8 072	-1,78%
Net Operational (Service)	-7 973	-7 642	-7 899	-7 273	-5,07%

### 5.3.16 FINANCIAL SERVICES

TABLE 200 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				
Total Operational Revenue	98 087	81 675	88 072	95 963	14,89%
Expenditure:					
Employees	28 267	29 769	29 769	30 554	2,57%
Other	31 242	32 019	34 867	38 246	16,28%
Total Operational Expenditure	59 509	61 788	64 636	68 800	10,19%
Net Operational (Service)	38 578	19 887	23 436	27 163	26,78%

\*Re-stated figures

### 5.3.17 HOUSING

TABLE 201 FINANCIAL PERFORMANCE: HOUSING

DESCRIPTION	2019/20	2020/21			
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE TO ORIGINAL BUDGET
	R'000				
					%

Total Operational Revenue	172	31 064	31 064	175	-17650,86%
Expenditure:					
Employees	2 429	3 141	3 141	2 743	-14,52%
Other	112	30 872	30 790	100	-30900,64%
Total Operational Expenditure	2 541	34 014	33 931	2 843	-1096,53%
Net Operational (Service)	-2 369	-2 950	-2 867	-2 668	-10,56%

### 5.3.18 PLANNING

TABLE 202 FINANCIAL PERFORMANCE: PLANNING

DESCRIPTION	2019/20	2020/21			VARIANCE TO ORIGINAL BUDGET
	ACTUAL (AUDITED OUTCOME)	ORIGINAL BUDGET	ADJUSTMENT BUDGET	ACTUAL	
	R'000				
Total Operational Revenue	2 493	2 110	2 110	2 690	21,58%
Expenditure:					
Employees	7 282	8 651	8 651	8 105	-6,73%
Other	2 825	3 102	2 810	1 270	-144,29%
Total Operational Expenditure	10 107	11 753	11 461	9 375	-25,36%
Net Operational (Service)	-7 614	-9 643	-9 351	-6 685	-44,24%

## 5.4 GRANTS

### 5.4.1 GRANT PERFORMANCE

The Municipality receives grants from the National and Provincial Governments during the 2020/21 financial year for infrastructure development and other projects.

TABLE 203 GRANT PERFORMANCE

DESCRIPTION	2019/20	2020/21			2020/21 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	BUDGET	ADJUSTMENTS BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'000					
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	36 691	37 359	40 650	42 135	0,11	0,04
<b>Equitable Share</b>	29 908	32 155	36 460	36 460	0,12	0,00
<b>Financial Management Grant (FMG)</b>	1 550	1 257	1 266	1 266	0,01	0,00

<b>Municipal Systems Improvement Grant (MSIG)</b>	0	0	0	0	#DIV/0!	#DIV/0!
<b>Municipal Infrastructure Grant (MIG)</b>	1 878	1 571	548	1 905	0,18	0,71
<b>Expanded Public Works Program (EPWP)</b>	1 740	2 026	2 026	2 026	0,00	0,00
<b>National Electrification Programme (INEP)</b>	0	350	350	259	-0,35	-0,35
<b>Energy Efficiency and Demand-side (EEDM)</b>	840	0	0	0	#DIV/0!	#DIV/0!
<b>Skills Development Fund and SETA Bursaries</b>	477	0	0	219	1,00	1,00
<b>Disaster Relief (COVID 19)</b>	298	0	0	0	#DIV/0!	#DIV/0!
<b>Provincial Government:</b>	7 425	37 743	37 620	6 782	-4,57	-4,55
<b>Library Grant</b>	6 003	6 307	6 285	6 290	0,00	0,00
<b>RSEP Grant</b>	340	0	0	0	#DIV/0!	#DIV/0!
<b>Housing Grants</b>	0	30 889	30 889	0	#DIV/0!	#DIV/0!
<b>DEAT PROJECTS</b>	166	0	0	4	1,00	1,00
<b>CDW Grant</b>	112	56	56	56	0,00	0,00
<b>Financial Management Support Grant (FMSG)</b>	710	401	300	300	-0,34	0,00
<b>Drought Support Grant</b>	31	0	0	0	#DIV/0!	#DIV/0!
<b>Department of Cultural Affairs and Sport</b>	0	0	0	61	1,00	1,00
<b>Thuson Centre</b>	0	0	0	0	#DIV/0!	#DIV/0!
<b>Proclaimed Road Subsidy</b>	62	90	90	71	-0,27	-0,27
<b>DPLG Support grant</b>	0	0	0	0	#DIV/0!	#DIV/0!
<b>Humanitarian Relief (COVID 19)</b>	0	0	0	0	#DIV/0!	#DIV/0!
<b>Total Operating Transfers and Grants</b>	<b>44 116</b>	<b>75 102</b>	<b>78 270</b>	<b>48 917</b>	<b>-0,54</b>	<b>-0,60</b>

#### 5.4.2 CONDITIONAL GRANTS

The performance in the spending of conditional grants is summarised as follows:

TABLE 204 CONDITIONAL GRANTS

DESCRIPTION	2018/19		2019/20		2019/20 VARIANCE	
	ACTUAL (AUDITED OUTCOME)	BUDGET	ADJUSTMENTS BUDGET	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET
	R'000					
<u>Operating Transfers and Grants</u>						
National Government:	36 895	37 359	40 650	40 048	0,07	-0,02
Equitable Share	29 908	32 155	36 460	34 367	0,06	-0,06
Financial Management Grant (FMG)	1 550	1 257	1 266	1 266	0,01	0,00
Municipal Systems Improvement Grant (MSIG)	0	0	0	0	#DIV/0!	#DIV/0!
Municipal Infrastructure Grant (MIG)	1 878	1 571	548	1 905	0,18	0,71

Expanded Public Works Program (EPWP)	1 740	2 026	2 026	2 026	0,00	0,00
National Electrification Programme (INEP)	0	350	350	259	-0,35	-0,35
Energy Efficiency and Demand-side (EEDM)	840	0	0	0	#DIV/0!	#DIV/0!
Skills Development Fund and SETA Bursaries	680	0	0	225	1,00	1,00
Disaster Relief (COVID 19)	298	0	0	0	#DIV/0!	#DIV/0!
Provincial Government:	8 044	37 743	37 732	6 823	-4,53	-4,53
Library Grant	6 003	6 307	6 285	6 290	0,00	0,00
RSEP Grant	485	0	0	0	#DIV/0!	#DIV/0!
Housing Grants	0	30 889	30 889	0	#DIV/0!	#DIV/0!
DEAT PROJECTS	166	0	0	4	1,00	1,00
CDW Grant	20	56	168	148	0,62	-0,14
Financial Management Support Grant (FMSG)	776	401	300	248	-0,62	-0,21
Drought Support Grant	31	0	0	0	#DIV/0!	#DIV/0!
Department of Cultural Affairs and Sport	0	0	0	61	1,00	1,00
Thuson Centre	0	0	0	0	#DIV/0!	#DIV/0!
Proclaimed Road Subsidy	62	90	90	71	-0,26	-0,26
DPLG Support grant	0	0	0	0	#DIV/0!	#DIV/0!
Humanitarian Relief (COVID 19)	500	0	0	0	#DIV/0!	#DIV/0!
<b>Total Operating Transfers and Grants</b>	<b>44 939</b>	<b>75 102</b>	<b>78 381</b>	<b>46 870</b>	<b>-0,60</b>	<b>-0,67</b>

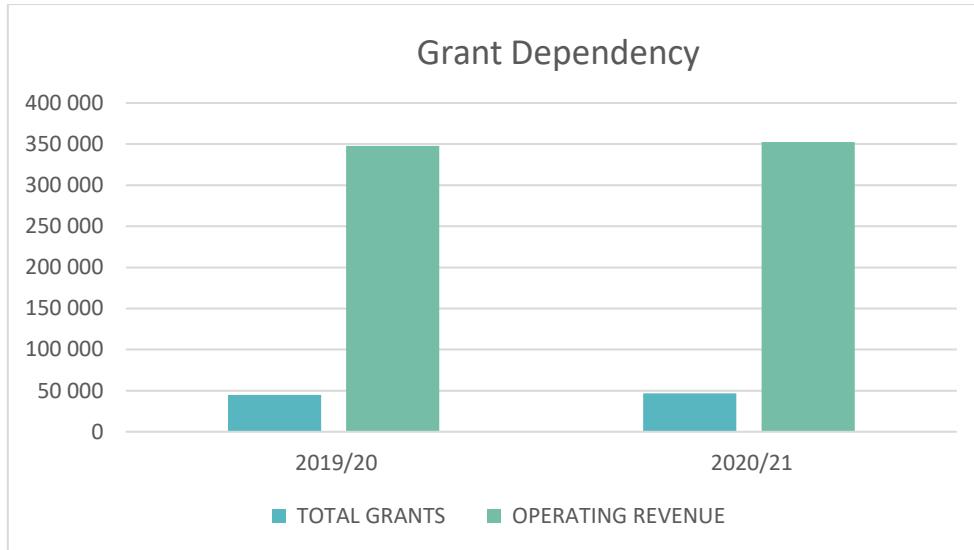
#### 5.4.3 LEVEL OF RELIANCE ON GRANTS & SUBSIDIES

TABLE 205 RELIANCE ON GRANTS

FINANCIAL YEAR	TOTAL GRANTS	TOTAL	PERCENTAGE
	AND SUBSIDIES	OPERATING REVENUE	
	R'000		
2019/20	44 939	348 017	12,91%
2020/21	46 870	352 337	13,30%

The following graph indicates the Municipality's grants and subsidies received compared to operating revenue for the last two financial years.

FIGURE 22 GRANTS AND SUBSIDIES RECEIVED COMPARED TO THE TOTAL OPERATING REVENUE



## 5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

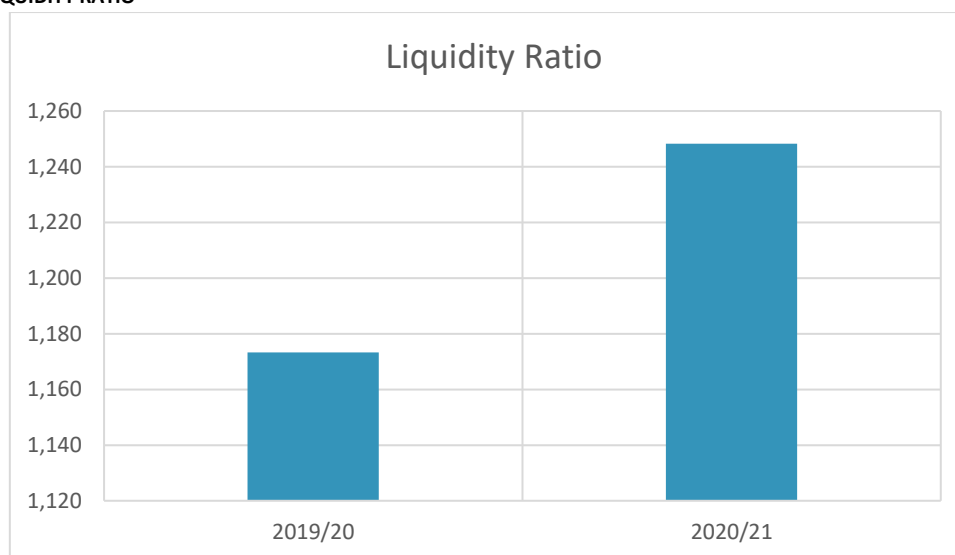
### 5.5.1 LIQUIDITY RATIO

TABLE 206 LIQUIDITY FINANCIAL RATIO

DESCRIPTION	2019/20	2020/21
	AUDITED OUTCOME	AUDITED OUTCOME
Current Ratio	1,924	1,808
Current Ratio adjusted for aged debtors	1,407	1,445
Liquidity Ratio	1,173	1,248

\*Re-stated figures

FIGURE 23 LIQUIDITY RATIO



\*Re-stated figures

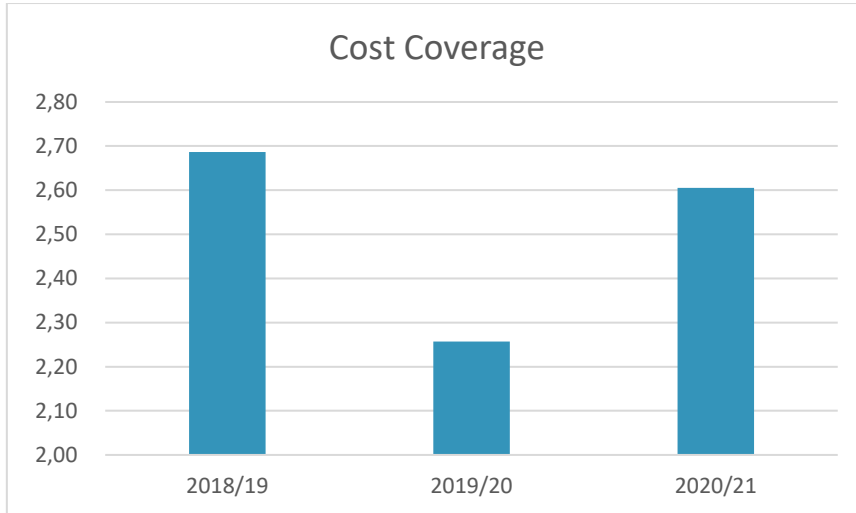
### 5.5.2 NATIONAL FINANCIAL VIABILITY INDICATORS

TABLE 207 NATIONAL FINANCIAL VIABILITY KPI's

KPA & INDICATOR	2018/19	2019/20	2020/21
Debt coverage ((Total operating revenue-operating grants received): debt service payments due within the year) (Higher is better)	32,76	35,79	25,69
Service debtors to revenue – (Total outstanding service debtors: revenue received for services) (Lower is better)	23,52%	26,43%	27,00%
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure) (Higher is better)	2,69	2,26	2,61

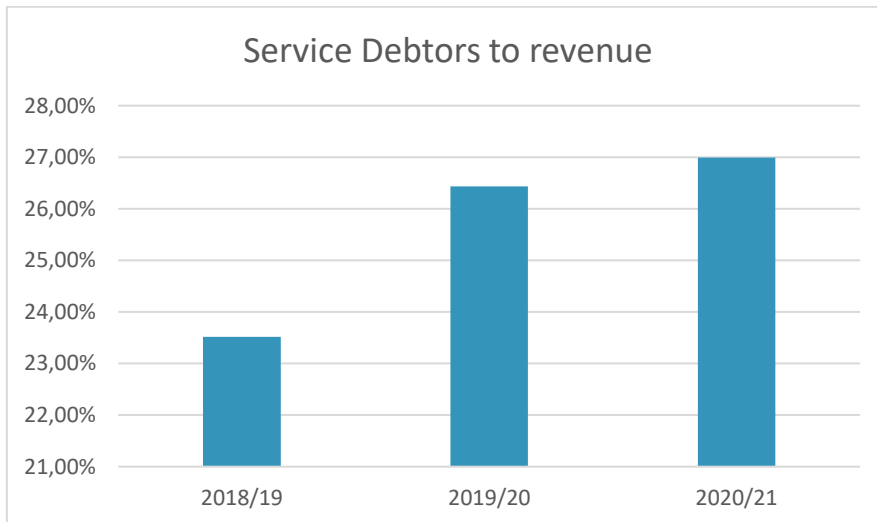
\*Re-stated figures

**FIGURE 24 COST COVERAGE**



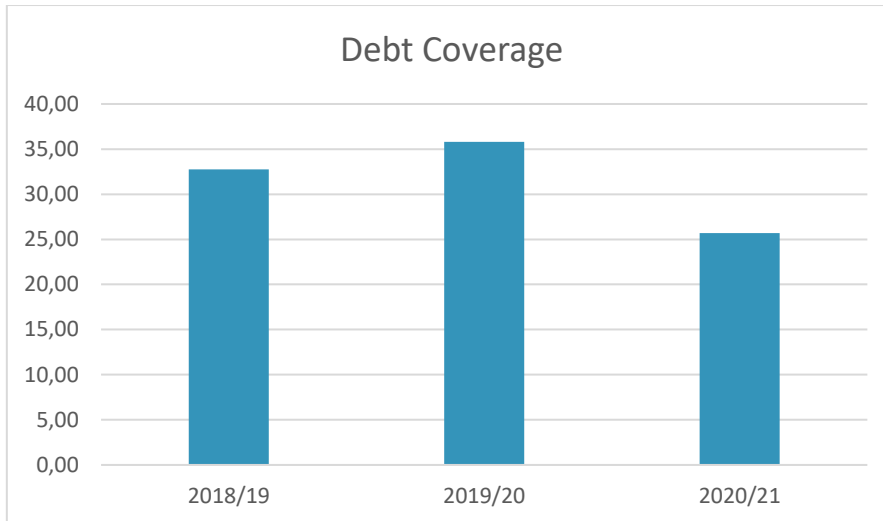
\*Re-stated figures

**FIGURE 25 OUTSTANDING SERVICE DEBTORS**



\*Re-stated figures

FIGURE 26 DEBT COVERAGE



\*Re-stated figures

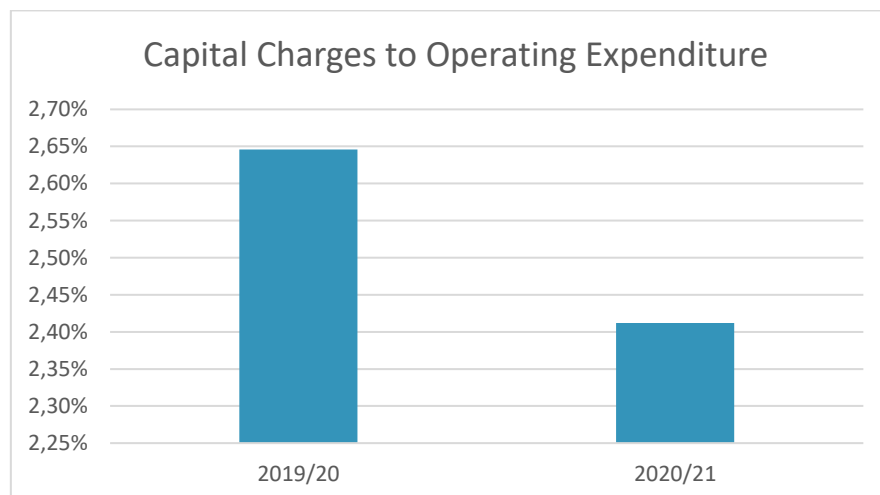
### 5.5.3 BORROWING MANAGEMENT

TABLE 208 BORROWING MANAGEMENT

DESCRIPTION	BASIS OF CALCULATION	2019/20	2020/21
		AUDITED OUTCOME	AUDITED OUTCOME
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2,65%	2,41%

\*Re-stated figures

FIGURE 27 BORROWING MANAGEMENT



\*Re-stated figures



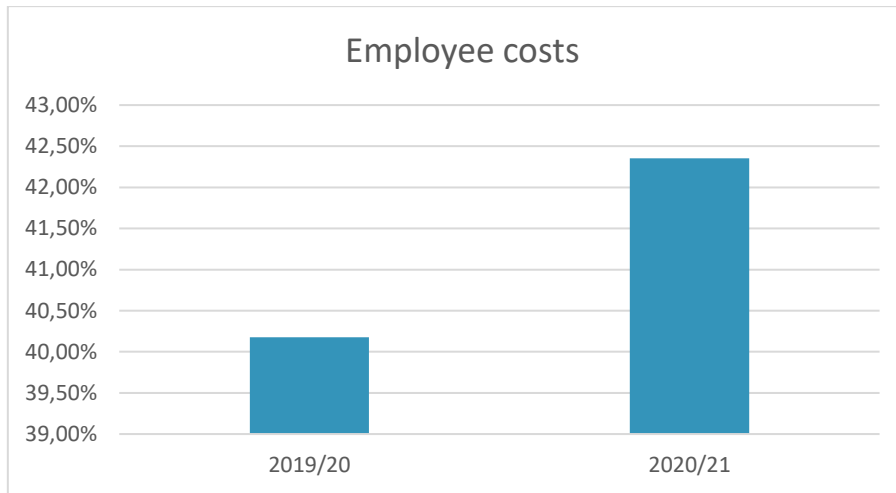
**5.5.4 EMPLOYEE COSTS**

**TABLE 42 EMPLOYEE COSTS**

DESCRIPTION	BASIS OF CALCULATION	2019/20	2020/21
		AUDITED OUTCOME	AUDITED OUTCOME
Employee costs	Employee costs/ (Total Expenditures)	40,18%	42,35%

\*Re-stated figures

**FIGURE 28 EMPLOYEE COSTS**



\*Re-stated figures

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

## 5.6 TREATMENT OF THREE LARGEST ASSETS

TABLE 210 TREATMENT OF THREE LARGEST ASSETS

Treatment of the Three Largest Assets		
<b>Asset 1</b>		
Name	<b>Sewerage services</b>	
Description	Bredasdorp - Waste Water treatment plant (Rehabilitation / upgrading)	
Asset Type	Infrastructure	
Key Staff Involved	Manager: Water and Sanitation	
Staff Responsibilities	Management of stormwater network	
Asset Value as at 30 June 2021	<b>2019/20 R million</b>	<b>2020/21 R million</b>
		25 345
Capital Implications	Financing from MIG grant funds	
Future Purpose of Asset	Basic service delivery	
Describe Key Issues	Upgrading of the waste water treatment plant to improve functional for the additional housing projects of Council.	
Policies in Place to Manage Asset	Infrastructure plan	
<b>Asset 2</b>		
Name	<b>Sewerage services</b>	
Description	Bredasdorp - Waste Water treatment plant (Rehabilitation / upgrading)	
Asset Type	Infrastructure	
Key Staff Involved	Manager: Water and Sanitation	
Staff Responsibilities	Management of stormwater network	
Asset Value as at 30 June 2021	<b>2019/20 R million</b>	<b>2020/21 R million</b>
		4 575
Capital Implications	CRR funding	
Future Purpose of Asset	Basic service delivery	
Describe Key Issues	Upgrading of the waste water treatment plant to improve functional for the additional housing projects of Council.	
Policies in Place to Manage Asset	Infrastructure plan	
<b>Asset 3</b>		
Name	<b>Roads Project</b>	
Description	Upgrading of RDP roads in Bredasdorp	
Asset Type	Roads Project	
Key Staff Involved	Manager Roads	
Staff Responsibilities	Management of roads projects as well as grant funding conditions	
Asset Value as at 30 June 2021	<b>2019/20 R million</b>	<b>2020/21 R million</b>
	3 411	4 575
Capital Implications	None	
Future Purpose of Asset	Roads infrastructure	
Describe Key Issues	Roads that needs to be identified and prioritisation of most critical roads	
Policies in Place to Manage Asset	Roads maintenance infrastructure plan	

## 5.7 SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the 2020/21 financial year:

**TABLE 211 CAPITAL EXPENDITURE BY FUNDING SOURCE**

DETAILS	2018/19	2019/20				
	AUDITED OUTCOME	ORIGINAL BUDGET (OB)	ADJUSTMENT BUDGET	ACTUAL	ADJUSTMENT TO OB VARIANCE	ACTUAL TO OB VARIANCE
<b>SOURCE OF FINANCE</b>						
<b>DESCRIPTION</b>	<b>R'000</b>				<b>%</b>	
External loans	7 709	36 183	37 139	33 530	79,24%	2,57%
Public contributions and donations	2 047	0	1 400	1 760	-46,22%	100,00%
Grants and subsidies	19 120	14 389	20 312	15 904	5,87%	29,16%
Own funding	14 169	11 917	11 131	13 125	-27,30%	-7,06%
<b>Total</b>	<b>43 046</b>	<b>62 490</b>	<b>69 981</b>	<b>64 320</b>	<b>38,49%</b>	<b>10,70%</b>
<i>Percentage of finance</i>						
External loans	17,91%	57,90%	53,07%	52,13%	66,25%	-9,11%
Public contributions and donations	4,76%	0,00%	2,00%	2,74%	-137,72%	100,00%
Grants and subsidies	44,42%	23,03%	29,02%	24,73%	-53,04%	20,67%
Own funding	32,92%	19,07%	15,91%	20,41%	-106,95%	-19,90%
<b>Capital expenditure</b>						
<b>Description</b>	<b>R'000</b>				<b>%</b>	
Water and sanitation	10 704	36 571	41 216	31 908	74,03%	11,27%
Electricity	10 766	6 329	6 071	6 148	-77,35%	-4,26%
Housing	3	29	2	2	-34,78%	-1139,13%
Roads and storm water	7 246	9 536	10 959	8 925	33,88%	12,99%
Other	14 326	10 026	11 733	17 336	-22,10%	14,55%
<b>Total</b>	<b>43 046</b>	<b>62 490</b>	<b>69 981</b>	<b>64 320</b>	<b>38,49%</b>	<b>10,70%</b>
<i>Percentage of expenditure</i>						
Water and sanitation	24,87%	58,52%	58,90%	49,61%	57,78%	0,63%
Electricity	25,01%	10,13%	8,67%	9,56%	-188,33%	-16,75%
Housing	0,01%	0,05%	0,00%	0,00%	-119,12%	-1287,68%
Roads and storm water	16,83%	15,26%	15,66%	13,88%	-7,50%	2,56%
Other	33,28%	16,04%	16,77%	26,95%	-98,50%	4,31%

**5.8 CAPITAL SPENDING ON THE LARGEST PROJECTS**

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

TABLE 21243 CAPITAL SPENDING ON LARGEST PROJECTS

<b>Capital Spending on 5 Largest Projects</b>					
<b>Name of Project</b>	<b>2020/21</b>				
	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Original Variance</b>	<b>Adjustment variance</b>
	<b>R'000</b>			<b>%</b>	
BD: Waste water treatment plan	27 081	28 331	25 345	-6,4%	-10,5%
BD: Waste water treatment plan	4 479	4 479	4 575	2,1%	2,1%
Roads Infrastructure: Roads Upgrade - RDP Bdorp	4 911	5 904	4 575	-6,8%	-22,5%
Electricity LV Network: Integrated National Electrification	2 150	2 150	2 241	4,2%	4,2%
Roads Infrastructure: Reseal Roads - CAM / Master plan	1 500	2 000	1 852	-23,5%	-7,4%
<b>Name of Project - A</b>	BD: Waste water treatment plan				
<b>Objective of Project</b>	Basic service delivery				
<b>Delays</b>	0				
<b>Future Challenges</b>	None				
<b>Anticipated citizen benefits</b>	Basic service delivery				
<b>Name of Project - B</b>	BD: Waste water treatment plan				
<b>Objective of Project</b>	Basic service delivery				
<b>Delays</b>	0				
<b>Future Challenges</b>	None				
<b>Anticipated citizen benefits</b>	Basic service delivery				
<b>Name of Project - C</b>	Roads Infrastructure: Roads Upgrade - RDP Bdorp				
<b>Objective of Project</b>	Basic service delivery				
<b>Delays</b>	0				
<b>Future Challenges</b>	None				
<b>Anticipated citizen benefits</b>	Basic service delivery				
<b>Name of Project - D</b>	Electricity LV Network: Integrated National Electrification				
<b>Objective of Project</b>	Basic service delivery				
<b>Delays</b>	0				
<b>Future Challenges</b>	None				
<b>Anticipated citizen benefits</b>	Basic service delivery				
<b>Name of Project - E</b>	Roads Infrastructure: Reseal Roads - CAM / Master plan				
<b>Objective of Project</b>	Basic service delivery				
<b>Delays</b>	0				
<b>Future Challenges</b>	None				
<b>Anticipated citizen benefits</b>	Basic service delivery				

## 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 213 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2020/21 ON SERVICE BACKLOGS					
DETAILS	BUDGET	ADJUSTMENTS	ACTUAL	VARIANCE	
		BUDGET		BUDGET	ADJUSTMENTS
	R'000			%	%
Infrastructure - Roads	4 911	5 904	4 575	-7,33%	-29,03%
Infrastructure - Sanitation	4 479	4 479	4 479	0,00%	0,00%
Transport Assets	0	1 365	1 341	100,00%	-1,76%
Other Assets	0	30	25	100,00%	-21,88%
<b>Total</b>	<b>9 390</b>	<b>11 778</b>	<b>10 421</b>	<b>9,89%</b>	<b>-13,02%</b>

**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 2020/21 financial year.

TABLE 214 CASH FLOW

DESCRIPTION	2019/20	2020/21		
	AUDITED OUTCOME	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL
	R'000			
<b>Cash flow from operating activities</b>				
<b>Receipts</b>				
Property rates	70 120	66 655	69 810	75 126
Service charges	170 184	178 510	184 399	188 786
Other revenue	14 398	18 213	27 434	21 113
Government - operating	98 365	75 102	78 269	72 240
Government - capital	19 164	13 889	20 291	26 653
Interest	7 664	4 955	4 128	5 329
<b>Payments</b>				
Suppliers and employees	-342 962	-347 027	-349 151	-326 038
Finance charges	-3 091	-3 648	-3 625	-2 498
Transfers and Grants	-3 455	-4 071	-3 259	-2 594
<b>Net cash from/(used) operating activities</b>	<b>30 388</b>	<b>2 579</b>	<b>28 298</b>	<b>58 118</b>
<b>Cash flows from investing activities</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE	5 074	0	2 200	5 792
Decrease (increase) other non-current receivables	29	8	3	6
<b>Payments</b>				
Capital assets	-40 556	-62 490	-68 581	-56 432
<b>Net cash from/(used) investing activities</b>	<b>-35 454</b>	<b>-62 482</b>	<b>-66 379</b>	<b>-50 635</b>
<b>Cash flows from financing activities</b>				
<b>Receipts</b>				
Borrowing long term/refinancing	0	28 440	34 200	34 200
<b>Payments</b>				
Repayment of borrowing	-5 963	-6 500	-6 027	-6 027
Increase in Consumer Deposits	331	299	302	505
<b>Net cash from/(used) financing activities</b>	<b>-5 632</b>	<b>22 239</b>	<b>28 474</b>	<b>28 678</b>
<b>Net increase/ (decrease) in cash held</b>	<b>-10 698</b>	<b>-37 664</b>	<b>-9 607</b>	<b>36 161</b>
Cash/cash equivalents at the year begin:	83 739	63 996	73 041	73 041
Cash/cash equivalents at the year-end:	73 041	26 332	63 435	109 202

### 5.11 GROSS OUTSTANDING DEBTORS PER SERVICE

TABLE 215 GROSS OUTSTANDING DEBTORS PER SERVICE

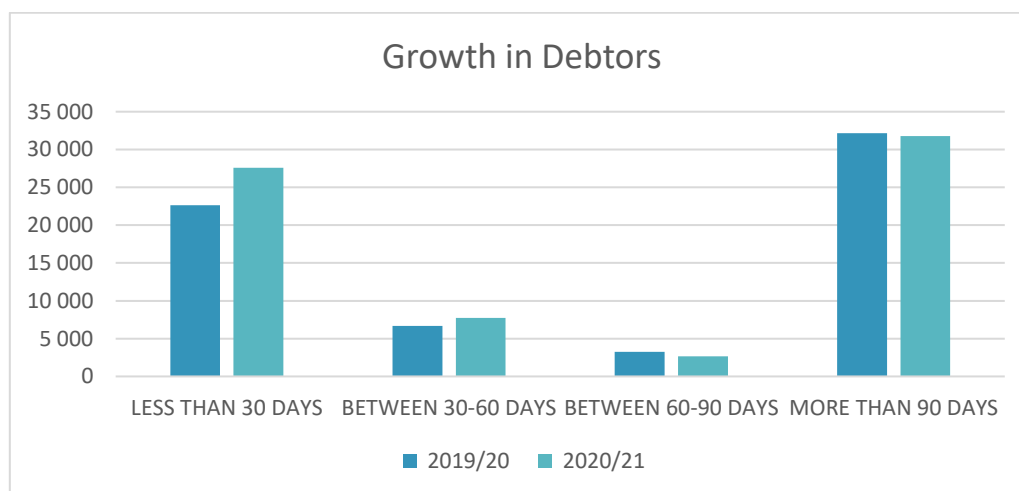
FINANCIAL YEAR	RATES	TRADING SERVICES	ECONOMIC SERVICES	HOUSING RENTALS	OTHER	TOTAL
		(ELECTRICITY AND WATER)	(SANITATION AND REFUSE)			
(R'000)						
2019/20	12 672	27 839	11 727	2178	10 292	64 708
2020/21	13 977	28 397	12 947	1938	12 471	69 730
Difference	1 305	558	1 220	-240	2 179	5 022
% growth year on year	10,30%	2,00%	10,40%	0,00%	21,17%	7,76%

### 5.12 TOTAL DEBTORS AGE ANALYSIS

TABLE 216 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)				
2019/20	22 650	6 661	3 230	32 167	64 708
2020/21	27 575	7 733	2 664	31 758	69 730
Difference	4 925	1 072	-566	-409	5 022
% growth year on year	21,74%	16,09%	-17,52%	-1,27%	7,76%

FIGURE 29 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 217 ACTUAL BORROWINGS

INSTRUMENT	2019/20	2020/21
	R'000	
Long-Term Loans (annuity/reducing balance)	20 763	46 963
<b>Total</b>	<b>20 763</b>	<b>46 963</b>

### 5.13.2 INVESTMENTS

TABLE 218 INVESTMENTS

INVESTMENT TYPE	2019/20	2020/21
	R'000	
Deposits - Bank	73 041	109 202
<b>Total</b>	<b>73 041</b>	<b>109 202</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. We are in process of de-registering the agency.

## CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

### 6.1 AUDITOR-GENERAL REPORT 2019/20

TABLE 219 AG REPORT ON FINANCIAL PERFORMANCE 2019/20

<b>Audit Report Status:</b>	<b>Unqualified with no other matters</b>
<b>Non-Compliance Issues</b>	Remedial Action Taken
There were various findings around compliance and internal control at some departments and, where required, the financial statements have been updated accordingly	<ul style="list-style-type: none"> <li>The items were corrected during the audit and the necessary changes made and submitted to the auditors during the audit</li> <li>The findings will also be taken up in an action plan to address the root cause of the corrections. The progress on the implementation of the corrective measures will be reported to Council on a monthly basis as well as the Audit Committee on a quarterly basis</li> </ul>

TABLE 220 AG REPORT ON SERVICE DELIVERY PERFORMANCE 2019/20

<b>Auditor-General Report on Service Delivery Performance: 2019/20</b>	
<b>Audit Report Status:</b>	Unqualified with no other matters
<b>Non-Compliance Issues</b>	Remedial Action Taken
There were some findings regarding the accuracy of the reported achievement of objectives found during the audit which required changes to the performance report (which forms part of the Municipality's annual report)	<ul style="list-style-type: none"> <li>The corrections were made during the audit and submitted to the auditors.</li> <li>The findings will also be taken up in an action plan to address the root cause of the corrections. The progress on the implementation of the corrective measures will be reported to Council on a monthly basis and the Audit Committee on a quarterly basis.</li> </ul>

### 6.2 AUDITOR-GENERAL REPORT 2020/21

TABLE 221 AG REPORT ON FINANCIAL PERFORMANCE 2020/21

<b>Auditor-General Report on Financial Performance 2020/21</b>	
<b>Audit Report Status:</b>	Unqualified with no other matters

Non-Compliance Issues	Remedial Action Taken
<p>There were some findings regarding the accuracy of the reported achievement of objectives found during the audit which required changes to the performance report (which forms part of the Municipality's annual report)</p>	<ul style="list-style-type: none"> <li>• The corrections were made during the audit and submitted to the auditors.</li> <li>• The findings will also be taken up in an action plan to address the root cause of the corrections. The progress on the implementation of the corrective measures will be reported to Council on a monthly basis and the Audit Committee on a quarterly basis.</li> </ul>

TABLE 222 AG REPORT ON SERVICE DELIVERY PERFORMANCE 2020/21

Auditor-General Report on Service Delivery Performance: 2020/21	
<p><b>Audit Report Status:</b></p>	<p>Unqualified with no other matters</p>
Non-Compliance Issues	Remedial Action Taken
<p>There were no findings regarding the accuracy of the reported achievement of objectives found during the audit</p>	<p>N/A</p>

**FIGURES**

FIGURE 1 MAP OF CAPE AGULHAS MUNICIPALITY AND WARD DELIMITATION ..... 9

FIGURE 2 DEMOGRAPHIC OVERVIEW 2020..... 13

FIGURE3 POPULATION ..... 14

FIGURE 4 POVERTY AND INCOME OVERVIEW ..... 17

FIGURE 5 OVERBERG FOCUS AREA ..... 20

FIGURE 6 CRITICAL BIODIVERSITY AREAS IN CAPE AGULHAS ..... 23

FIGURE 7 COMPLAINTS REPORT FOR 2020/21 ..... 61

FIGURE 8 COMPONENTS OF THE MUNICIPAL SCORECARD ..... 78

FIGURE 9 PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA ..... 82

FIGURE 10 PERFORMANCE PER STRATEGIC OBJECTIVE ..... 82

**FIGURE 11 WATER SERVICE DELIVERY LEVELS ..... 112**

FIGURE 12 SANITATION SERVICE DELIVERY LEVELS..... 115

FIGURE 13 REVENUE IMPACT TABLE OF SSEG INSTALLATIONS AS A PERCENTAGE OF PENETRATION ..... 117

**FIGURE 14 ELECTRICITY SERVICE DELIVERY LEVELS ..... 120**

FIGURE 15 WASTE MANAGEMENT SERVICE DELIVERY ..... 124

FIGURE 16 SMART CITY INITIATIVES ..... 176

FIGURE 17 WIFI USERS..... 177

FIGURE 18 SCREENING OF VISITORS DURING 2020/21 ..... 199

FIGURE 19 DISCIPLINARY HEARINGS AND GRIEVANCES ..... 201

**FIGURE 20 MAJOR REVENUE BY SOURCE ..... 216**

FIGURE 21 MAJOR EXPENDITURE BY TYPE ..... 217

FIGURE 22 GRANTS AND SUBSIDIES RECEIVED COMPARED TO THE TOTAL OPERATING REVENUE..... 235

FIGURE 23 LIQUIDITY RATIO ..... 237

FIGURE 24 COST COVERAGE ..... 238

**FIGURE 25 OUTSTANDING SERVICE DEBTORS ..... 238**

FIGURE 26 DEBT COVERAGE ..... 239

FIGURE 27 BORROWING MANAGEMENT ..... 239

**FIGURE 28 EMPLOYEE COSTS..... 240**

FIGURE 29 SERVICE DEBTORS AGE ANALYSIS ..... 246

**TABLES**

TABLE 1 WARD DELIMITATION 2016 .....	12
TABLE 2 POPULATION DISTRIBUTION PER TOWN .....	14
TABLE 3 AGE COHORTS 2019/2025 .....	15
TABLE 4 HOUSEHOLD SIZES 2019-2023 .....	15
TABLE 5 INDIGENT HOUSEHOLDS .....	16
TABLE 6 PROJECTED CLIMATE CHANGE IMPACTS ON SERVICE DELIVERY .....	21
TABLE 7 ENDANGERED ECOSYSTEMS .....	22
TABLE 8 BASIC SERVICE DELIVERY HIGHLIGHTS.....	24
TABLE 9 BASIC SERVICE DELIVERY CHALLENGES.....	25
TABLE 10 PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICES.....	27
TABLE 11 FINANCIAL VIABILITY HIGHLIGHTS .....	27
TABLE 12 FINANCIAL VIABILITY CHALLENGES .....	27
TABLE 13 NATIONAL KPI'S FOR FINANCIAL VIABILITY AND MANAGEMENT.....	28
TABLE 14 FINANCIAL OVERVIEW 2020/21.....	28
TABLE 15 OPERATING RATIOS .....	29
TABLE 16 TOTAL CAPITAL EXPENDITURE .....	29
TABLE 17 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS.....	29
TABLE 18 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES .....	30
TABLE 19 2020/21 EMPLOYMENT EQUITY TARGETS/ACTUAL BY RACIAL CLASSIFICATION FOR TOP THREE LEVELS OF MANAGEMENT.....	30
TABLE 20 2020/21 EMPLOYMENT EQUITY TARGETS/ACTUAL BY RACIAL CLASSIFICATION (ALL EMPLOYEES) ....	30
TABLE 21 2020/21 EMPLOYMENT EQUITY TARGETS/ACTUAL BY GENDER CLASSIFICATION .....	30
TABLE 22 BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT .....	31
TABLE 23 AUDIT OUTCOMES .....	31
TABLE 24 COUNCIL MEETINGS.....	32
TABLE 25: COUNCILLOR REPRESENTATION AND MEETING ATTENDANCE .....	33
TABLE 26 EXECUTIVE MAYORAL COMMITTEE .....	33
TABLE 27 PORTFOLIO COMMITTEES.....	34
TABLE 28: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE .....	35
TABLE 29 ADMINISTRATIVE GOVERNANCE STRUCTURE: SENIOR MANAGEMENT .....	35
TABLE 30 ADMINISTRATIVE GOVERNANCE STRUCTURE: THIRD TIER .....	35
TABLE 31 JOINT PROJECTS.....	36
TABLE 32 DISTRICT INTERGOVERNMENTAL STRUCTURES AND FORUMS .....	38
TABLE 33 NATIONAL AND PROVINCIAL INTERGOVERNMENTAL STRUCTURES AND FORUMS.....	39
TABLE 34 WARD BASED PUBLIC MEETINGS.....	41
TABLE 35 FUNCTIONALITY OF WARD COMMITTEES .....	42
TABLE 36 WARD COMMITTEE MEMBERSHIP AND FUNCTIONALITY .....	42
TABLE 37 FRAUD AND RISK MANAGEMENT COMMITTEE (FARMCO) .....	47
TABLE 38 STRATEGIC RISK REGISTER 2020/21.....	49
TABLE 133 CAPITAL EXPENDITURE AIR QUALITY .....	155
TABLE 179 OPERATING RATIOS .....	217
TABLE 180 SUMMARY OF FINANCIAL PERFORMANCE .....	221
TABLE 209 EMPLOYEE COSTS .....	240
TABLE 212 CAPITAL SPENDING ON LARGEST PROJECTS.....	243