



DRAKENSTEIN

MUNISIPALITEIT • MUNICIPALITY • UMASIPALA

Paarl | Wellington | Gouda | Saron | Simondium

Five-Year Integrated Development Plan (IDP)

2023/24 Review

31 May 2023

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A city of excellence

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Table 1: Glossary of Acronyms

AC:	Audit Committee	mSCOA:	Municipal Standard Chart of Accounts
ACDP:	African Christian Democratic Party	MERO:	Municipal Economic Review and Outlook
AFS:	Annual Financial Statements	MPAC:	Municipal Public Accounts Committee
AG:	Auditor-General	MFMA:	Municipal Finance Management Act
AIDS:	Acquired Immune Deficiency Syndrome	MSA:	Municipal Systems Act
ANC:	African National Congress	MTSF:	Medium-Term Strategic Framework
ALJAMA-AH:	<i>Political Party</i>	MTREF:	Medium-Term Revenue and Expenditure Framework
ART:	Anti-Retroviral Treatment	NDP:	National Development Plan
CA:	Combined Assurance	NKPA:	National Key Performance Area
CAE:	Chief Audit Executive	NO:	National Outcomes
CAPEX:	Capital Expenditure	NPA:	National Prosecuting Authority
CBD:	Central Business District	NPP:	National People's Party
CBP:	Community-Based Planning	NSDP:	National Spatial Development Framework
CDR:	Concerned Drakenstein Residents	OPEX:	Operational Expenditure
CEF:	Capital Expenditure Framework	PAC:	Performance Audit Committee
CFO:	Chief Financial Officer	PDO:	Pre-determined Objectives
CJC:	Criminal Justice System	PDM:	People's Democratic Movement
CM:	City Manager	PERO:	Provincial Economic Review and Outlook
CRO:	Chief Risk Officer	PGWC:	Provincial Government of the Western Cape
CRP:	Current Replacement Cost	PHC:	Primary Health Care
CRR:	Capital Replacement Reserves	PHSHDA:	Priority Human Settlements and Housing Development Areas
COGTA:	Cooperative Governance and Traditional Affairs	PM:	Performance Management
COPE:	Congress of the People	PMS:	Performance Management System
CWDM:	Cape Winelands District Municipality	PMDS:	Performance Management & Development System
DA:	Democratic Alliance	PR:	Proportional Representative
DCF:	District Coordinating Forum	PSO:	Provincial Strategic Objective
DIF:	Development and Investment Forum	SANS:	South African National Standards
DM:	Drakenstein Municipality	SAPS:	South African Police Services
DSSN:	Drakenstein Smart Safety Network	SCM:	Supply Chain Management
ECD:	Early Childhood Development	SDBIP:	Service Delivery and Budget Implementation Plan
EFF:	Economic Freedom Fighters	SDF:	Spatial Development Framework
EMS:	Emergency Medical Services	SDG:	Sustainable Development Goals
EPWP:	Expanded Public Works Programme	SIHSP:	Sustainable Integrated Human Settlement Plan
FARMCO:	Fraud and Risk Management Committee	SIME:	Strategic Integrated Municipal Engagement
FET:	Further Education and Training	SMME:	Small, Medium and Micro Enterprise
GOOD:	<i>Political party</i>	SO:	Strategic Objectives
GPRS:	General Packet Radio Service	STATSSA:	Statistics South Africa
HDI:	Historically Disadvantaged Individuals	TB:	Tuberculosis
HIV:	Human Immunodeficiency Virus		
IA:	Internal Audit		
ICT:	Information and Communication Technology		
IDP:	Integrated Development Plan		
LED:	Local Economic Development		
ICOSA:	Independent Civic Organisation of South Africa		
IEGS:	Integrated Economic Growth Strategy		
IGR:	Intergovernmental Relations		
IHSP:	Integrated Human Settlements Plan		
IRDP:	Integrated Residential Development Projects		
IWMP:	Integrated Waste Management Plan		
IT:	Information Technology		

JPI:	Joint Planning Initiative	VF:	Freedom Front Plus
KPA:	Key Performance Area	VIP:	Vision Inspired Priorities
KPI:	Key Performance Indicator	WC:	Ward Committee
LED:	Local Economic Development	WC-PGDS:	Western Cape Provincial Growth and Development Strategy
LUMS:	Land Use Management System	WDP:	Ward Development Plan
MAYCO:	Mayoral Committee	WSDP:	Water Services Development Plan
M&E:	Monitoring and Evaluation	WWTW:	Wastewater Treatment Works

Table 2: Table of Definitions

Description	Definition
Key Performance Areas	Key Performance Areas are the areas within the business unit for which an individual or group is logically responsible.
Pre-determined Objectives	Pre-determined Objectives are the areas identified as important or crucial where a result will assist in the achievement of the set objectives or goal.
Big Moves	Big Moves in the Drakenstein Municipality context are defined as a cluster of highly interconnected actions that will produce a desired end result with significant impact and benefits. Big Moves are purposefully driven by the Administration through the implementation of carefully selected key initiatives, programmes and projects, and form the foundation of the Integrated Development Plan as well as the Budget and Performance Management System, which are both reviewed annually.
Key Initiatives	Key Initiatives may include the development of policies, bylaws, strategies and plans that will act as strategic enablers for the attainment of Big Moves.
Programs	Programmes are structured and regulated activities that will provide the environment for the meeting of key objectives in support of Big Moves – and may include campaigns, maintenance and upgrade programmes, and/or improvements in the Communications, ICT and other networks.
Projects	A project is an individual or collaborative enterprise – possibly involving research or design – that is carefully planned, usually by the project assigned team, to achieve a particular aim. One can also define a project as a set of interrelated tasks to be executed over a fixed period and within certain cost and other limitations. (<i>Wikipedia</i>)

FOREWORD BY THE EXECUTIVE MAYOR

This review of the Integrated Development Plan (IDP) for the period 2023–2024, continues to build on the Drakenstein Municipality's plans for the current five-year term. The past five years have seen the Municipality achieve and in many instances exceed its goals and targets, overcoming many challenges in the process.

With the Municipality's past successes having formed the foundation for the current five year term, our manifesto is simply to have solution-driven innovations, to focus on essential economic and social development, and to continue excellent service delivery while maintaining steadfast good governance and financial management. We are furthermore committed to implementing integrated communication that not only informs and empowers our community, but also promotes Drakenstein as a business, investment, tourism and sport destination.



It is common knowledge that the load-shedding crisis at ESKOM has an impact on the economy in a way that we all feel locally. The municipality is doing everything in its power to assist residents and businesses in terms of minimising the effect of loadshedding. The Municipality has developed a ESKOM Loadshedding Resilience Plan to manage the risks of loadshedding on the Drakenstein Municipal Area.

The Municipality's focus will remain on maintaining good governance and compliance while practicing strict fiscal discipline. There will be a continued focus on both improving efficiencies (doing more with less) and enhancing ease of doing business in Drakenstein. Local contractor development will be given priority, and internal and external communication will be conducted proactively. The Municipality is also focused on completing key projects.

In conclusion, I want to thank the Deputy Mayor, Alderman Gert Combrink; the members of the Mayoral Committee; all our Councillors; and the City Manager who, in collaboration with his Administration, have drafted this updated roadmap for the future. We are fully committed to undertaking the route – as described in this IDP – to be a city of excellence.

Ald. CJ Poole

EXECUTIVE MAYOR

OVERVIEW BY THE CITY MANAGER

The 2023–2024 Integrated Development Plan (IDP) marks the first review of the fifth generation IDP cycle.

The vision of Drakenstein Municipality remains a “city of excellence”, embracing our secondary city status.

Excellent service delivery remains the focus throughout – and while it is our mandate to deliver potable water, sanitation, electricity and waste removal services, Drakenstein Municipality has gone beyond what is expected, with the improved quality of life of our residents as our constant focus. Some of the Municipality’s remarkable service delivery achievements include consistently low levels of water and electricity distribution losses (below the national norm); the electrification of informal settlements; the beautification of our rental stock; and aggressive waste management initiatives, among others.

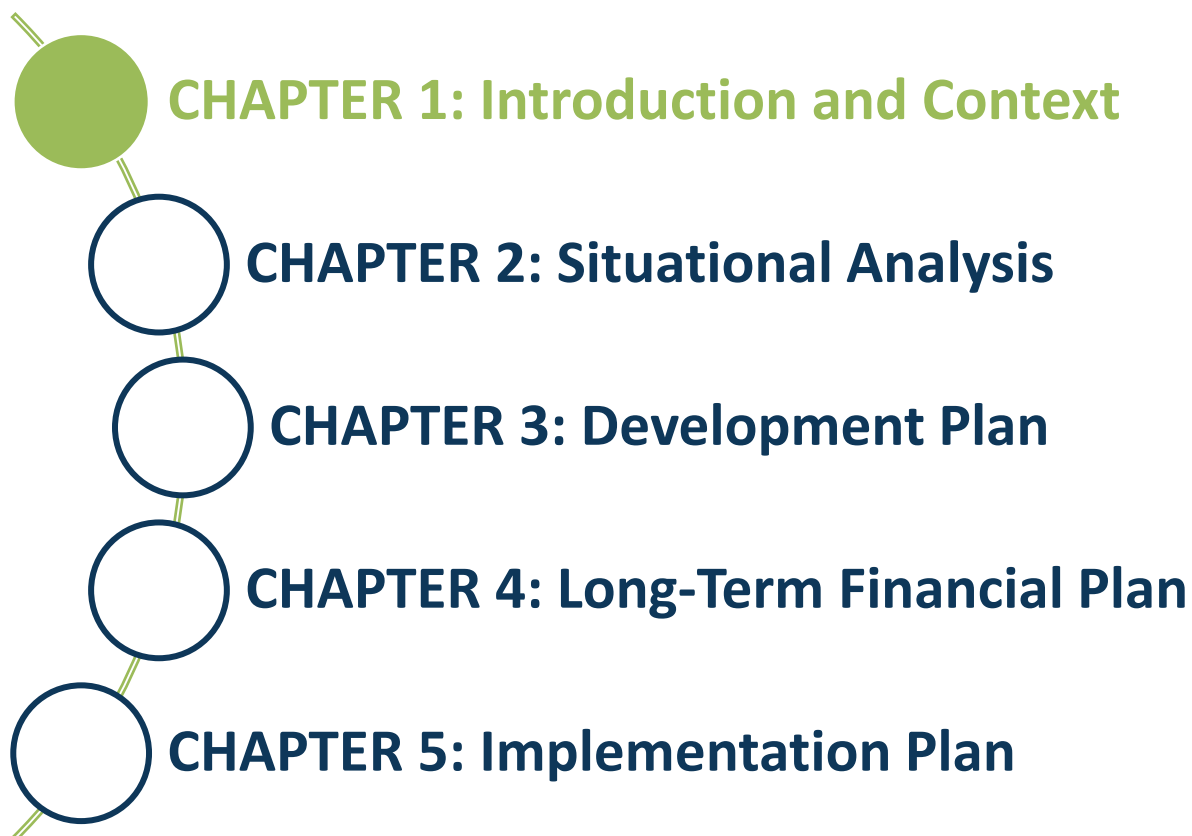
We are also proud of the fact that Drakenstein Municipality recently received an amount of R1.4 Billion in the form of a Budget Facility for Infrastructure (BFI) Grant, as awarded by National Treasury and will use this funding to perform upgrades and rehabilitation on waste water and sanitation services. The Drakenstein Municipality also recently received the Western Cape Government’s Service Excellence Award as the Best Secondary City in the Western Cape, whilst being awarded a Silver Award for Best Municipality overall in the Western Cape, a position it shares with Swartland Municipality.

Drakenstein Municipality achieved its eighth clean audit (and 15th unqualified audit opinion) from the Auditor-General of South Africa for 2021/22. We continue to address various external challenges, which in recent years included a drought as well as a global pandemic as well as the ongoing ESKOM Loadshedding Crisis. In respect of the ESKOM Loadshedding Crisis, the municipality has developed an ESKOM Loadshedding Resilience Plan which focuses on three pillars, which includes Sustainable service delivery, Revenue Protection as well as Alternative Energy. The Municipality furthermore introduced targeted revenue management, expenditure management and cost containment programmes to identify, raise and collect all revenue due to the Municipality. Included in this programme is a focus on expenditure management and cost containment to ensure that available resources are optimised for quality service delivery. Other measures include the preparation of a zero-based budget; the prioritisation of infrastructure repairs and maintenance; the funding of budgeting expenditure by realistically anticipated, cash-backed revenues; and instituting a broad range of operational efficiencies to result in operating surpluses that will be used to finance capital.

Resting on the building blocks of the previous five years, the 2023–2024 IDP aims to continue addressing the needs of our community in the same innovative manner it has done previously through the provision of high-quality services and utilities. The projects, programmes and initiatives outlined in this document will be implemented by means of effective performance management and dedicated leadership.

Dr JH Leibbrandt
CITY MANAGER





1. CHAPTER 1: INTRODUCTION AND CONTEXT

1.1 INTRODUCTION

The Municipal Systems Act, No. 32 of 2000 (in this document also the ‘Systems Act’ or ‘MSA’), mandates that all South African municipalities formulate successive five-year Integrated Development Plans (IDPs). An IDP is instrumental in the facilitation and management of all spheres of development within the applicable area of jurisdiction. To ensure full adherence to Municipal Systems Act legislation, the Drakenstein Council has delegated the responsibility of preparing the Drakenstein Municipality IDP to the City Manager.

The Municipality’s commitment to be “a city of excellence” is a focal point of the 2022–2027 IDP, with specific emphasis on translating the Municipality’s strategy into firm action. With institutional excellence in mind, it is important to link, integrate and coordinate all the Municipality’s strategic and implementation plans. Moreover, such plans should also align with national, provincial, district and neighbouring municipal development plans, and planning requirements. Focused and robust interaction with other spheres of government augments developmental local government.

Stakeholder and community engagement – which is imperative in determining and undertaking development priorities – form the cornerstone of Drakenstein Municipality’s IDP. Keeping in mind that community needs are dynamic and ever-changing, such needs must be reviewed frequently. Furthermore, regular stakeholder and community engagement assists the Municipality in achieving enhanced service delivery targets, outputs and outcomes, which is administered and evaluated via the Municipality’s performance management system. In view of Drakenstein Municipality’s mandate to deliver services to communities and businesses spanning various sectors, ongoing public engagement is also vital in ensuring that the Municipality remains accountable to its stakeholders.

The Drakenstein Municipal Council ensures that its oversight role is sufficiently mandated by the populace voice of its local communities by fully embracing the principles of participatory democracy. This is achieved by means of a well-functioning ward committee system; robust public participation through various development planning processes; and regular communication with the community – using platforms such as public meetings, community newsletters, open day stakeholder participation engagements, radio broadcasts, and various other print and digital media instruments (for example the municipal website).

Drakenstein Municipality takes particular pride in its efforts to ensure that community members participate in the planning and development of both their specific wards, and the broader environment surrounding their area of residence. This truly fosters a culture of partnership in development and enables the Municipality to deliver on the priorities as identified in its IDP.

1.2 STRUCTURE OF THE IDP 2023/2024 REVIEW

This 2023/2024 IDP Review consists of five chapters, including the Foreword by the Mayor and Overview by the City Manager. The five chapters comprise the following focus areas:

Chapter 1: Introduction and Context of the IDP 2023/2024

Offering an introductory overview, chapter 1 outlines the legislative foundation of the IDP 2023/2024, with specific reference to the South African Constitution; Sustainable Development Goals (SDG); Integrated Urban Development Framework (IUDF); National Development Plan (NDP); Provincial Strategic Plan; and Cape Winelands District Municipal Plan. The chapter further elaborates on the planning and implementation process of the IDP, as well as the strategic alignment between local, provincial and national planning objectives. The socio-economic demographic trends of The Drakenstein Municipal area are also presented.

Chapter 2: Situation Analysis

Chapter 2 expands on the status quo of Drakenstein Municipality within the context of its six (6) Key Performance Indicators (KPIs) and forty (40) Pre-Determined Objectives (PDOs). In this manner, the second chapter offers a structured overview and indication of the current state of the Municipality.

Chapter 3: Development Plan

Chapter 3 presents a tailor-made plan of action that addresses the issues and challenges as identified in the preceding chapter: this programme of action is continuously informed by the Municipality's vision. Chapter 3 consequently focuses on the Municipality's strategic framework, including an emphasis on the City's Catalytic Zones and Big Moves.

Chapter 4: Financial Plan

Chapter 4 introduces Drakenstein Municipality's medium and long-term financial plan, and elaborates on financial planning, funding, expenditure, budget projections and long-term sustainability. This chapter also clarifies how the Municipality's strategic plans will be funded.

Chapter 5: Implementation Plan

Chapter 5 takes the strategic framework and financial plan into implementation mode and clarifies the roles and responsibilities of the Municipality's stakeholders, while ensuring accountable and improved service delivery. This section also elaborates on the Municipality's performance management process, which is a comprehensive implementation plan with measurable performance objectives.

1.3 BACKGROUND

Drakenstein Municipality forms part of the Cape Winelands District (which also includes the Category B municipalities of Stellenbosch, Breede Valley, Witzenberg and Langeberg). The Municipality covers an area of approximately 1 538 km², stretching from south of the N1 freeway (including Simondium) up to and including Saron in the north. The Klein Drakenstein, Limiet and Saron Mountain ranges form the eastern edge, while the agricultural area immediately to the west of the R45 road form Drakenstein's western border. The urban conurbation is made up of Paarl, Mbekweni and Wellington, with a central business districts in Paarl and Wellington respectively. The hinterland comprises the smaller rural settlements of Saron and Gouda in the north, Hermon in the mid-west, as well as the surrounding agricultural holdings. See Figure 1 for an illustration of the various towns within the Drakenstein area, as well as the Municipality's geographic loaction in the Western Cape Province (South Africa).

1.4 WARD DEMARCATION

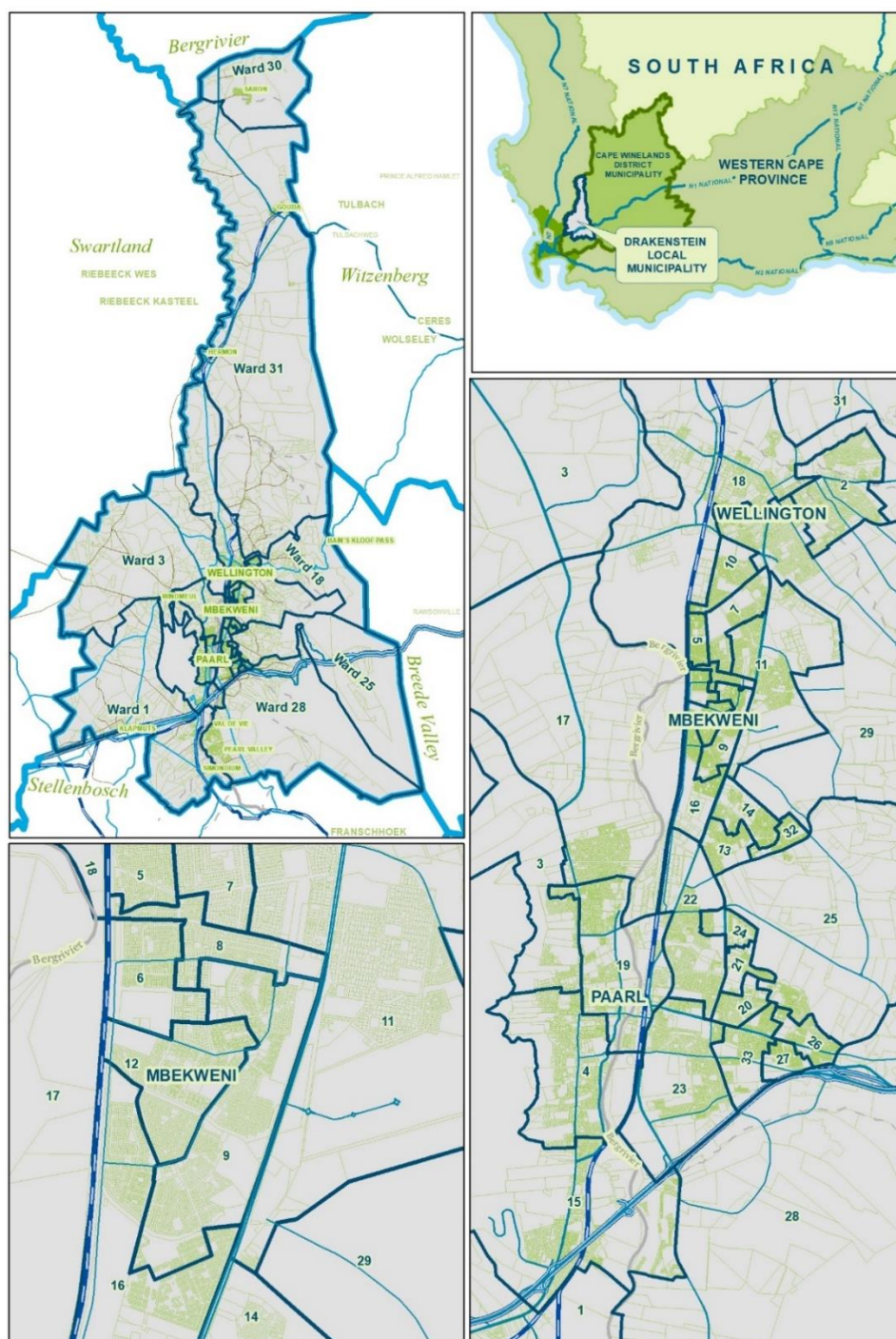
Drakenstein Municipality comprises 33 wards. The list below details the sub-places or townships in each ward:

- Ward 1: Simondium
- Ward 2: Kerk Street, Berg-en-Dal, Ranzadale
- Ward 3: Windmeul and Bergriver Farms, Slot van die Paarl
- Ward 4: Paarl Central
- Ward 5: Carterville and New Rest
- Ward 6: Silvertown, Mbekweni
- Ward 7: Van Wyksvlei, Weltevrede
- Ward 8: Mbekweni
- Ward 9: Mbekweni
- Ward 10: Hillcrest, Wellington
- Ward 11: Newton, Van Wyksvlei, Safmarine
- Ward 12: Mbekweni
- Ward 13: Groenheuwel, Fairyland
- Ward 14: Groenheuwel, Smartietown
- Ward 15: Southern Paarl, Courtraï
- Ward 16: Mbekweni, Drommedaris, Dal Josaphat
- Ward 17: Northern Paarl, Nieuwedrift
- Ward 18: Soetendal, Wellington North
- Ward 19: Northern Paarl Central
- Ward 20: Miqlat Sentrum Area
- Ward 21: Chicago South, Magnolia
- Ward 22: New Orleans, Charleston Hill, Huguenot
- Ward 23: Klein Parys, Denneburg, Langvlei
- Ward 24: Chicago
- Ward 25: Nederburg, Lantana
- Ward 26: Lantana, New York
- Ward 27: Amstelhof
- Ward 28: Ronwè, Sonop, Salem and Surrounding Farms
- Ward 29: Voor Street Area, Uitsig, Perdeskoen Farms

- Ward 30: Saron
- Ward 31: Gouda, Hermon, Bovlei, Voor en Agter Groenberg
- Ward 32: Fairyland, Smartie Town and Milky Town
- Ward 33: Langvlei, Boland Park, Lustigan Village

The below figure illustrates the location of the Municipality's 33 wards:

Figure 1: 2021 Ward Demarcation/Location of Drakenstein Municipality



Source: Drakenstein Municipality; 2021

1.5 DRAKENSTEIN MUNICIPALITY AT A GLANCE

Area Size:

1,538 km²

Population Size:

305 281

Number of Households:

76 195

Number of Informal Settlements:

43

Number of Councillors:

65

Number of Wards:

33

Households without Income:

11 755

Community Survey 2016

Economic Profile:

Unemployment Rate: 21% (SA–27%)

Rate of inequality (Gini Coefficient): 0.6
(SA–0.7)

Community Survey 2016

Agriculture:

Farms: 2 380

Agri-workers: 66% under the age of 35

LG-SEP, 2021

Building Plans Approved (2020/21):

1 201

*Drakenstein Municipality,
2021*

Number of Education Facilities:

Primary: 52

Secondary: 23

Special Schools: 3

FETs: 3

University: 1

LG-SEP, 2021

Registered Businesses:

2 336

Libraries:

19

Municipal Public Libraries: 9

Schools with Libraries: 10

LG-SEP, 2021
Number of Police Stations:

6

LG-SEP, 2021
Number of Healthcare Facilities:

PHC (fixed):

13

PHC (mobile):

6

ART:

13

TB:

27

Regional Hospital:

1

LG-SEP, 2021
Access to Basic Services:

Water:

99.8%

Sanitation:

99.5%

Refuse Removal:

100%

Electricity:

94.9%

Indigent Households:

Free Basic Water:

17 070

Free Property Rates:

14 404

Free Basic Electricity:

18 632

Electricity Distribution Losses:

6%

Water Distribution Losses:

13.2%

Source: Drakenstein Municipality, Management Information; 2022.

1.6 THE ORGANISATION

The Municipal Structures Act, No. 117 of 1998, assigns powers and functions to local government and the various structures within local government.

1.6.1 Political Governance

Section 53 of the Municipal Systems Act (No. 32 of 2000) stipulates that the respective roles and areas of responsibility of each political structure and each political office bearer of the Municipality, and of the City Manager, must be clearly defined. Such definition is important to ensure a well-functioning organisation. The political arm of the Municipality is headed by the following leadership:

- Executive Mayor: Alderman Conrad Poole
- Deputy Executive Mayor: Alderman Gert Combrink
- Speaker: Alderman Koos le Roux
- Chief Whip: Christephine Kearns

(a) Mayoral Committee

The Mayoral Committee comprises the following members as depicted in the table below:

Table 3: Mayoral Committee

Serial No.	Name	Portfolio
1.	Ald C Poole	Executive Mayor
2.	Ald GC Combrink	Financial Services (Deputy Executive Mayor)
3.	Ald JF Le Roux	Speaker
4.	Cllr TG Bester	Engineering Services
5.	Cllr E Baron	Corporate Services
6.	Cllr J Miller	Governance and Compliance
7.	Cllr E Gouws	Social Development
8.	Cllr LT van Niekerk	Planning and Development
9.	Cllr L Cyster	Parks, Waste and Cemeteries
10.	Cllr AMB Appollis	Public Safety
11.	Cllr MA Andreas	Human Settlements
12.	Cllr RH van Niewenhuyzen	Communication and Intergovernmental Relations
13.	Cllr LC Arendse	Sport, Recreation, Arts and Culture

(b) Council

Drakenstein Municipality consists of sixty-five (65) Councillors, of which thirty-three (33) are Ward Councillors and thirty-two (32) are Proportional Representation (PR) Councillors. The Speaker presides at meetings of the Council. See the list indicating all Councillors with their capacity/position below:

Table 4: Council

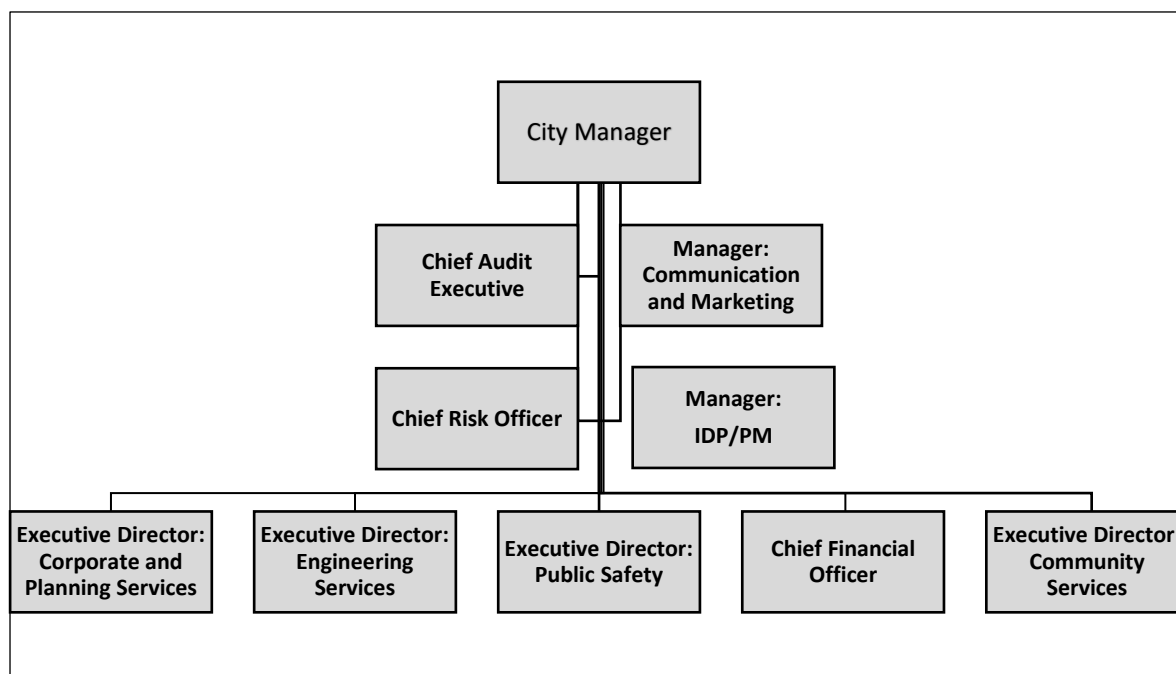
Serial No.	Name	Ward Councillor/PR Councillor
1.	Calvin Kroutz	Ward 1 Councillor
2.	Nicolaas Sauerman	Ward 2 Councillor
3.	Annelize van Rooyen	Ward 3 Councillor
4.	Johan Miller	Ward 4 Councillor
5.	Thobani Patrick Mooi	Ward 5 Councillor
6.	Nothula Nongogo	Ward 6 Councillor
7.	Ruth Belldine Arnolds	Ward 7 Councillor
8.	Ntombovuyo Godongwana	Ward 8 Councillor
9.	Luvuyo Espin Bolani	Ward 9 Councillor
10.	Christephine Kearns	Ward 10 Councillor
11.	Aidan Charles Stowman	Ward 11 Councillor
12.	Ludia Sindiswa Sambokwe	Ward 12 Councillor
13.	Soudah Ross	Ward 13 Councillor
14.	Brenda van Willingh	Ward 14 Councillor
15.	Stephanus Liebenberg	Ward 15 Councillor
16.	Zamikhaya Xhego	Ward 16 Councillor
17.	Lorraine Cyster	Ward 17 Councillor

Serial No.	Name	Ward Councillor/PR Councillor
18.	Elizabeth Baron	Ward 18 Councillor
19.	Theunis Gerhardus Bester	Ward 19 Councillor
20.	Patricia Beverly Ann Cupido	Ward 20 Councillor
21.	Eva Gouws	Ward 21 Councillor
22.	Felix Patric Cupido	Ward 22 Councillor
23.	Elizabeth Aletta Solomons	Ward 23 Councillor
24.	Miriam Maria Adriaanse	Ward 24 Councillor
25.	Laurichia Tylial van Niekerk	Ward 25 Councillor
26.	Joan Anderson	Ward 26 Councillor
27.	Vanessa Charmaine Booysen	Ward 27 Councillor
28.	Reinhardt van Nieuwenhuyzen	Ward 28 Councillor
29.	Avron Marchius Beres Appollis	Ward 29 Councillor
30.	Johannes Smit	Ward 30 Councillor
31.	Catherine Maria Jacobs	Ward 31 Councillor
32.	Sangolomzi Ganandana	Ward 32 Councillor
33.	Lorenzo Clive Arendse	Ward 33 Councillor
34.	Conrad Poole	PR Councillor
35.	Gert Combrink	PR Councillor
36.	Koos le Roux	PR Councillor
37.	Frances Jacobs	PR Councillor
38.	Rita Andreas	PR Councillor
39.	Anré Koegelenberg	PR Councillor
40.	Aletta van Santen	PR Councillor
41.	Linda Landu	PR Councillor
42.	Stephen Korabie	PR Councillor
43.	Leandra Matthee	PR Councillor
45.	Bazil Jacobs	PR Councillor
46.	John de Kock	PR Councillor
47.	Pierre-Jean Albertyn	PR Councillor
48.	Pieter de Villiers	PR Councillor
49.	Jennifer Daniels	PR Councillor
50.	Gavin Kulsen	PR Councillor
51.	Jerome September	PR Councillor
52.	Randy Nell	PR Councillor
53.	Nomzamo Zoya	PR Councillor
54.	Mputumi Stulweni	PR Councillor
55.	Sindile Gravel	PR Councillor
56.	Moutie Richards	PR Councillor
57.	Morris Zwinye	PR Councillor
58.	Claire Klaaste	PR Councillor
59.	Christopher Mangena	PR Councillor
60.	Jaydine Adams	PR Councillor
61.	Bongiwe Duba	PR Councillor
62.	Andrew Fourie	PR Councillor
63.	Stephan Landsberg	PR Councillor
64.	Adriaan du Plessis	PR Councillor
65.	D Carolissen	PR Councillor
65.	TBC	PR Councillor

1.7 THE ADMINISTRATION

The City Manager is the Accounting Officer of the Municipality and also the head of the Administration. His primary function is to serve as chief custodian of service delivery and the implementation of political priorities. He is assisted by the Strategic Management Team (SMT), which comprises the Executive Directors of five departments, as well as four divisional managers reporting directly to the City Manager, as indicated in Figure 2. The SMT is responsible for identifying and setting strategic interventions to improve service delivery; developing new initiatives based on feedback from political leadership, departments and the local community; and managing current priorities.

Figure 2: Macro Organisational Structure



1.8 DEMOGRAPHIC PROFILE

Population and Household Profile

The population of Drakenstein is 305 281 and the number of households is 76 195. Table 5 shows the number of households by different ethnic groups. According to Quantec (2023) Coloured households represented 54.65% of the total number of households in Drakenstein in 2021/22, followed by Black African at 28.95% and Whites at 16.06%. Indian/Asian households represented the smallest portion of households at 0.34%.

Table 5: Household Composition by Ethnic Group

Household Composition by Ethnic Group						
<i>*Quantec data is regularly updated and figures may be different from those previously reported.</i>						
Serial No.	Ethnic Group	2019/2020	2020/21	% Share 2020/2021	2021/2022	% Share 2021/2022
1.	Black	18 838	19 504	28.73%	19 981	28.95%
2.	Coloured	36 313	37 076	54.62%	37 723	54.65%
3.	Indian/Asian	225	231	0.34%	234	0.34%
4.	White	11 056	11 073	16.31%	11 089	16.06%
5.	Total	66 433	67 883	100%	69 027	100%

Source: Quantec Research, 2023

SOCIO-ECONOMIC STATUS INFORMATION

According to Quantec Research data (2023), the unemployment rate in Drakenstein in 2021 was 19.5%. However, given the adverse effects of the Covid19 economic lockdown in 2020 and 2021, the seasonal nature of local employment in the agricultural sector, as well as a too-narrow official definition of unemployment, it is estimated that a more realistic unemployment figure could be close to 30%. In this regard, it is useful to refer to the Gini coefficient, a well-known measure of economic or income inequality. The coefficient ranges from 0 to 1, with 0 representing perfect equality and 1 representing perfect inequality. In 2021/22, the Gini coefficient in the Drakenstein municipal area was recorded by Quantec Research as 0.586, indicating a high level of unequal distribution of wealth compared to a recording of 0.584 in 2020/21. Drakenstein's rising income inequality can largely be attributed to a growing working age population in low-skilled employment (who earn low salaries). Table 6 below depicts the socio-economic status of the Municipality, inclusive of Gini coefficient data.

Table 6: Socio-Economic Status

Socio-Economic Status						
<i>Quantec data is regularly updated and figures may be different from those previously reported.</i>						
Serial No.	Year	Unemployment rate	Youth unemployment	% of working age population in low- skilled employment	Gini coefficient	Illiterate people older than 20 years
1.	2019/20	*14.6%	21.4%	25.3%	0.583	19.1%
2.	2020/21	*15.9%	23.1%	25.5%	0.584	19.4%
3.	2021/22	*19.5%	27.8%	25.2%	0.586	19.7%

Source: Quantec Research 2023.

1.8.1 Poverty

According to a report released by Statistics South Africa in 2017 ('Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2015'), the deteriorating financial health of households and individuals bearing the weight of economic pressures has resulted in higher poverty levels.

The categories of individuals who appear to be most vulnerable to poverty still remain largely African females; children aged 17 years and younger; people from rural areas; and those with no education. Inflation-adjusted poverty lines show that food poverty increased from R219 in 2006 to R531 per person per month in 2017. The lower-bound poverty line has increased from R370 in 2006 to R758 per person per month in 2017, while the upper-bound poverty line has increased from R575 in 2006 to R1 138 per person per month in 2017.

1.8.2 Income Inequality

It is concerning to note that income inequality has been soaring not only in Drakenstein, but also in the Cape Winelands and the broader Western Cape Province. This finding suggests that the relative satisfactory growth experienced across these regions has not been equally distributed among households or individuals. As mentioned earlier in this document, the Drakenstein municipal area's Gini coefficient for 2022 was 0.601 – as a measure of economic or income inequality, this indicates a high level of unequal distribution of wealth. Drakenstein's rising income inequality can largely be attributed to a growing working age population in low-skilled employment (who earn low salaries).

1.8.3 Human Development

The United Nations uses the Human Development Index (HDI)¹ to assess the relative level of socio-economic development (including life expectancy, education, and per capita income indicators) in countries. There has been a general increase in the HDI figures in Drakenstein (from 0.647 in 2008 to

¹ The HDI is a composite indicator reflecting education levels, health, and income. 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.

0.723 in 2017), Cape Winelands and the whole of the Western Cape between 2011 and 2015. Per capita income, as per definition, is expected to mimic the trend of HDI and, while this trend is consistent for Drakenstein, per capita gross domestic product (GDP) has not risen at the rate experienced in comparison to surrounding municipalities across the Cape Winelands District.

1.8.4 Indigent Households

The constraining macro-economic climate is expected to heavily impact the various municipal areas of the Western Cape, especially rural communities where an economic downturn will result in significant job losses across the board. Subsequently, rising unemployment figures may result in a decrease in expendable household income which, coupled with rising inflation rates, could force many families into poverty. In a scenario like this, municipal services will ultimately become unaffordable, resulting in these indigent households becoming reliant on free basic services which will, in turn, place strain on the already limited resources of the Municipality. The rise in indigent households within Drakenstein has been quite dramatic in recent times. This sudden increase can potentially be linked to job losses within the agricultural sector; job losses in all sectors as a result of the pandemic-enforced lockdown; and the influx of citizens from outlying smaller towns moving to Drakenstein in search of employment opportunities.

1.8.5 Economy

As illustrated in Table 7, the economic sectors that made the largest contribution to the Drakenstein economy in 2021/22 were finance, insurance, real estate and business services (R7.5 billion); wholesale, retail trade, catering and accommodation (R4.6 billion); manufacturing (R3.9 billion); and community, social and personal services (R3.2 billion). The following sectors also contributed significantly in 2021/22; general government (R2.7 billion); agriculture, forestry and fishing (R1.7 billion); transport, storage and communication (R1.6 billion) and construction (R1.3 billion).

Table 7: Gross Value Added per Economic Sector within Drakenstein

Serial No.	Sector	R'000 000		
		2019/2020	2020/2021	2021/2022
<i>*Quantec data is regularly updated and figures may be different from those previously reported.</i>				
1.	Agriculture, forestry and fishing	1,210	1,625	1,721
2.	Mining and quarrying	56	74	76
3.	Manufacturing	3,956	3,659	3,984
4.	Electricity, gas and water	563	578	644
5.	Construction	1,627	1,335	1,390
6.	Wholesale, retail trade, catering and accommodation	4,280	3,951	4,634
7.	Transport, storage and communication	1,757	1,560	1,646
8.	Finance, insurance, real estate and business services	6,708	6,890	7,554
9.	General government	2,546	2,597	2,706
10.	Community, social and personal services	2,860	2,930	3,266
11.	Total	25,564	25,199	27,620

Source: Quantec, 2023

Table 8 below shows that employment within Drakenstein in 2021/22 increased in two sector only, namely community, social and personal services (293 jobs) and general government (67 jobs). Most jobs were shed in the wholesale, retail trade, catering and accommodation (1042 jobs), followed by agriculture, forestry and fishing (562 jobs); manufacturing (413 jobs); construction (351 jobs) and transport, storage and communication (321 jobs), and finance, insurance, real estate and business services (245 jobs).

Table 8: Employment per Economic Sector within Drakenstein

Serial No.	Sector	Number of Jobs		
		2019/2020	2020/2021	2021/2022
*Quantec data is regularly updated and figures may be different from those previously reported.				
1.	Agriculture, forestry and fishing	18 438	16 844	16 282
2.	Mining and quarrying	77	68	64
3.	Manufacturing	9 410	8 632	8 219
4.	Electricity, gas and water	354	347	342
5.	Construction	7 299	6 649	6 298
6.	Wholesale, retail trade, catering and accommodation	25 096	22 379	21 337
7.	Transport, storage and communication	3 791	3 346	3 025
8.	Finance, insurance, real estate and business services	18 204	17 648	17 403
9.	General government	6 402	6 318	6 385
10.	Community, social and personal services	22 977	21 453	21 746
11.	Total	112 048	103 684	101 101

Source: Quantec, 2023.

1.9 EDUCATION

Education and training improves access to employment opportunities and helps to sustain and accelerate overall development in an area. In addition, education and training expands the range of options available from which a person can choose to create opportunities for a fulfilling life. Through indirect positive effects on health and life expectancy, the level of education of a population also influences its welfare.

1.9.1 Learner Enrolment, Learner-Teacher Ratio and Learner Retention Rate

Learner enrolment in Drakenstein increased from 49 268 learners in 2018 to 50 186 learners in 2020. This signals a 1.8% increase in the number of learners from 2018 to 2020, the third-highest in the district when compared to other municipal areas. This change could be attributed to a several possible factors, including demographics and socio-economic context.

In turn, the learner-teacher ratio marginally decreased from 28.2% in 2019 to 27.7% in 2020, largely as a result of an increase in learners enrolled.

The learner retention rate decreased to 66.4% in 2020, which does not bode well considering more job losses and higher unemployment levels among the low-skilled labour force.

1.9.2 Grade 12 Dropout Rates

The retention rates for learners within the Drakenstein municipal area declined from 27.1% in 2015 to 26.0% in 2016 (enrolment period between 2015 and 2016). These rising dropout rates are influenced by a wide array of economic factors including growing unemployment levels, increased poverty, more indigent households and more households with little income, as well as teenage pregnancies.

1.9.2 Educational Facilities

The availability of adequate educational facilities – such as primary and high schools, Further Education and Training (FET)– has a direct impact on academic outcomes. In 2021, Drakenstein had 75 public ordinary (primary and high) schools, and three special schools. This could in future further decrease the drop-out rate. The Municipality has one University campus located in Wellington and three FET colleges, making further education accessible.

1.9.3 Schools with Libraries

A well-substantiated body of economic research has identified the power of public libraries as agencies of community development and growth. In this regard, five key aspects of public libraries as agents of change have been proposed: libraries serve as a medium to access information and learn; libraries support social inclusion and equality; libraries promote community engagement; libraries create a bridge to resources and community participation; and libraries can act as a catalyst to encourage economic vitality within the community. In addition, the number of schools equipped with libraries and media centres amounts to 10 and furthermore provides basis for access to information.

1.9.4 Educational Outcomes

Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagement in the labour market, policy choices and decisions in the sphere of education play a critical role in determining the extent to which future economic and poverty reduction plans can be realised. Since 2018, Drakenstein's matriculation outcomes have consistently been above 80%, with a matric pass rate of 83.7% recorded in 2020. This is higher than the district pass rate of 78.4%.

1.9.5 Highest Level of Education

Statistics South Africa's 'Community Survey 2016' indicated a 6.3% increase in the percentage of persons aged twenty and above who have completed secondary school, while the percentage those attaining a higher educational qualification has declined by 0.9% in 2016. The percentage of persons in this age group who have no schooling has reduced by 1.1% from 3.2% in 2011 to 2.1% in 2016.

1.9.6 Literacy Levels

While literacy is often defined as the ability to read and write, its more comprehensive definition includes the successful completion of a minimum of seven years of schooling. The literacy rate is calculated as the proportion of individuals aged 14 years and older who have successfully completed a minimum of seven years of formal education. In 2011, the literacy rate in Drakenstein was recorded at 84.8% – higher than the average literacy rate of the Cape Winelands District (81.7%) and the rest of South African (80.9%) – but slightly lower than the literacy rate of the Western Cape (87.2%).

1.10 HEALTH

1.10.1 Healthcare Facilities

A 2019 report by Statistics South Africa ('Inequality Trends in South Africa: A multidimensional diagnostic of inequality') sheds light on the use of healthcare facilities in the country. According to the report, an estimated 75.1% of households opted to use public healthcare facilities when a household member fell ill, versus 24.9% of households that made use of private healthcare facilities (in 2017). This discrepancy can most likely be attributed to the low proportion of households with access to medical aid. In this regard, statistics suggest that only 16.9% of households in South Africa – and only 25% of households in the Western Cape – had medical aid in 2017. In 2020, Drakenstein had 17 primary healthcare clinics (comprising 11 fixed and six mobile clinics); one regional hospital; and three community day care centres.

1.10.2 Emergency Medical Services

Provision of more operational ambulances can provide greater coverage of emergency medical services. In 2020, Drakenstein had five ambulances per 10 000 inhabitants, which is above the district average of two ambulances per 10 000 people. Drakenstein Municipality's ambulance services are also commendable considering that this figure (five ambulances per 10 000 inhabitants) only refers to provincial ambulances, and excludes all private service providers.

1.11 ENVIRONMENT

Drakenstein Municipality is situated within the unique natural environment of the Cape Floristic Region, a biodiversity hotspot and one of only six floral kingdoms found anywhere on Earth. It is important to note that the natural environment forms the basis on which our economic and social systems depend. In order to continue to provide a stimulating environment for residents that promotes health and wellbeing and a flourishing economic base, it is imperative that natural resources and ecosystems are utilised in a sustainable manner. While the natural environment is still in a relatively good state, some indicators are showing that the current state of the environment is under threat. These threats are caused by habitat destruction, alien invasive species, pollution to the environment, and climate change, which all need attention. The aim is to continue to monitor the state of the environment and develop new responses to counter these threats in order to ensure that the unique character of the environment is preserved for future generations to come.

1.12 SAFETY AND SECURITY

The Drakenstein Smart Safety Network (DSSN) collaborates with the South African Police Services (SAPS), provincial government, various Farm Watches and Neighbourhood Watches, Municipal Law Enforcement and Traffic Services to ensure the safety of all Drakenstein Municipality residents.

1.12.1 Safety Statistics

Table 9 below summarises the safety-related statistics in the municipal area from 2018–2021:

Table 9: Safety and Security Statistics

Crime	2018/19	2019/20	2020/21
Murder	128	157	125
Sexual Offences	379	969	752
Drug-Related Crimes	2856	2741	1648
Burglary at Residential Premises	1894	1796	1374
Driving under the influence of alcohol or drugs	222	153	88

Source: Drakenstein Municipality SEP-LG; 2021.

1.12.2 Murder

Murder is defined as the unlawful and intentional killing of another person. Ongoing analysis and reports of crime throughout the national pandemic-related lockdown pointed to a massive reduction in criminal activity during the initial stages of lockdown, especially during the ‘hard’ lockdown (level 5). This was evident from the 72% reduction in murders in South Africa.

In the Drakenstein municipal area, the number of murders decreased by 20.4% from 157 in 2019/2020 to 125 in 2020/2021. In 2020/2021, the murder rate for Drakenstein was 42 incidents per 100 000 people, while the murder rate across the Cape Winelands District was lower at 28 cases per 100 000 people.

1.12.3 Sexual Offences

Sexual offences refer to rape (including rape inflicted against males), sex work, pornography, public indecency and human trafficking. The rate of sexual offences in South Africa is among the highest in the world. With respect to crime statistics released by the SAPS and Statistics South Africa, sexual offences increased by 5.0% in 2020/2021 compared to 3.7% in the previous financial year.

In 2020/ 2021, there were 752 sexual offences in the Drakenstein area. The incidence of sexual offences (per 100 000 population) is among the highest in Drakenstein (100) compared to other local municipalities in the Cape Winelands District.

1.12.4 Drug-Related Offences

Drug-related crimes refer to any situation where a perpetrator is found to be either in possession of, under the influence of, or selling illegal drugs. The incidence of drug-related offences is trending downwards in both Drakenstein and the Cape Winelands District. There is a marginally lower occurrence of drug-related offences (per 100 000 people) in the Cape Winelands (559 cases) relative to Drakenstein Municipality (560 cases).

1.12.5 Driving Under the Influence (DUI)

Any situation where the driver of a vehicle is found to be over the country's legal blood alcohol limit is defined as a DUI offence. The number of cases of driving under the influence of alcohol or drugs in the Drakenstein area showed a significant decline from 153 in 2020 to 88 in 2021. This translates into a rate of 30 cases per 100 000 people in 2020/2021, which is below the district's rate of 45 cases per 100 000 people. The Drakenstein area had 42 fatal crashes during 2020/2021, claiming the lives of 46 individuals.

1.12.6 Residential Burglaries

Residential burglaries refer to the unlawful entry of a residential structure with the intent to commit a crime, usually a theft. Crime statistics released by the SAPS and Statistics South Africa indicate that the incidence of residential burglaries in the country fell by 6.7% in 2020/2021. Within the Western Cape Province, burglaries at residential areas decreased by 8.5% between 2020 and 2021.

Residential burglary cases within the Drakenstein area decreased by 30.7% from 1 796 in 2020 to 1 374 in 2021. When considering the rate per 100 000 populations, with 467 cases in 2021, Drakenstein's rate is below that of the district (475) in the same reporting year.

1.13 THE LEGISLATIVE CONTEXT

The drafting of an IDP is guided by several legislative guidelines, which include:

1.13.1 The South African Constitution, 1996 ('the Constitution')

Chapter 7 of the Constitution of South Africa is focused on local government, including the establishment thereof, the executive and legislative authority, as well as the right of local government to govern on its own initiative, which should be in line with national and provincial legislation.

The right of the Municipality to exercise its own powers in order to perform its functions is the basis on which this IDP 2023/2024 is drawn up. This blueprint aims to provide strategic guidance to Drakenstein Municipality at large, by giving structure to the administrative, budgeting, and planning processes. A municipality must strive, within its financial and administrative capacity, to achieve its key objectives and developmental duties.

1.13.2 Section 152 of the Constitution sets out the following as key objectives for the Municipality:

- a) to provide democratic and accountable government for local communities;
- b) to ensure the provision of services to communities in a sustainable manner;
- c) to promote social and economic development;
- d) to promote a safe and healthy environment; and
- e) to encourage the involvement of communities and community organisations in the matters of local government.

1.13.3 Section 153 of the Constitution sets out the following as the key developmental duties of the Municipality:

- a) to structure and manage its administration, budgeting, and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
- b) to participate in national and provincial development programmes.

1.13.4 Municipal Systems Act, No. 32 of 2000 ('MSA')

Sections 28 and 29 of the MSA specifies that:

- (i) each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP; and
- (ii) the process must be in accordance with a predetermined programme specifying timeframes for the different steps.

1.13.5 Municipal Finance Management Act, No. 56 of 2003 ('MFMA')

Chapter 4 and Section 21(1) of the MFMA stipulates that the Mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and the annual review of the integrated development plan in terms of section 32 of the Municipal Systems Act. (MSA). The elected Council is the ultimate IDP decision-making authority.

1.14 ALIGNMENT OF PLANS**1.14.1 Introduction**

In order to maximise the benefit of investments, strategic interventions and actions of all spheres of government, it is critical that there is policy alignment between national, provincial, district and local government in order to collaboratively achieve development goals. Whilst the IDP is developed by local government, it must represent an integrated intergovernmental plan based upon the involvement of all three spheres of government.

This IDP was drafted taking the various plans listed below into consideration in order to ensure alignment, inclusivity and involvement by all spheres of government. These plans include:

- Sustainable Development Goals (SDGs);
- National Key Performance Areas (NKPAs);
- National Outcomes (NOs);
- The Provincial Strategic Plan;
- The Cape Winelands District Integrated Development Plan; and
- The IDP Vision 2032.

1.14.2 Sustainable Development Goals ('SDGs')

The 17 SDGs, otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. These goals include areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected and often one success will involve addressing issues more commonly associated with another. The SDGs are as follows:

- End poverty in all its forms everywhere.
- End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- Ensure healthy lives and promote well-being for all at all ages.
- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- Achieve gender equality and empower all women and girls.
- Ensure availability and sustainable management of water and sanitation for all.
- Ensure access to affordable, reliable, sustainable and modern energy for all.
- Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.
- Reduce inequality within and among countries.
- Make cities and human settlements inclusive, safe, resilient and sustainable.
- Ensure sustainable consumption and production patterns.
- Take urgent action to combat climate change and its impact.
- Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
- Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss.
- Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- Strengthen the means of implementation and revitalise the global partnership for sustainable development

Source: United Nations, 2015

1.14.3 National Government's Outcomes – Role of Local Government

National Government has agreed on 12 outcomes as a key focus of work, and published these as annexures to the Medium-Term Strategic Framework. The outcomes are as follows:

- Outcome 1: Improved quality of basic education.
- Outcome 2: A long and healthy life for all South Africans.
- Outcome 3: All people in South Africa are and feel safe.
- Outcome 4: Decent employment through inclusive economic growth.
- Outcome 5: A skilled and capable workforce to support an inclusive growth path.
- Outcome 6: An efficient, competitive and responsive economic infrastructure network.
- Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all.
- Outcome 8: Sustainable human settlements and improved quality of household life.
- Outcome 9: A responsive, accountable, effective and efficient local government system.
- Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced.
- Outcome 11: Create a better South Africa and contribute to a better and safer Africa and World.
- Outcome 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship.

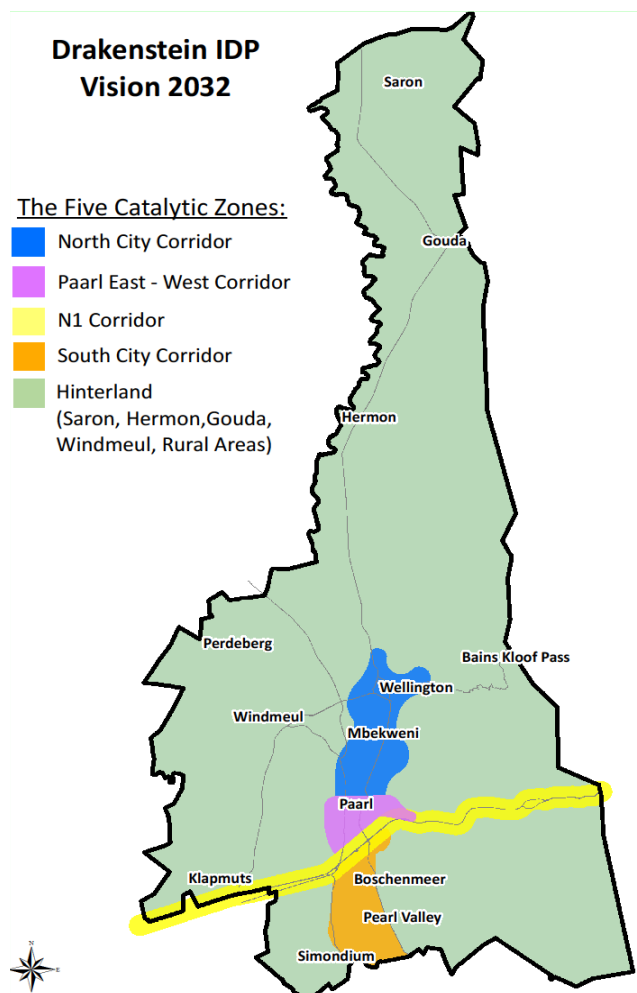
The Drakenstein Municipality's Vision 2032, which is a long-term strategic plan, encompasses key initiatives, programmes and projects that were allocated to a series of Big Moves. Big Moves are proposals that will dramatically alter and improve the space, economy and sustainability of Drakenstein over the next eleven years. In addition, these Big Moves have been located spatially within five catalytic zones, and strategically situated within Key Performance Areas (KPAs) and Spatial Development Framework (SDF) focus areas.

The catalytic zones are intra-municipal zones of spatial and economic activity. These zones cut across the wards and administrative boundaries of the five towns, which includes Paarl, Wellington, Gouda, Saron en Simondium, in Drakenstein. The five catalytic zones identified are as follows (also see Figure 3):

- N1 Corridor;
- South City Corridor;
- Paarl East/West Corridor;
- North City Corridor; and
- Hinterland – Saron, Gouda, Hermon, Windmeul and Rural Areas.

The catalytic zones are largely aligned to the Spatial Development Framework as well as the Capital Expenditure Framework (CEF). As can be seen in Figure 3, certain catalytic zones overlap and thus share specific Big Moves (including projects, programmes, and key initiatives). This is critical because it promotes and strengthens the integration between the different catalytic zones.

Figure 3: The Five Catalytic Zones as defined in the Drakenstein Municipality Vision 2032



Spatial Priority Areas

Spatial Priority Areas are based on the aforementioned catalytic zones; however, these areas are focused on the existing urban areas of Drakenstein Municipality and are therefore confined by the urban edge. Projects and initiatives earmarked for a catalytic zone has reference to a Spatial Priority Area, especially when it is within the urban edge.

The development of municipal sector budgets and land use budget analysis has clustered specific areas of the Municipality to reflect broad groupings (to better reflect catchment budget programmes). These groupings are referred to as Spatial Priority Areas. The five Spatial Priority Areas are indicated in the following urban areas:

- N1 Corridor;
- South City Corridor (Boschenmeer, Val-De-Vie, Pearl Valley and Simondium);
- Paarl East/West Corridor;
- North City Corridor; and
- Hinterland: Saron, Gouda, Hermon, Windmeul and Bain's Kloof Village.

1.15 IDP PROCESS PLAN

1.15.1 Five-Year Cycle of the IDP

The drafting of an IDP requires a comprehensive planning process and the involvement of a wide range of internal and external role players. Such a process has to be properly organised and prepared. This preparation is the duty of the City Manager together with Senior Management and is set out in the process plan, which ensures the institutional readiness of Drakenstein Municipality to draft or review the IDP over a five-year period. This plan is approved by Council.

An inherent part of the IDP process is the annual and medium-term revenue and capital expenditure framework (MTREF), which is based upon the KPAs as set out in the IDP. The annual Service Delivery and Budget Implementation Plan (SDBIP) ensures that the Municipality implements programmes and projects based on the IDP targets and associated budgets. The performance of the Municipality is reported in quarterly and mid-yearly performance assessment reports, as well as in the Annual Report.

1.15.2 IDP Annual Planning and Drafting Process

Annually, the IDP process plan must be adopted by Council in August, in accordance with the MSA and the MFMA. It must be noted that the review process is not a replacement of the five-year IDP and is not a deviation from the long-term strategic direction of Drakenstein Municipality.

To prepare a credible IDP, several stakeholders have to be engaged to provide inputs and guide the final IDP. Key stakeholder interventions (such as timeframes and resources) are outlined in the below table:

Table 10: IDP Process Plan

Date	Phase	Tasks
June 2022	Analysis Phase: Determine local issues, problems, relevant stakeholders, potential and priorities.	<ul style="list-style-type: none"> Internal IDP preparation meetings with Budget Office, SMT and City Manager.
July 2022	Strategy Phase: Determine vision, objectives, strategies, and participate in intergovernmental relations (IGR) structures.	<ul style="list-style-type: none"> Draft 2023/2024 IDP/Budget/PMS/SDF time schedule and present to SMT.
August 2022	Analysis Phase: Determine local issues, problems, relevant stakeholders, potentials and priorities.	<ul style="list-style-type: none"> Table 2023/2024 IDP/Budget/PMS/SDF time schedule for Council's approval.
September 2022	Strategy Phase: Determine vision, objectives, strategies, and participate in IGR structures.	<ul style="list-style-type: none"> Submission of the 2023/2024 IDP/Budget/PM/SDF time schedule to the Department of Local Government and Cape Winelands District Municipality. Publish advertisements informing local residents and stakeholders OF the

Date	Phase	Tasks
		<p>2023/2024 IDP/SDF/Budget/Performance Management time schedule.</p> <ul style="list-style-type: none"> IDP consultative engagements with ward committees and key stakeholders as per approved schedule.
October 2022	Strategy Phase: Determine vision objectives, strategies, and participate in IGR Structures.	<ul style="list-style-type: none"> Finalisation of the IDP consultative engagements with all stakeholders.
November/ December 2022	Integration Phase: Agree on project proposals and compilation of integrated programmes.	<ul style="list-style-type: none"> Local Government Elections. Submission of the draft five-year process plan and subsequent public participation. Integration of plans and projects with Draft Capital Budget for 2022/2025 MTREF.
January 2023		<ul style="list-style-type: none"> 2022/2023 SDBIP review sessions per department and submission of Mid-Year Performance Report 2022/2023 and Annual Report 2021/2022.
February 2023	Integration Phase: Alignment processes with Provincial Government and Cape Winelands District Municipality.	<ul style="list-style-type: none"> Council consider and adopt the revised 2022/23 Top-Layer SDBIP and related Adjustments Budget based upon the Mid-year Performance Report. Compilation of input from internal departments on the IDP Community Priorities and updates on the content of the 2023/2024 IDP Review. Compile Draft Top-Layer SDBIP and review five-year Municipal Performance Scorecard for inclusion in the IDP. Technical Integrated Municipal Engagements with Sectors facilitated by the Provincial Government.
March 2023	Integration Phase: Approval by Council of draft IDP and undertaking of consultation process.	<ul style="list-style-type: none"> Publish advertisements to notify local residents and stakeholders of the draft budget and draft IDP review as well as the public participation programme. Submit draft IDP and budget to Council for approval and submit to Provincial Government.
April 2023	Integration Phase: Provide opportunity to communities and stakeholders to propose amendments to Draft IDP, Budget, SDF and SDBIP.	<ul style="list-style-type: none"> IDP Consultative Engagements with communities and other stakeholders.
	Integration Phase: Provide opportunity to stakeholders to	<ul style="list-style-type: none"> LG-MTEC Engagement with Provincial Government to discuss technical assessment of the draft budget and IDP Review conducted by Sector Departments.

Date	Phase	Tasks
May 2023	propose amendments to Draft IDP, Budget and SDBIP.	
	Approval Phase: Adoption by Council.	<ul style="list-style-type: none"> Council considers community and stakeholder inputs and adopts the 2023/2024 IDP, Budget, SDF and SDBIP.
June 2023	Post-Approval Phase: Regulated action to notify the public and other stakeholders as well as other spheres of government of adoption of IDP and Budget.	<ul style="list-style-type: none"> Place notice in local media to inform local residents and stakeholders of the adopted amended/reviewed IDP, Budget. Submission to MEC for Local Government and Provincial Treasury. Preparation and approval of SDBIP by Executive Mayor.

1.15.3 IDP Public Participation Process

This year, IDP Public Participation took place in the form of Public Open Days. The aim is to allow the community the opportunity to receive feedback on ward-specific priorities from their ward councillors, and to engage all municipal service delivery departments on any issues related to service delivery. This approach ensured that all community members are reached and also provided an opportunity for community members to directly engage the Municipality on service delivery issues in their wards. In addition, the Housing Division hosted series of Housing Summits during March 2023 to ensure dialogue with community members on housing- specific issues. The Municipality also utilised additional online platforms to allow for input. These platforms include:

- Notices for comments on various platforms (such as advertisements in local newspapers, SMS messages, Facebook communication, as well as notices on the municipal website);
- A video clip providing information on the IDP and Budget that was displayed at municipal venues frequented by the community. and was be broadcasted to stakeholders and the broader community via WhatsApp and Facebook;
- Radio slots;
- The official Drakenstein IDP email address (IDP@drakenstein.gov.za); and
- Continuous reminders to encourage the public to submit input.

1.15.4 Implementation of the IDP

The Service Delivery and Budget Implementation Plan (SDBIP) ensures that Drakenstein Municipality implements programmes and projects based on the IDP targets and the approved budget. The performance of the Municipality is reported on in the Quarterly and Mid-Yearly Performance Assessment Reports, as well as in the Annual Report.

Two key internal combined assurance tools are internal performance audit, and risk management. These instruments ensure that all activities undertaken adequately address significant risks and put

in place control mechanisms to mitigate said risks in order to attain set performance targets. The linkage between the IDP and the SDBIP will be elaborated on in Chapter 5 of this IDP.

The Drakenstein municipal vision is to be “a city of excellence”. To achieve this vision and to realise the long-term vision of Vision 2032 as discussed above, Drakenstein Municipality has identified six (6) Key Performance Areas (KPA) and forty (40) Pre-Determined Objectives (PDOs). From these 40 PDOs, targeted projects, programmes and key initiatives have been developed. These will be discussed in further detail in Chapters 2 and 3 of this IDP. The table hereafter provides details in respect of Drakenstein Municipality’s Strategic Framework.

Table 11: Drakenstein Municipality’s Strategic Framework

KEY PERFORMANCE AREA (KPA) 01: Governance and Compliance
STRATEGIC OBJECTIVE: To ensure good governance and compliance.
OUTCOME: A responsive Municipality based on sound principles which embodies and embrace the rule of law, public participation, accountability and responsibility.
KPA 01 consists of the following PDOs:
PDO 01: Governance Structures
PDO 02: Risk and Assurance
PDO 03: Stakeholder Participation
PDO 04: Intergovernmental Relations (IGR)
PDO 05: Communication (Internal and External)
PDO 06: Marketing (Branding and Website)
PDO 07: Customer Relations
KEY PERFORMANCE AREA (KPA) 02: Finance
STRATEGIC OBJECTIVE: To ensure financial sustainability in order to meet the statutory requirements.
OUTCOME: Affordable and sustained revenue base to finance capital and operating budget expenses. Sound financial management practices and clean audit reports to build the public’s confidence in management.
KPA 02 consists of the following PDOs:
PDO 08: Revenue
PDO 09: Expenditure
PDO 10: Budgeting/Funding
PDO 11: Capital Expenditure
PDO 12: Assets
PDO 13: Financial Viability
PDO 14: Supply Chain Management
PDO 15: Financial Reporting
KEY PERFORMANCE AREA (KPA) 03: Organisation and Human Capital
STRATEGIC OBJECTIVE: To ensure an efficient and effective organisation supported by a competent and skilled workforce.
OUTCOME: A motivated and skilled workforce that supports the operational needs of the Municipality in the implementation of the IDP objectives.
KPA 03 consists of the following PDOs:
PDO 16: Organisational Structure
PDO 17: Human Capital
PDO 18: Performance Management
PDO 19: Systems and Technology
PDO 20: Processes and Procedures

KEY PERFORMANCE AREA (KPA) 04: Infrastructure and Services

STRATEGIC OBJECTIVE: To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services.

OUTCOME: Well-developed strategies implemented to promote economic growth and development in the municipal area.

KPA 04 consists of the following PDOs:

PDO 21: Fleet and Mechanical Workshop

PDO 22: Electricity and Energy

PDO 23: Transport, Roads and Stormwater

PDO 24: Water and Wastewater

PDO 25: Solid Waste

PDO 26: Municipal and Public Facilities

KEY PERFORMANCE AREA (KPA) 05: Planning and Development

STRATEGIC OBJECTIVE: To plan, promote investment and facilitate economic growth.

OUTCOME: Well-developed strategies implemented to promote economic growth and development in the municipal area.

KPA 05 consists of the following PDOs:

PDO 27: Economic Development and Tourism

PDO 28: Land Use and Properties

PDO 29: Spatial Planning

PDO 30: Environment and Natural Resources

PDO 31: Urbanisation and Human Settlements

KEY PERFORMANCE AREA (KPA) 06: Community Development

STRATEGIC OBJECTIVE: To facilitate, support and promote social and community development.

OUTCOME: To establish an environment where the poor and the most vulnerable are empowered through the building of social capital; the implementation of development programmes and support; and sustainable livelihood strategies.

KPA 06 consists of the following PDOs:

PDO 32: Social Development

PDO 33: Sport and Recreation

PDO 34: Parks and Open Spaces

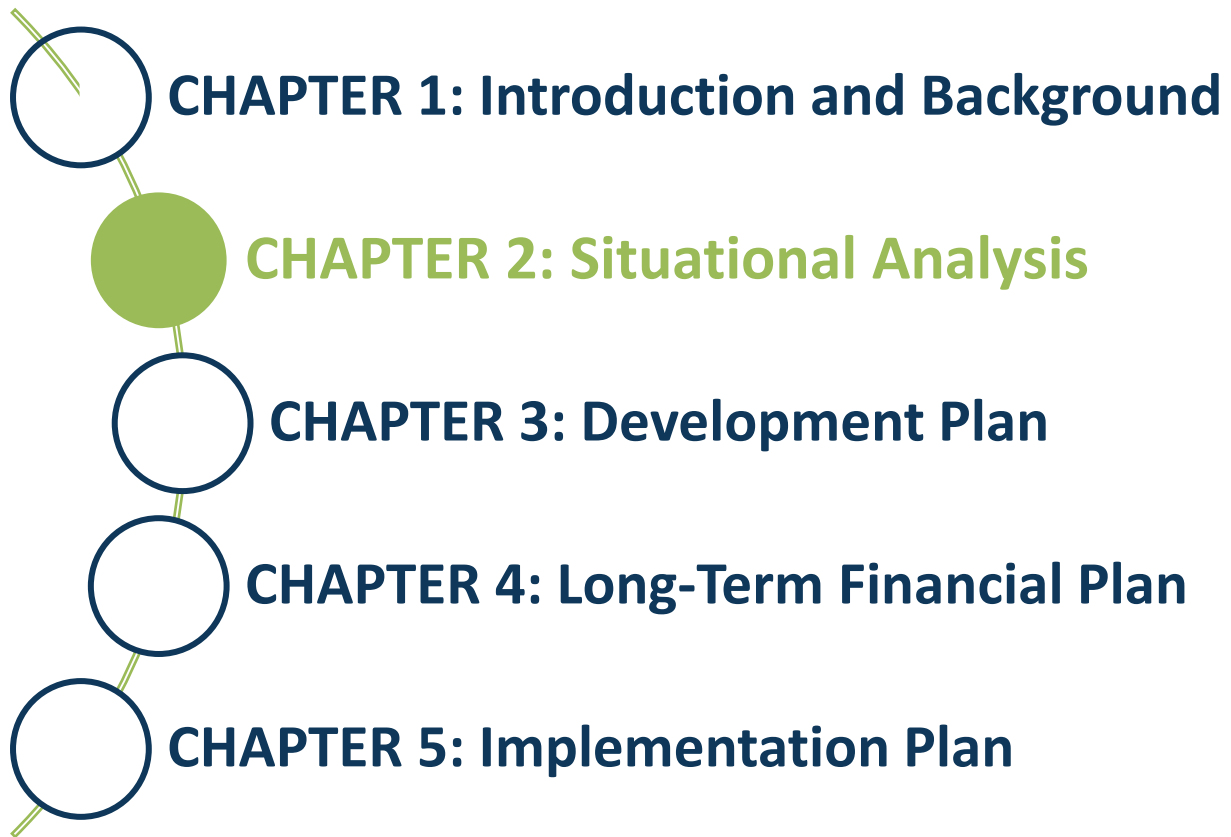
PDO 35: Cemeteries and Crematoria

PDO 36: Disaster and Emergencies

PDO 37: Traffic and Law Enforcement

PDO 38: Safety and Security

PDO 39: Libraries



2. CHAPTER 2: SITUATIONAL ANALYSIS




2.1 INTRODUCTION

This chapter focuses on the analysis of the status quo of the Municipality in terms of Pre-Determined Objectives (PDOs) as listed in the strategic framework in chapter 1.

2.2 SITUATIONAL ANALYSIS PER KPA AND PDO

Each PDO is rated in terms of its current status:

Table 12: Rating System – Situational Analysis

PDO Focus Areas	Rating
Good performance/implementation/good governance/compliant	
Average performance/policy in place with average implementation/functional	
Poor performance/no policy in place/policy in place but poor/no implementation/non-compliant	

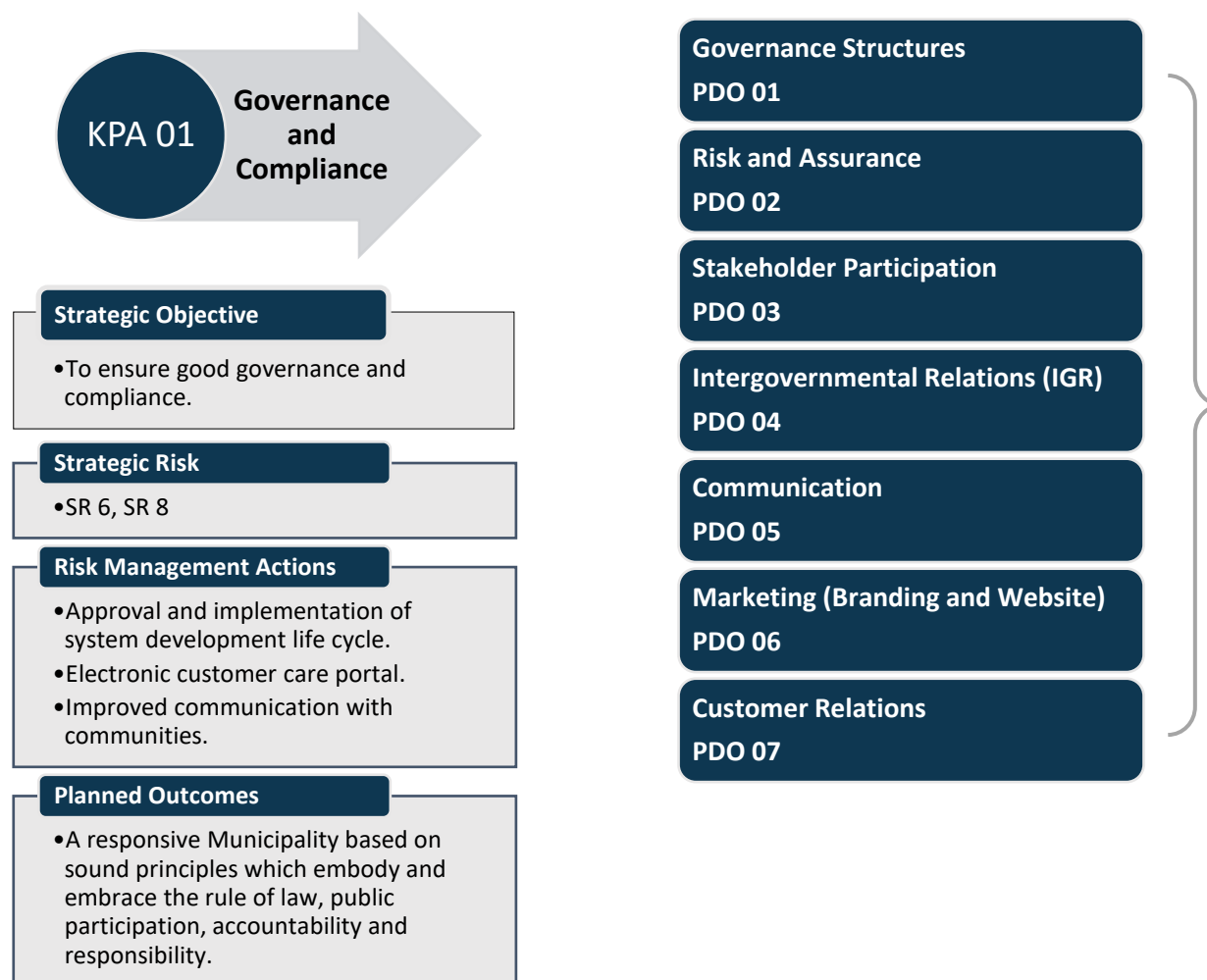


Table 13: PDO 01's Policies and Bylaws

Serial No.	Policies linked to KPA 01	Rating
1.	Ward Committee Policy	⊗
2.	Public Participation Policy	☹
3.	Roles and Responsibilities of Council, Political Structures, Office Bearers and Municipal Manager	😊
4.	Intergovernmental and International Relations Policy	😊
5.	Bestowal of Aldermanship Policy	😊
6.	Communication Policy	😊
7.	Fraud and Risk Management Policy	😊
8.	Combined Assurance Policy	😊
9.	Business Continuity Policy	😊
Serial No.	Bylaws linked to KPA 01	Rating
10.	Bylaw: Rules of Order Regulating the Conduct of Meetings of The Council of the Municipality of Drakenstein	☹

Analysis of Internal and External Factors (The Current State):

Below is an analysis of internal as well as external factors in respect of the status quo of PDOs and its related components that form part of the KPA.

PDO 1: GOVERNANCE STRUCTURES**PDO DESCRIPTION**

This PDO relates to the Municipality's Governance Structure, which is informed by the Municipal Structures Act, No. 117 of 1998. The Act stipulates the roles and responsibilities that each structure within the Municipality should perform. Section 53 of the Municipal Systems Act (No. 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political structure, each Political Office Bearer, and of the Municipal Manager must be defined. The City Manager is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day operational affairs.

The Executive Mayor of the Municipality, assisted by the Mayoral Committee, heads the executive arm of the Council. This means that the Mayor has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation. Although responsible for the strategic direction and performance of the Municipality, the Executive Mayor heads the executive function together with the Mayoral Committee.

Drakenstein Municipality consists of 65 Councillors, of which 33 are Ward Councillors and 32 are Proportional Councillors (PR). The Speaker presides at meetings of the Council. The table hereafter depicts a list of functioning structures.

The following committees are in existence in this Municipality:

- **APPEAL COMMITTEE**

- Section 62 Appeal Committee.

- **SECTION 79 COMMITTEES**

- Municipal Public Accounts Committee (MPAC); and
- Special Committee dealing with transgressions of the Code of Conduct for Councillors.

- **SECTION 80 COMMITTEES**

- Corporate Services Committee;
- Planning and Development Committee;
- Engineering Services Committee;
- Financial Services Committee
- Governance and Compliance; and
- Community Services Committee.

• OVERSIGHT COMMITTEES

- Audit Committees;
- Fraud and Risk Management Committee; and
- Disciplinary Board.

- **Labour Committees**
 - Local Labour Forum; and
 - Training Committee.

- **Tribunal in terms of section 35 of the Spatial Planning and Land Use Management Act (No. 16 of 2013)**
 - Municipal Planning Tribunal.

RATING OF THE PDO

Table 14: PDO1 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Effective Functioning of Governance Structures	😊
2.	Council: Monitoring of Council Decisions and Effective Oversight	😊
3.	Mayoral Committee	😊
4.	Section 79 Committees: Effective Oversight and Accountability <ul style="list-style-type: none"> • Section 62 Appeals • Municipal Public Accounts Committee (MPAC) • Disciplinary Committee for Councillors 	😊 😊 😊
5.	Section 80 Committees – Advice to Mayoral Committee and Inclusive Decision-Making <ul style="list-style-type: none"> • Corporate Services Committee • Planning and Development Committee • Financial Services Committee • Engineering Services Committee • Community Services Committee 	😊 😊 😊 😊 😊
6.	Statutory Committees: Advisory and Oversight <ul style="list-style-type: none"> • Audit Committee • Fraud and Risk Management Committee • Disciplinary Board 	😊 😊 😊
7.	Sound Labour Relations <ul style="list-style-type: none"> • Local Labour Forum • Training Committee 	😊 😊
8.	Tribunal in accordance with section 35 of the Spatial Planning and Land Use Management Act (No. 16 of 2013) <ul style="list-style-type: none"> • Municipal Planning Tribunal 	😊

PDO 2: RISK MANAGEMENT AND ASSURANCE**PDO DESCRIPTION**

This PDO relates to the Municipality's activities in respect of Risk Management and Assurance. Risk management forms an integral part of the internal processes of a municipality. It is a systematic process to identify, evaluate and address risks on a continuous basis. The assurance response is risk-based, ensuring that key risks receive priority in terms of the assessment of the systems of internal control implemented by management to mitigate risk, ensuring the achievement of objectives. Based on the risk assessments performed, the 12 strategic risks are summarised below. A comprehensive Risk Register can be found in the Annexures.

The twelve (12) strategic risks are listed below:

- Financial non-viability;
- Inadequate service delivery;
- Deficiency in staff skills and capacity;
- Increasing indigents and unemployment;
- Inadequate infrastructure, investment and maintenance;
- Weakness in governance and accountability;
- Unmanaged urbanisation;
- Failure to communicate effectively with stakeholders;
- Inadequate Information and Communication Technology (ICT) planning, infrastructure, systems and cyber security;
- National electricity blackout;
- Failure to address the consequences of notifiable diseases; and
- Community unrest due to political instability.

RATING OF PDO**Table 15: PDO 2 – Strategic Risk: Point on Heat Map**

Point on Heat Map	Ref	Strategic risk	Inherent Impact	Control Effectiveness/ Rating
1	SR04	Increasing indigents and unemployment.	Serious	☹️
2	SR07	Unmanaged urbanisation.	Serious	☹️
3	SR01	Financial non-viability	Serious	😊
	SR10	National electricity blackout.	Serious	😊
4	SR03	Deficiency in staff skills and capacity.	Significant	☹️
	SR11	Failure to address the consequences of notifiable diseases.	Serious	😊
	SR05	Inadequate infrastructure, investment and maintenance.	Serious	😊
5	SR09	Inadequate ICT planning, infrastructure, systems and cyber security.	Serious	😊
	SR02	Inadequate service delivery.	Serious	😊
	SR12	Community unrest due to political instability.	Significant	😊
	SR06	Weakness in governance and accountability.	Serious	😊
6	SR08	Failure to communicate effectively with stakeholders.	Significant	😊

Graph 1: Strategic Risks Residual Heat Map

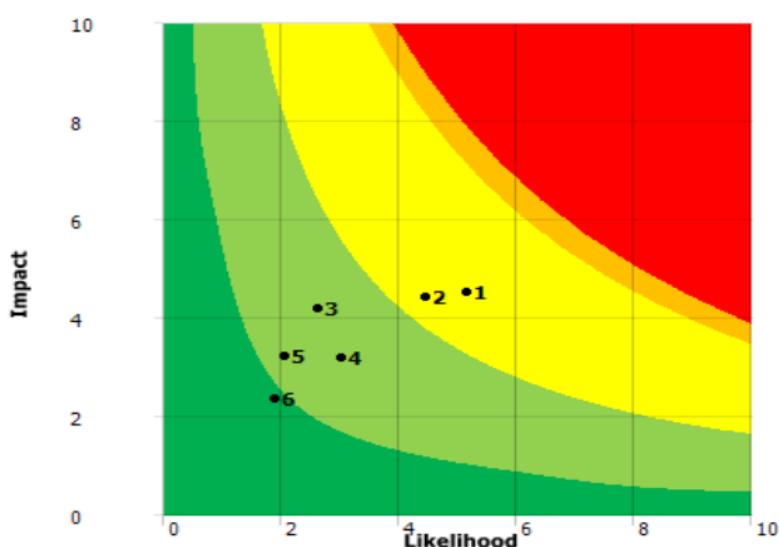


Table 16: PDO 2 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Integrated Risk Management	😊
2.	Fraud Risk Management	😊
3.	Combined Assurance	😐
4.	Business Continuity	😐
5.	Assurance (Audit Execution)	😊
6.	Assurance (Audit Reporting)	😊
7.	Assurance (Follow-up on management response implementation)	😊

The Municipality receives assurance on the adequacy and effectiveness of its systems of internal control from the Internal Audit Department. Assurance engagements are performed in terms of a three-year strategic and one-year operational plan, which is approved by the Audit Committee at the commencement of each financial year. The priorities in the Internal Audit plan can be categorised in terms of audits focusing on the systems of internal control, risk management and governance processes. The prioritisation of assurance engagements in these three categories is primarily based on the Municipality's risk profile as well as legislative requirements. Internal Audit reports to the Audit Committee on a quarterly basis regarding the outcome of audits conducted in terms of the approved plan.

PDO 3: STAKEHOLDER PARTICIPATION

PDO DESCRIPTION

This PDO addresses the Municipality's activities in respect of stakeholder participation. In terms of legislation, the Municipality must consult with its stakeholders in respect of the IDP and the Budget and this is done through annual engagements in April. In addition, ward committees are the official participatory structure of the Municipality. Following the 2021 local government elections, the Municipality elected 33 ward committees during February 2022. The continuous improvement of communication between the Municipality and communities remains high on the agenda for the Council. The components for this PDO is listed below.

RATING OF THE PDO

Table 17: PDO 3 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Consultative Engagements around the IDP and Budget	😊
2.	Ward Committee Meetings	😊
Municipal Departmental Public Participation		
3.	Planning and Development	😊
4.	Engineering Services	😊
5.	Community Services	😊
6.	Financial Services	😊
7	Corporate Services	😊





PDO 4: INTERGOVERNMENTAL RELATIONS (IGR)

PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of intergovernmental relations, which take place in terms of the Constitutional Mandate and other relevant legislation, most importantly the Intergovernmental Relations Framework Act (No. 13 of 2005). The main purpose of IGR in the Municipality is to coordinate, facilitate and intervene between the various functions and responsibilities of the different spheres of government, as well as interactions with parastatals and other stakeholders within our functional sphere in order to influence the effective delivery of our mandate. The COVID-19 pandemic highlighted the importance of joint planning and implementation; therefore Drakenstein Municipality endeavours to continuously partner with other spheres of government on the implementation of the Joint District Management Approach (JDMA).

RATING OF THE PDO

Table 18: PDO 4 - Rating

Serial No.	PDO Focus Areas	Rating
1.	International Relations	
2.	National IGR Structures	
3.	Provincial IGR Structures	
4.	Joint District Approach (JDA)	

PDO 5: COMMUNICATION

PDO DESCRIPTION

The Municipality's activities in respect of its internal and external communication are discussed under this PDO. The Municipality has a reviewed Communication Policy as well as a Communication and Marketing Framework, supplemented by an Implementation Plan in place to guide its annual communication, media and marketing actions. The purpose is to share news on the Municipality's projects, plans, achievements and initiatives, and to promote regular dialogue between the Municipality, local communities and other stakeholders.




The online communication (owned media) channels have been expanded to include a LinkedIn social media platform. The Municipality has also continued to grow its monthly digital newsletter, 'Vars', as an informative, topical, entertaining and community-focused publication. In addition, the Municipality communicates with the community via its official website, social media platforms (Facebook, YouTube and Instagram), press releases and coverage, radio interviews, television screens in service areas, municipal noticeboards, notifications via the new SeeClickFix app, bulk SMS communication, loudhailing, and various events.

The Municipality communicates with its staff via management and sectional meetings, emails, memorandums, staff events and WhatsApp groups. The Municipality is currently transforming its Intranet platform into a much more appealing, comprehensive, interactive and entertaining internal communication tool for its staff.

Various institutional structures such as ward committees, social councils and forums, and non-statutory programmes (such as the customer survey and summits) exist to encourage and facilitate meaningful engagement between the Municipality and the community.

RATING OF THE PDO

Table 19: PDO 5 – Rating





Serial No.	PDO Focus Areas	Rating
1.	Internal Social Media Policy	
2.	Self-Driven Social Media Platforms	
4.	Media Monitoring System (Reputation Management)	

PDO 6: MARKETING (BRANDING AND WEBSITE)**PDO DESCRIPTION**

This PDO addresses the Municipality's activities in respect of marketing and branding. Branding is streamlined across all municipal departments, as the Communication and Marketing Division coordinates all media and communication aspects of municipal events and ensures brand alignment.

The Municipality has a robust website, on which it continues to introduce innovative features designed to improve the visitor experience, and enhance service delivery. The Communication and Marketing Division is working on optimising the municipal website's mobile interface, as well as upgrading it to the latest Microsoft SharePoint version, which will further enhance user experience. The website also acts as a reference point for all other services and products within the jurisdiction of the Municipality. The Municipality updates the website on a daily basis with statutory disclosures, legislation, necessary documentation, news, and notices.



RATING OF THE PDO**Table 20: PDO 6 – Rating**

Serial No.	PDO Focus Areas	Rating
1.	Maximising events marketing	
2.	Optimising the mobile interface of the website	
3.	Upgrading the website to the latest Microsoft SharePoint version	
4.	Upgrading of the municipal Intranet	

PDO 7: CUSTOMER RELATIONS MANAGEMENT**PDO DESCRIPTION**

This PDO addresses the Municipality's activities in respect of Customer Relations Management. A Customer Services Charter was adopted on 31 August 2022. The services charter is a contract with customers to respond to queries and service delivery challenges within the agreed time. This contract is managed and measured through a customer-care management system, called SeeClickFix. Further to that, the Electro-Technical Department has accepted all the National Charters and Standards. These Charters and Standards are all the National Rationalised Standards (NRS) documents accepted by the Electricity Distribution Division, and include NRS 047 Electricity Supply – Quality of Service and NRS 048 Electricity Supply – Quality of Supply. Water Services (Water and Sanitation) has also developed a charter which was approved with the promulgation of the Water Services Bylaw.

RATING OF THE PDO**Table 21: PDO 7 - Rating**

Serial No.	PDO Focus Areas	Rating
1.	Customer Care Management System (SeeClickFix)	
2.	Client Services Charter	

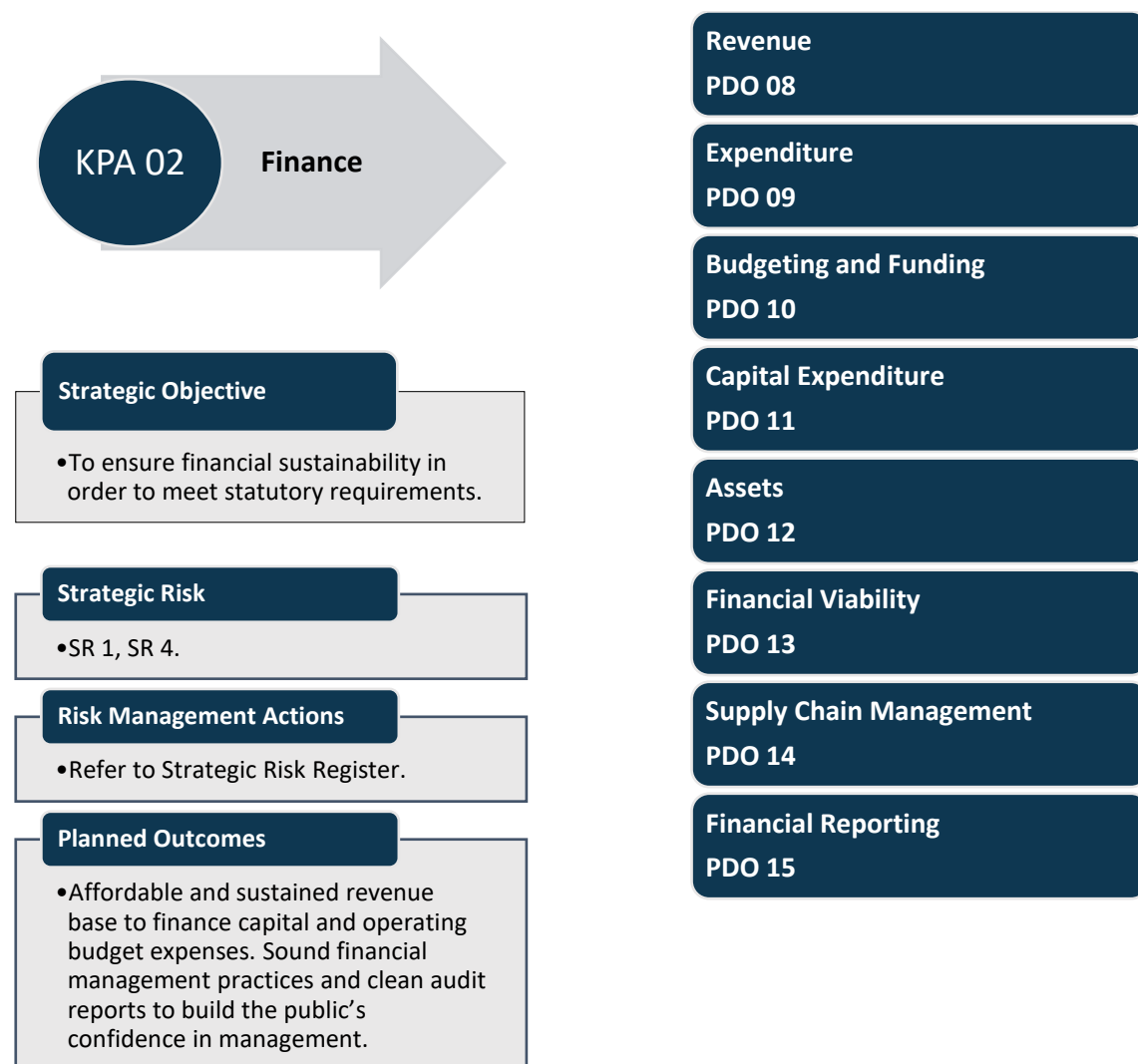


Table 22: KPA 2 Policies and Bylaws

Serial No.	Policies linked to KPA 02	Rating
1.	Cost Containment Policy	😊
2.	Tariff Policy	😊
3.	Credit Control and Debt Collection	😐
4.	Indigent Support Policy	😐
5.	GRAP Accounting Policy	😊
6.	Asset Management Policy	😊
7.	Property Rates Policy	😊
8.	Supply Chain Management Policy	😊
9.	Petty Cash Policy	😊
10.	Budget and Management Oversight Policy	😊
11.	Writing Off of Irrecoverable Debt Policy	😐
12.	Long-Term Financial Sustainability Policy	😊
13.	Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	😊
14.	Policy on Stock Management	😊
15.	Unforeseen and Unavoidable Expenditure Policy	😊
16.	Virement Policy	😊
17.	Borrowing Policy	😊
18.	Funding and Reserve Policy	😊
19.	Insurance Policy	😊
20.	Prioritisation Model for Capital Assets Investment	😐
21.	Supply Chain Management Policy	😊
22.	Financial Asset Management Policy	😊
23.	Unclaimed Deposits Policy	😊
Serial No.	Bylaws linked to KPA 02	Rating
24.	Tariff Bylaw	😊
25.	Bylaw on Property Rates	😊
26.	Bylaw on Customer Care, Credit Control, Debt Collection, and Indigent Support	😐

Analysis of Internal and External Factors (The Current State):

Below is an analysis of internal as well as external factors in respect of the status quo of PDOs and its related components that form part of the KPA.

PDO 8: REVENUE**PDO DESCRIPTION**

The status quo of the Municipality's activities in respect of revenue management is monitored in this PDO and it is informed by section 64 of the Municipal Finance Management Act (No. 56 of 2003). The City Manager as the Accounting Officer is responsible for the management of the revenue of the Municipality. Section 96 of the Municipal Systems Act (No. 32 of 2000) requires that all monies due and payable to the Municipality are collected through the guidelines of the credit control and debt collection policies consistent with the Municipality's tariff and property rates policies. This PDO aims to ensure that the Municipality is in line with the prescripts of the MSA and the MFMA.

RATING OF THE PDO**Table 23: PDO 8 – Rating**

Serial No.	PDO Focus Areas	Rating
Registers		
1.	Valuation Roll	😊
2.	Indigent Register	😊
Billing		
3.	Accurate Billing: Property Rates	😊
4.	Accurate Billing: Electricity	😊
5.	Accurate Billing: Water	😊
6.	Accurate Billing: Sanitation	😊
7.	Accurate Billing: Solid Waste	😊
8.	Accurate Billing: Housing Rentals	😊
Meters		
9.	Prepaid Electricity Meters	😊
10.	Prepaid Water Meters	😊
11.	Conventional Electricity Meters	😊
12.	Conventional Water Meters	😊
Collections		
13.	Indigents: Revenue Foregone	😊
14.	Revenue Collection	😊
15.	Traffic Fines Collection	😞

PDO 9: EXPENDITURE**PDO DESCRIPTION**

This PDO relates to the Municipality's activities in respect of Expenditure and Cost Management. The Municipal Finance Management Act (No. 56 of 2003) gives the accounting officer the responsibility to manage the expenditure of the Municipality and also to guarantee that all reasonable steps are taken to ensure that the

Municipality has and maintains an effective system of expenditure control. This PDO aims to ensure that the Municipality is in line with the prescripts of the MFMA.

RATING OF THE PDO

Table 24: PDO 9 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Operating Expenditure	😊
2.	Cost Containment	😊
3.	Creditor Payments	😊

PDO 10: BUDGETING AND FUNDING

PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of Budgeting and Funding. Chapter 4 of the Municipal Finance Management Act (No. 56 of 2003) provides the initial legislative basis on how to prepare and compile a Medium-Term Revenue and Expenditure Framework for a local government, while taking cognisance of realistically anticipated revenue streams, both internally and externally. Due consideration should also be given to relevant regulations that impact on spending priorities, which will also guide or affect the Municipality's budget.

RATING OF THE PDO

Table 25: PDO 10 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Zero-Based Budgeting	😊
2.	Grants	😐
3.	External Borrowings	😐
4.	Own Reserves (CRR)	😐







PDO 11: CAPITAL EXPENDITURE

PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of Capital Expenditure. Section 15 of the Municipal Finance Management Act (No. 56 of 2003) requires from the City Manager to ensure that the appropriation of funds for capital expenditure takes place within the limits of an approved capital budget. This PDO aims to ensure that the Municipality is in line with the prescripts of the MFMA.

RATING OF THE PDO

Table 26: PDO 11 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Capital Expenditure for the Municipality	
	Capital Spending per Municipal Department	
2.	Engineering Services Capital Spending	
3.	Community Services Capital Spending	
4.	Planning and Development Capital Spending	
5.	Corporate Services Capital Spending	
6.	Financial Services Capital Spending	




PDO 12: ASSETS

PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of Asset Management, which is the process of managing a local government's capital assets cost-effectively. Asset management involves analysing the lifecycle and capacity of each asset and developing information on maintenance requirements, service levels and new asset needs. This is done in accordance with the relevant Generally Recognised Accounting Practice (GRAP) standards and other relevant policies and procedures.

RATING OF THE PDO

Table 27: PDO 12 – Rating

Serial No.	PDO Focus Areas	Rating
1.	GRAP-Compliant Asset Register	
2.	Moveable Assets	
3.	Immoveable Assets	

PDO 13: FINANCIAL VIABILITY

PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of ensuring Financial Viability of Drakenstein Municipality, which is dependent on the generation of sufficient revenue to meet short, medium and long-term service delivery, operating and capital expenditure needs; to service debt commitments; and to allow growth while maintaining service delivery levels.

RATING OF THE PDO

Table 28: PDO 13 – Rating

Serial No.	PDO Focus Areas	Rating
Expenditure		
1.	Capital Expenditure to Total Expenditure	☹️
2.	Impairment of PPE, IP and Intangible Assets	😊
3.	Repairs and maintenance as a % of PPE and IP	☹️
4.	Irregular, F&W & UE/Total Operating Expenditure	☹️
5.	Remuneration as a % of Total Operating Expenditure	😊
Debt Collection		
6.	Debtors' Collection Ratio	😊
7.	Net Debtors' Days	☹️
Cash/Cost Management		
8.	Cash/Cost Coverage Ratio	😊
9.	Current Ratio	☹️
10.	Capital Cost as a % of Total Operating Expenditure	😊
11.	Debt (Total Borrowings) / Revenue – Gearing Ratio	☹️
12.	Net Operating Surplus Margin	😊
13.	Net Surplus/Deficit: Electricity	😊
14.	Net Surplus/Deficit: Water	😊
15.	Net Surplus/Deficit: Refuse	😊
16.	Net Surplus/deficit: Sanitation	😊
17.	Electricity Distribution Losses	😊
18.	Water Distribution Losses	😊
Indicators		
19.	Capital Expenditure Budget Implementation Indicator	☹️
20.	Operating Expenditure Budget Implementation Indicator	😊
21.	Operating Revenue Budget Implementation Indicator	☹️
22.	Service Charges and Property Rates Budget Implementation indicator	😊

PDO 14: SUPPLY CHAIN MANAGEMENT**PDO DESCRIPTION**

This PDO relates to the Municipality's activities and plans in respect of the Supply Chain Management functions, which cuts across all departments. Although governance is at its core, Supply Chain Management plays a vital role in contributing towards service delivery in a manner that is fair, equitable, transparent, competitive and cost-effective. These principles form the foundation of any procuring of goods and services within the municipal sphere, which then is supported by the guidelines within the MFMA, the Municipal Supply Chain Management Regulations, and the Supply Chain Management Guide for Accounting Officers.

RATING OF THE PDO

Table 29: PDO 14 – Rating

Serial No.	PDO Focus Areas	Rating
Municipal Stores		
1.	Main Stores	☹️
2.	Acquisitions	☹️
3.	Demand Planning and Municipal Stock Levels	☹️
Contract Management		
4.	Contract Management Process from Start to Finish	☹️
5.	Specifications Committee Turnaround Time	😊
6.	Bid Evaluation Committee Turnaround Time	😊
7.	Bid Adjudication Committee Turnaround Time	😊
8.	Compliance Reporting	😊

PDO 15: FINANCIAL REPORTING

PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of Financial Reporting, which provides information to users to assist in their decision-making and to demonstrate effective stewardship and accountability. Compliance with relevant legislation ensures transparency and enables National Treasury to use information more effectively for benchmarking purposes.

RATING OF THE PDO

Table 30: PDO 15 – Rating

Serial No.	PDO Focus Areas	Rating
1.	mSCOA Structure	😊
2.	Compliance Reporting	😊

KPA 03

**Organisation
and Human
Capital**
Strategic Objective

- To ensure an efficient and effective organisation supported by a competent and skilled workforce.

Strategic Risk

- SR 3, SR 6, SR 8.

Risk Management Actions

- Refer to Strategic Risk Register.

Planned Outcomes

- A motivated and skilled workforce that supports the operational needs of the Municipality in the implementation of the IDP objectives.

Organisational Structure

PDO 16

Human Capital

PDO 17

Performance Management

PDO 18

Systems and Technology

PDO 19

Processes and Procedures

PDO 20

Table 31: KPA 03's Policies and Bylaws

Serial No.	Policies linked to KPA 03	Rating
1.	Bestowal of Aldermanship Policy	😊
2.	Education, Training and Development Policy	😊
3.	Overtime Policy	😊
4.	Alcohol Policy and Procedure Agreement	😞
5.	Sexual Harassment Policy	😞
6.	Policy for the Use of Landline Telephone System	😊
7.	Electronic Records Management Policy	😊
8.	Records Management Policy	😊
9.	Private Work Policy	😊
10.	Placement Policy	😊
11.	Cellular Telephone Policy	😊
12.	PAIA Section 14 Manual (Promotion of Access to Information)	😊
13.	Language Policy	😞
14.	Appointment of Temporary Staff	😞
15.	Smoking Policy	😊

Serial No.	Policies linked to KPA 03	Rating
16.	Asset Transfer Policy	😊
17.	Donations Policy	😊
18.	Job Evaluation Policy	😊
19.	Student Accommodation Policy	😊
20.	Generic ICT Service Level Agreement Management	😊
21.	ICT Technical Policy	😊
22.	Change Management Policy	😊
23.	Backup and Restore Management Policy	😊
24.	ICT Access Management Policy	😊
25.	ICT Technology Management Framework	😊
26.	Motor Vehicle Allowance Scheme	😞
27.	Information and Communication Technology Policy (Reviewed)	😞
28.	Policy for Formulation, Development and Review of Policies	😊
29.	Code of Ethics Policy	😊
30.	Substance Abuse Policy	😊
31.	Talent Management and Succession Planning Policy	😊
32.	External Bursary Policy (Mayoral Bursary Policy)	😊
33.	Leave Policy	😊
34.	Acting, Additional and Secondment Allowance Policy	😊
35.	Occupational Health and Safety	😊
36.	Dress Code Policy	😊
37.	Standby Policy	😊
38.	Probation Policy	😊
39.	Personal Protective Equipment and Clothing Policy	😊
40.	Recruitment and Selection Policy	😊
41.	HIV/AIDS Policy	😞
Key Bylaws: N/A		

Analysis of Internal and External Factors (The Current State):

Below is an analysis of internal as well as external factors in respect of the status quo of PDOs and its related components that form part of the KPA.

PDO 16: ORGANISATIONAL STRUCTURE**PDO DESCRIPTION**

The Municipality's activities and plans in respect of the organisation's structure is rated in this PDO. The administration is headed by the City Manager who reports directly to the Executive Mayor. Five Executive Directors, who lead their respective departments, report directly to the City Manager. Internal Audit, Risk Management, IDP and Performance Management, and Communication and Marketing are functional areas that report directly to the City Manager. The organisational structure is regularly reviewed to ensure enhanced staff efficiency and improved service delivery.

RATING OF THE PDO**Table 32: PDO 16 – Rating**

Serial No.	PDO Focus Areas	Rating
1.	Efficient Utilisation of Staff	😊
2.	Finalisation of Job Descriptions	😊
3.	Finalisation of Job Evaluation	😊
4.	Alignment of organisational structure with functions and tasks required	😊

PDO 17: HUMAN CAPITAL**PDO DESCRIPTION**








Human Capital Planning and Skills Development is addressed in this PDO. The Human Resource Plan confirms the commitment to make sure that the Municipality is able to acquire and retain human capital. Implementation of the Workplace Skills Plan, Employee Wellness, Internal Bursaries and Excellence Awards are examples of key programmes that promote a skilled, healthy and happy workforce. This PDO is supported by the Human Capital and Skills Development Plan, attached as **Annexure A**.

As of 1 July 2022, the Municipality implemented a Performance Management and Development System (PMDS) that complies with the provisions as indicated in the amendment to chapter 4 of the Municipal Staff Regulations. The PMDS applies to all staff members of a municipality except for:

- Staff members who are appointed on a fixed-term contract with a duration of less than 12 months;
- Staff members who serve notice of termination of their contract of employment;
- Staff members who have reached the statutory retirement age;
- Staff members who are appointed on an internship programme or participating in the national Expanded Public Works Programme (EPWP) or any similar scheme; and
- Managers and Senior Managers appointed in terms of sections 54A and 56 of the Municipal Systems Act.

RATING OF THE PDO

Table 33: PDO 17 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Skilled Workforce	
2.	Knowledge Management and Succession Planning	
3.	A Motivated, Energised and Healthy Staff Complement	
4.	Compliance with MSA HR Regulations	
5.	Effective and Efficient Utilisation of EPWP Capacity	
6.	Efficient Utilisation of Staff	
7.	Skills Development	

PDO 18: PERFORMANCE MANAGEMENT





PDO DESCRIPTION

Performance Management and Monitoring/Evaluation is addressed in this PDO. Performance management serves to measure the performance of the Municipality in terms of meeting its IDP objectives. The Performance Management Policy addresses in a complete manner the strategic, operational and tactical management of performance and workplace efficiency. The performance of the Municipality is measured and monitored monthly as well as evaluated at quarterly and mid-year intervals. The results thereof inform Council on whether any adjustment of indicators is necessary, and on how best to develop action plans to address poor performance. The Circular 88 as gazetted by National Treasury provides guidance in respect of KPIs on Tier 1 and 2 for Intermediary Cities, of which Drakenstein is one.

Organisational and individual performances are managed concurrently. Individual Performance Management is rolled out up to the third reporting line, meaning that Individual Performance Evaluations for section 56/7 employees and permanent employees who have entered into performance agreements are conducted on a quarterly basis. The final review is conducted on an annual basis. Performance results are included in the Annual Report of the Municipality. A dedicated function, situated in the Office of the City Manager, monitors and evaluates service delivery on a day-to-day basis, with weekly performance dashboards distributed and discussed at the SMT meetings every Monday.

RATING OF THE PDO

Table 34: PDO 18 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Organisational Performance Management Policy	
2.	Individual Performance Management	
3.	Monitoring and Evaluation (M&E)	
4.	Implementation of the MSA HR Regulations in terms of PMDS	

PDO 19: SYSTEMS AND TECHNOLOGY








PDO DESCRIPTION

PDO 19 relates to the Municipality's activities and plans in respect of ensuring an information and communication network capability that can enable a Smart City of the future and provides an assessment of the current use of drones and a Geographic Information System (GIS). This PDO is supported by the ICT Master Plan, attached as **Annexure B**.

RATING OF THE PDO

Table 35: PDO 19 – Rating

Serial No.	PDO Focus Areas	Rating
Corporate Services		
1.	Sustainability of ICT Infrastructure	😊
2.	ICT Governance	😊
3.	Network Security	😊
4.	Review of Critical Business Systems	😊
5.	Technology Environmental Controls	😊
Engineering Services		
6.	Utilisation of Drones	😊
7.	Utilisation of GIS: Implementation Plan	😊
8.	Utilisation of Collaborator (Electronic Document Management System)	😊
Community Services		
9.	Utilisation of GIS	😊
10.	Extension of electronic learner license management system to Saron, Simondium and Gouda	😞
11.	Implementing electronic vehicle registration system: online accessibility to Gouda Library and Saron Library	😞
12.	Installation of electronic traffic queuing system at Wellington and Dal Josaphat	😞
13.	Extension of CCTV cameras and network in Drakenstein municipal area	😞
14.	Increase network storage capacity for CCTV and LPR cameras	😞
15.	Replace access control system at municipal offices	😞
16.	Procurement of monitors for CCTV monitoring	😊
17.	Extension of 'Unity' Complaints management system	😊
18.	Procurement of drones with night vision	😞
19.	Procurement of hand-held GPS devices	😞
20.	Procurement of smart two-way handheld radios (Bluetooth/Wi-Fi compatibility)	😞
21.	Expansion of electronic facilities for hosting online booking system for Community halls, Thusong centres, sport facilities)	😞
22.	Procurement of electronic cemetery and burial register and booking system	😞
23.	Development of electronic park asset management register	😞

Serial No.	PDO Focus Areas	Rating
24.	Procurement of electronic tree management system	
Planning and Development		
25.	Utilisation of Drones	
26.	Utilisation of GIS	
27.	Utilisation of 'Collaborator' for Building Plan Management	
Financial Services		
28.	Utilisation of GIS	
29.	Utilisation of SOLAR	
Risk Management and Internal Audit		
30.	BarnOwl System	

PDO 20: PROCESSES AND PROCEDURES











PDO DESCRIPTION

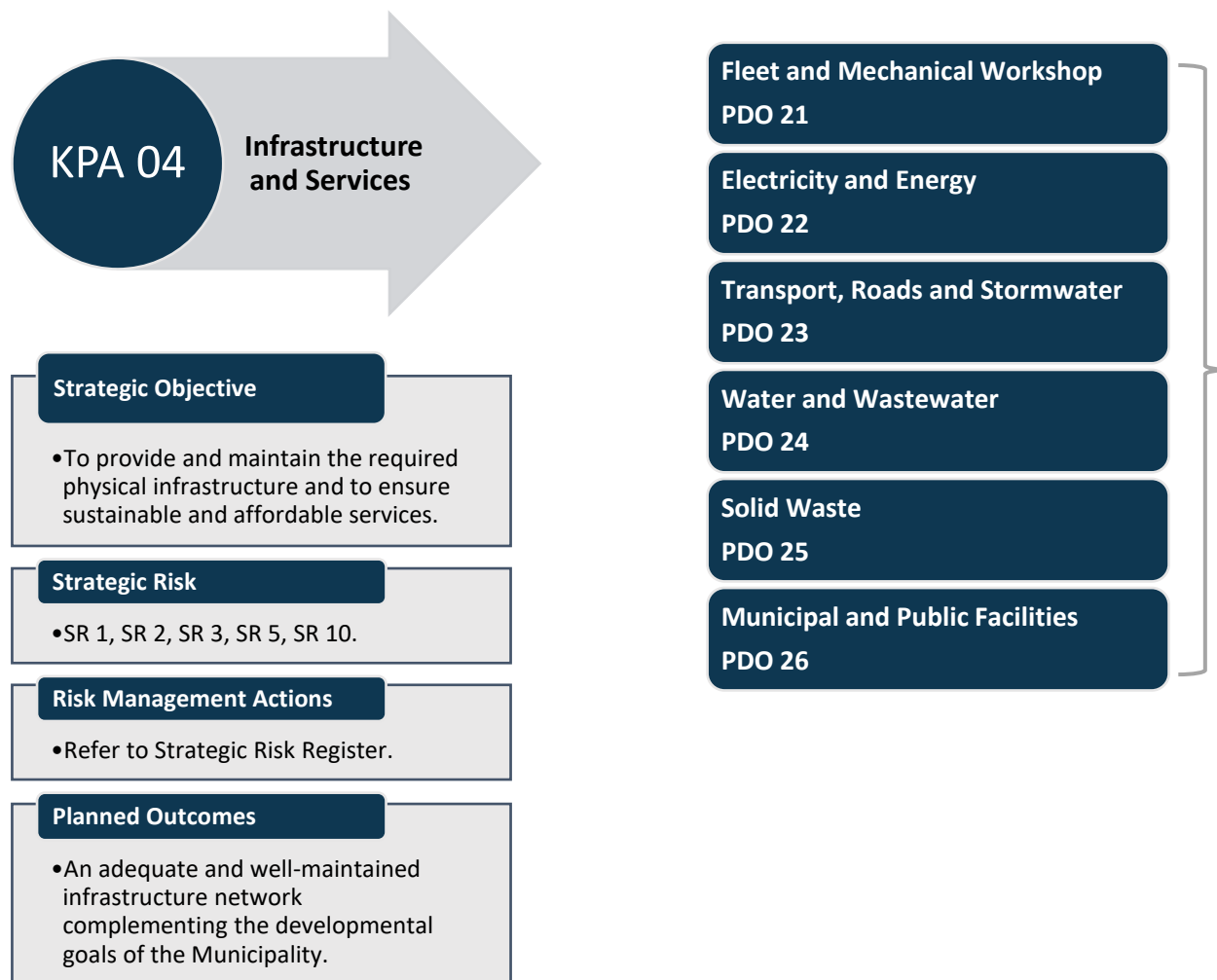
The Municipality's activities and plans in respect of processes and procedures in each of its departments are rated in this PDO. Strong emphasis is placed on developing and streamlining systems and work processes in order to improve efficiency and effectiveness of service quality. An ongoing process of system improvement will be initiated in each service area and will include decision-making and management systems, information systems, financial systems, the HR System, and work processes.

Businesses processes and procedures are the responsibility of each department to ensure that service delivery is improved through reduction of red tape and automation, where applicable.

RATING OF THE PDO

Table 36: PDO 20 – Rating

Serial No.	PDO Focus Areas	Rating
Corporate Services		
1.	Standard Operating Procedures	
2.	Optimising Business Processes	
Engineering Services		
3.	Standard Operating Procedures	
4.	Optimising Business Processes	
Community Services		
5.	Standard Operating Procedures	
6.	Optimising Business Processes	
Planning and Development		
7.	Standard Operating Procedures	
8.	Optimising Business Processes	
Financial Services		
9.	Standard Operating Procedures	
10.	Optimising Business Processes	


Table 37: KPA 04's Policies and Bylaws

Serial No.	Policies linked to KPA 04	Rating
1.	Electrical Infrastructure Maintenance Policy	😊
2.	Fleet Management Policy and User Guide	😊
3.	Policy on Infrastructure Procurement and Delivery Management	😊
4.	Electricity Losses Policy	😊
5.	Policy for the Subsidisation of Farm Workers	😊
6.	Water Losses Policy	😊
7.	Electricity Losses Policy	😊
8.	Electrical Infrastructure Maintenance Policy	😊
9.	Traffic Calming Policy	😊
10.	Lighting on Private Rural Land	😊
11.	Expanded Public Works	😊
Serial No.	Bylaws linked to KPA 04	Rating
12.	Bylaw: Electricity Supply	😊
13.	Bylaw: Water Services	😊
14.	Bylaw: Drakenstein Municipality Integrated Waste Management	😞
15.	Bylaw No 18/2007: Water Supply, Sanitation Services and Industrial Effluent	😊
16.	Management of Premises provided by the Municipality for Dwelling Purposes	😊
17.	Streets	😊
18.	Water supply, sanitation services and industrial effluent	😊
19.	Refuse Removal	😊
20.	Water Services	😊

Analysis of Internal and External Factors (The Current State):

Below is an analysis of internal as well as external factors in respect of the status quo of PDOs and its related components that form part of the KPA.

PDO 21: FLEET AND MECHANICAL WORKSHOP**PDO DESCRIPTION**

PDO 21 relates to the Municipality's activities and plans in respect of Equipment and Fleet Management. In order to render effective services, the Municipality must have an effective Fleet Services Unit to maintain, monitor and replace municipal fleet and equipment. Equipment and fleet consist of heavy plants, refuse compactors, trucks, tractors, light delivery vehicles, passenger cars and small plant equipment. The total number of units currently maintained and serviced amount to 1 782 items. The Municipality aims to improve the efficiency of the mechanical workshop and associated service providers to reduce downtime and to implement better fleet management reporting in terms of the tracking of vehicles, utilisation of vehicles, hiring of vehicles, and driver behaviour. This PDO is supported by the Fleet Management Plan (attached as **Annexure C**).

RATING OF THE PDO**Table 38: PDO 21 – Rating**

Serial No.	PDO Focus Areas	Rating
1.	Efficient prioritisation of fleet purchases	😊
2.	Efficient utilisation of existing equipment and fleet	😐
3.	Minimising equipment and fleet downtime	😐
4.	Ensuring responsible driving behaviour and care	😐
5.	Enforcing budget control on fleet-related cost	😊
6.	Ensuring availability of small tools and equipment for various types of work	😐

The following criteria inform the rating of the focus areas:

- Efficient prioritisation of fleet purchases**

Positive drivers include policy guidelines to prioritise fleet purchases, sufficient opportunity for management and fleet management to motivate replacement priorities, consideration of hire and maintenance expenditure, and service delivery impacts.

- Efficient utilisation of existing equipment and fleet**

Positive drivers include policy guidelines on monitoring fleet, the provision of monitoring and measurement tools to evaluate utilisation, training of user department staff to use such tools, and regular reporting on utilisation. Negative driving behaviour could be caused by a lack of widespread monitoring of the utilisation of fleet items and the implementation and effect of remedial actions.

- **Minimising of equipment and fleet downtime**

Positive drivers include the commitment of staff at the mechanical workshop to deal with troubleshooting. Negative drivers include the lack of staff capacity at the mechanical workshop, lack of monitoring of steps and duration in the fleet maintenance process, lack of visibility and communication regarding the fleet maintenance process and too little accountability measures towards service providers performing maintenance services.

- **Ensuring responsible driving behaviour and care**

Positive drivers include the introduction of a driver demerit points system, allocation of driver identification tags and monitoring of driver behaviour, as well as the operation of the Vehicle Accident Committee (VAC) to investigate all incidents. Negative driving behaviour could be caused by:

- Difficulty in terms of allocating damages,
- Poor state of vehicles to specific abuse incident, and
- A lack of departmental accountability regarding inspections.

- **Enforcing budget control on fleet-related cost**

Positive drivers include a drastic reduction in hire expenditure and central approval processes, monthly reporting on fleet-related expenses, the introduction of a fuel pre-transaction authorisation mechanism, a drastic increase in the number of vehicles serviced at the mechanical workshop, and regular reviews of maintenance quotations at the mechanical workshop. Negative drivers include the lack of ability to prioritise repairs according to budget availability in favour of resolving downtime, and very little alternatives if a vehicle is uneconomical to repair.

- **Availability of small tools and equipment for various types of works**

Positive drivers include a fast response time and internal capacity to repair small tools. Reasons for negative driving behaviour include:

- Small team size in the case of a lack of tool allocation and repair of spare machines planning;
- A Lack of weekly departmental checking and cleaning;
- Grouping of broken equipment into a single delivery;
- A lack of dedicated budget; and
- A lack of user department prioritisation.

PDO 22: ELECTRICITY AND ENERGY

PDO DESCRIPTION

This PDO addresses issues pertaining to Energy Supply and Infrastructure, and aims to ensure efficient energy supply and infrastructure that will contribute to the improvement of quality of life for all citizens within Drakenstein Municipality's jurisdiction. It should be noted that limitations in capacity of the bulk infrastructure network have an impact on timeframes for developments. The electrical substations listed below encompass all the substations in the municipal area, of which there are more than three hundred (300). Infrastructure development needs to complement the Spatial Development Framework across the short, medium and long-term plans. The Municipality

is also acutely aware of the impact of loadshedding and has, to that end, developed an ESKOM Loadshedding Resilience Plan as a tool to address the impact of the national loadshedding crisis. This Plan is based on three (3) pillars, namely Sustainable Service Deliver, Revenue Protection and Alternative Energy. In respect of Alternative Energy, the municipality is engaging with various Independent Power Producers (IPPs), which are large scale commercial investors specialising in enerating alternative energy for sale. In addition, the municipality is also infestigating tariffs for Small-Scale Embedded Generation systems (SSEGs). Drakenstein Municipality is also one of four municipalities in the Western Cape that is participating in the Provincial Government's Municipal Energy Resilience Programme. The Municipality's Electrical Master Plan is attached hereto as **Annexure D**.

RATING OF THE PDO

Table 39: Electricity and Energy Rating Criteria

Serial No.	PDO Focus Areas	Rating	Criteria used
Energy Supply Efficiency			
1.	Additional electrical supply	☹️	<ul style="list-style-type: none"> Overall, we have sufficient capacity. Some of the substations reached their limits with regard to capacity. Any extra capacity application will be very costly.
2.	Energy-saving measures	☹️	<ul style="list-style-type: none"> Good tariff structure in place. DSM system up and running. Illegal connections.
3.	Electrical infrastructure upgrade and extensions	☹️	<ul style="list-style-type: none"> Can still accommodate all new applications and upgrades. DC contributions shortfall. Lack of skilled planning personnel.
4.	Electrical infrastructure maintenance	☹️	<ul style="list-style-type: none"> Copper theft used total maintenance budget. Only emergency maintenance done. Good core maintenance skilled staff.
Energy Supply Infrastructure			
5.	Electrical infrastructure development	☹️	<ul style="list-style-type: none"> NER project in progress to buy alternative energy. Good bulk metering in place. Lack of skilled personnel.
6.	Replacement of aged electrical infrastructure	☹️	<ul style="list-style-type: none"> Old, redundant switchgear needs replacement. Behind schedule with replacement plan. Protection relays needs replacement.
Electrical Substations			
7.	Dalweiding Substation	☹️	<ul style="list-style-type: none"> Lack of protection maintenance. Old, unreliable switchgear. New transformer installed.
8.	Dwarsrivier Substation	☹️	<ul style="list-style-type: none"> Lack of protection maintenance. Good metering installed. Sufficient capacity available.

Serial No.	PDO Focus Areas	Rating	Criteria used
9.	Kliprivier Substation	😊	<ul style="list-style-type: none"> Lack of protection maintenance. Transformers recently maintained. Sufficient capacity available.
10.	Slot Substation	😊	<ul style="list-style-type: none"> Lack of protection maintenance. Good metering in place. Sufficient capacity available.
11.	Hugenote/Parys Substation	😊	<ul style="list-style-type: none"> MV equipment in good condition. Sufficient capacity available. Old transformers need proper maintenance.
12.	Wellington Substation	😊	<ul style="list-style-type: none"> Old MV equipment needs replacement. Capacity constraints. Good metering in place.
Loadshedding Resilience			
13.	Installation of Uninterrupted Power Supply (UPS) systems at traffic lights	😊	UPS Systems have already been installed at over half of the 48 primary signalised traffic intersections
14.	Installation of backup generators at water and wastewater facilities	😊	More back up electricity sources will be installed during the 2023/2024 Financial Years

PDO 23: TRANSPORT, ROADS AND STORMWATER

PDO DESCRIPTION

Paarl, Wellington and Mbekweni have a well-developed, sophisticated internal road network providing good vehicular access to its many urban facilities and opportunities. All formal residential erven have direct access to the road network, with informal settlements having access to streets on its periphery.

The road network also supports a road-based public transport system dominated by mini-bus taxis providing an internal as well as external service, connecting the towns with the rural settlements. The Municipality's Comprehensive Integrated Transport Plan, upgraded to a comprehensive plan in 2020, is attached hereto as **Annexure E**. Public transport regulation is dependent on the development of an Integrated Public Transport Network. It is envisaged that the development of the plan will commence within the foreseeable future.

The railway line, providing for a rail-based passenger service, runs via the length of the Municipality in a north-south direction, with stations located in Paarl, Huguenot, Mbekweni, Dal Josaphat, Wellington, Mbekweni, Malan, Soetendal, Hermon and Gouda.

The Stormwater Master Plan compiled in 2008 will be reviewed, with the first phase commencing in the 2022/2023 financial year. This review will address the 356 km of stormwater infrastructure and also include the confirmation of floodlines.

The Pavement Management System compiled in 2017 is due to be revised and will be provided for in future financial years. Unfortunately, due to the extent of backlogs in resurfacing and upgrading, and financial constraints, headway in eradicating these backlogs is not progressing as may be required; however, is regarded as sufficient for purpose. There are more than 30 km of provincial main roads within the urban edges of Drakenstein. Maintenance of these roads is dependent on the provision of the required subsidy by the Provincial Government, being a shared responsibility.

The principle to update all the different master plans every 3 to 5 years – and to align the different master plans with the 20-year growth plan and spatial development framework – remains a priority.

RATING OF THE PDO

Table 40: PDO 23 – Rating

Serial No.	PDO Focus Areas	Rating
Municipal Transport		
1.	Public transport regulation and taxi facilities	☹️
2.	Integrated Transport Master Plan Review	☹️
Municipal Roads		
3.	Backlogs in road maintenance	😊
4.	Backlogs in the upgrading of municipal roads	😊
5.	Traffic calming measures	😊
Stormwater		
6.	Stormwater master plan review	😊
7.	Revision of floodlines in the stormwater master plan	😊
8.	Development of new enabling infrastructure	😊
9.	Public safety risk measurement due with regards to roads and stormwater infrastructure	😊

PDO 24: WATER AND WASTEWATER

PDO DESCRIPTION































This PDO addresses issues pertaining to water and wastewater services. This service is a legal requirement, therefore it was particularly important that the Municipality prepare a Water Services Development Master Plan (WSDP) to progressively ensure efficient affordable, economical and sustainable access to water and sanitation services that promote sustainable livelihoods and economic development. A new plan must be developed at least once every five years and updated as necessary and appropriate in the interim years. The Municipality's WSDP was reviewed and approved by Council during 2022. Annual water services audits are also performed. The WSDP, together with Bulk Water Supply and Sewer System Master Plans, determine financial requirements for infrastructure

maintenance, asset management and capacity augmentation. All formal erven have access to metered water and sewer connections. Informal areas are serviced by communal toilets and water stand pipes.

Water and sanitation services are limited to potable water supply systems and domestic wastewater and sewerage disposal systems. Access to sanitation is one of the most important basic services, as it concerns the health and dignity of human beings. Municipal services (within the urban area) are available to all schools, clinics and so forth. It is, however, the responsibility of an owner/school to apply to be connected to the applicable service. A connection fee and service deposit is payable before the service can be rendered. There are no backlogs within the urban area. Sewage tanker services are provided to rural schools, where the schools and clinics are not connected to the municipal gravitation system. The Municipality's Water and Sanitation Plan is attached hereto as **Annexure F**.

RATING OF THE PDO

Table 41: PDO 24 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Aged Infrastructure	
2.	New Bulk Infrastructure	
3.	New Network Reticulation	
4.	New Water Resources	
5.	Water Loss Management	
6.	Basic Services (Water and Sanitation) to Informal Settlements	
7.	Development Enabling Infrastructure	
8.	Wastewater Treatment Works Organic Load Capacity	
9.	Master Planning	
Water Infrastructure Maintenance		
10.	Pipelines	
11.	Reservoirs	
12.	Pump Stations	
13.	Dams	
14.	Water Connections	
Wastewater Pump Stations		
15.	Saron – Main Street	
16.	Saron – Long Street	
17.	Gouda	
18.	Gouda Reed-bed	
19.	Hermon	
20.	Wellington – Kromrivier	
21.	Wellington – Pentz street	
22.	Wellington – Industrial Park	
23.	Newton	
24.	Angel Street	
25.	Drommedaris	
26.	Mbekweni	
27.	Kaplan	
28.	Erf 8000	
29.	Silvertown	
30.	Carletta	

Serial No.	PDO Focus Areas	Rating
31.	Allemans	😊
32.	Edison	😞
33.	Donkervliet	😊
34.	Dams	😊
35.	Water Connections	😊
Sanitation Infrastructure Maintenance		
36.	Pipelines	😊
37.	Pump Stations (suburb-based)	😊
38.	Sewer Connections	😊
39.	Wastewater Treatment Plants	😊
40.	Bulk Pump Stations	😊

PDO 25: SOLID WASTE

PDO DESCRIPTION

Sustainable waste management systems must be implemented to ensure that all residents have access to the minimum level of refuse removal service and solid waste infrastructure which is affordable, economical and efficient.

It is a legal requirement that municipalities compile an Integrated Waste Management Plan (IWMP) that comprehensively addresses the implementation of the waste hierarchy, namely waste prevention, recycling and recovery, treatment of waste, and disposal. This master plan identifies strategic objectives and action plans which encourage the economical, efficient and effective use of resources, the recycling of waste, and other appropriate environmental objectives, as well as financial requirements for infrastructure needs and capacity augmentation. The IWMP is developed every five years and revised and updated as needed in the interim years to align with amendments to legislation. The Waste Act requires that the IWMP is integrated in the Integrated Development Plan (IDP) of the Municipality in order to ensure that waste management services are streamlined with other essential basic services such as water and sanitation, housing, and electricity provision.

Awareness and education form an integral part in promoting good waste management practices and deterring littering and illegal dumping. This requires the active involvement of all stakeholders – government, private sector and communities. The main purpose of raising awareness in communities is to change people's perceptions, attitudes and behaviour with regard to waste and to ultimately ensure a cleaner environment and improved living conditions.

The Municipality has to implement strategies to comply with the organic waste diversion targets of 50% by 2022 and 100% by 2027, set by the Western Cape Department of Environmental Affairs and Development Planning (DEA&DP).

Alternative uses for old redundant landfills (including landfill mining) are being investigated, as the rehabilitation cost of old landfills are very high.

- **Solid Waste Management Services**

The Municipality is responsible for the collection of municipal solid waste and recyclable waste, treatment of waste, solid waste disposal, management of solid waste facilities, waste minimisation initiatives, street sweeping, litter picking and area cleaning. Awareness and education programmes, in close collaboration with other stakeholders, are also run by this section.

- **Waste Diversion**

Diversion of construction and demolition waste as well as organic waste is promoted. Proposed plans for the optimisation of organic waste diversion are being reviewed and submitted for Council approval. Approved plans will be implemented, which will enable the Municipality to comply with the national organic waste diversion target of 50% by 2022 and 100% by 2027.

- **Solid Waste Disposal Facilities**

The following facilities are available for the safe disposal of general waste:

- Wellington Waste Disposal Facility (landfill);
- Paarl Refuse Transfer Station;
- Hermon Drop-off;
- Gouda Drop-off; and
- Saron Drop-off.

Mini drop-offs have been constructed in high-density and informal settlements which are more accessible to the community for disposal of waste in a responsible manner. The Municipality's Integrated Waste Management Plan is attached hereto as **Annexure G**.

RATING OF THE PDO

Table 42: PDO 25 – Rating

Serial No.	PDO Focus Areas	Rating
Solid Waste Management		
1.	Review of the Third-Generation IWMP	😊
2.	Provision of Mini Drop-Offs for Illegal Dumping	😊
3.	Alternative to Landfill	😐
4.	Landfill Operation Optimisation	😊
5.	Waste Minimisation	😐
6.	Rehabilitation of Old Landfill Sites	😐
7.	Illegal Dumping Area Cleaning	😞
8.	Organic Waste Diversion	😐
9.	Waste Picker Integration	😐
Infrastructure Management		
10.	Infrastructure Master Planning	😐

PDO 26: MUNICIPAL AND PUBLIC FACILITIES

PDO DESCRIPTION

The Municipality's Public Facilities, including Thusong Centres, Community Halls, and Public Ablutions, are rated in this PDO. Annually, provision is made in the capital and operational budgets for the maintenance and upgrading of municipal-owned properties and facilities. Community needs, as well as regular inspections conducted at facilities, are used to inform the budget. The Thusong Programme is essentially establishing as a one-stop centre – providing integrated service and information from government to communities close to where they live – as part of a comprehensive strategy to better

their lives. The Municipality makes use of a functionality scorecard which was developed by the Provincial Department of Local Government for Thusong Service Centres. This scorecard serves as a concise management reporting system describing the operational functionality of Thusong Service Centres.

The Municipality is committed to utilising the Thusong Programme as a vehicle to achieve strategic social and economic priorities identified within the IDP. The two Thusong facilities are managed according to the Six Block Model prescribed by national government. The facilities house six national government departments, including SASSA, the Department of Social Services and Consumer Protection, as well as various non-governmental organisations (NGOs).

Table 43: Municipal and Public Facilities Rating Criteria






















Rating	Criteria for Rating Services
	Community Halls: Have been affected by constant theft and burglaries. Ablution Facilities: Railway Station has been vandalised. In response to a request received from stakeholders to dismantle the facility, it has been demolished. There is one public ablution facility available (Gouda) but there is a request to construct another toilet in the CBD.
	
	

Table 44: PDO 26 – Rating

Serial No.	PDO Focus Areas	Rating
Community Halls: Maintenance		
1.	Safmarine Community Hall	
2.	Gouda Community Hall	
3.	Saron Community Hall	
4.	Colibri Community Hall	
5.	Paarl Town Hall	
6.	Wellington Town Hall	
7.	Mbekweni Community Hall	
8.	Fairyland Community Hall	
9.	Simondium Community Hall	
Thusong Centres: Maintenance		
10.	Paarl East Thusong Centre	
11.	Mbekweni Thusong Centre	
Public Ablutions: Maintenance		
12.	Paarl Patriotplein	
13.	Paarl Wamakersplein	
14.	Paarl Shoprite, Waterkant Street	
15.	Paarl Shoprite, Lackay Street	
16.	Paarl New Taxi Rank	
17.	Paarl, Van der Poelsplein	
18.	Mbekweni	

Serial No.	PDO Focus Areas	Rating
19.	Paarl, Bergrivier Boulevard	😊
20.	Wellington, Victoria Park	😊
21.	Huguenot Plein, Wellington Spar	😊
22.	Pick n Pay, Wellington	😊
23.	Wellington, Weltevrede	😊
24.	Wellington, Joubert Street	😊
25.	Wellington, Railway Station	😞
26.	Wellington, Mannies	😊
27.	Hermon	😊
28.	Saron	😊
29.	Gouda	😞

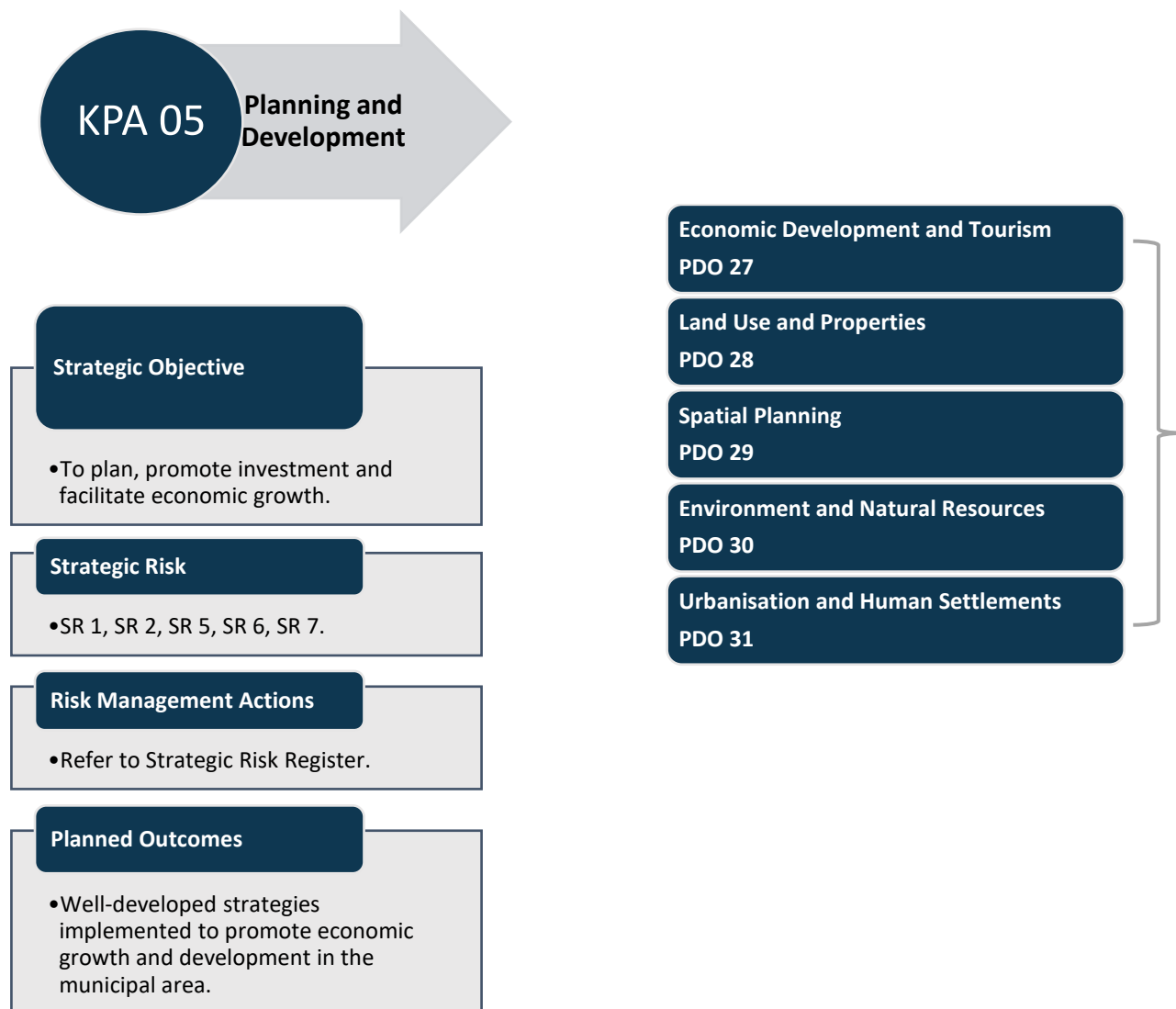


Table 45: KPA 05's Policies and Bylaws

Serial No.	Policies linked to KPA 05	Rating
1.	Informal Trading Enhancement Policy	😊
2.	Drakenstein Integrated Economic Growth Strategy	😊
3.	Drakenstein Mountain Slope Policy	😊
4.	Tourism Development Plan	😊
5.	Events Support Framework	😐
6.	Developer Contributions Policy	😊
7.	Informal Trading Management Framework	😊
8.	House Shop Policy	😊
9.	Limited Payout Gambling Machine Policy	😊
10.	Policy on the Naming and Renaming of Streets, Public Places, Natural Areas, Artefacts and Council-Owned Buildings and Facilities	😊
11.	Environmental Policy	😐
12.	Investment Incentive Policy	😞
13.	Financial Assistance for Public Events Policy	😐
14.	Housing Selection and Allocation Policy	😐
15.	Housing Administration Policy	😐
Serial No.	Bylaws linked to KPA 05	
16.	Bylaw No 11/2007: The Prevention of Atmospheric Pollution	😊
17.	Bylaw: Liquor Trading Days and Hours	😊
18.	Bylaw No 14/2007: Informal Trade	😊
19.	Bylaw No 1/2008: Outdoor Advertising and Signage	😊
20.	Zoning Scheme Bylaw	😊
21.	Bylaw: Use of Remotely Piloted Aircraft and Model Aircraft in Public Places and Streets	😊
22.	Drakenstein Municipality Building Control Bylaw	😞
23.	Establishment of Improvement Districts Bylaw, 2002	😐

Analysis of Internal and External Factors (The Current State):

Below is an analysis of internal as well as external factors in respect of the status quo of PDOs and its related components that form part of the KPA.

PDO 27: ECONOMIC DEVELOPMENT AND TOURISM

PDO DESCRIPTION

This PDO addresses Economic Development and Tourism. It must be noted that Drakenstein has the largest economy in the Winelands District. The Integrated Economic Growth Strategy continuously emphasises the importance of enhancing investment facilitation and facilitating the ease of doing business with Drakenstein to ensure that the Municipality becomes the investment destination of choice in the Cape Winelands. This PDO furthermore addresses initiatives in respect of Economic Development and Poverty Alleviation. The IEGS also outlines the establishment of a set of key strategic enablers to unlock Drakenstein's economic potential, which includes tourism and investment promotion within Drakenstein Municipality. Components of this PDO include Economic Growth and Development, Tourism, Growth Promotion, Investment Promotion, Job Creation, an Economic Overview of the Municipality, as well as Poverty Alleviation. The Municipality's Economic Development and Investment Plan is attached hereto as **Annexure H**. The following rating components criteria were utilised:

Table 46: Economic Development and Tourism Rating Criteria

Rating	Rating Criteria
☹️	Status of the proposed intervention at the time when the Integrated Economic Growth Strategy was adopted in 2019
😊	Impact of COVID-19 and incorporation of Economic Recovery programmes
😊	Reprioritisation of new Council's focus areas

RATING OF COMPONENTS

Table 47: PDO 27 – Rating of Components

Serial No.	Components of the PDO	Rating
Economic Development and Growth		
1.	Job and economic opportunities	☹️
Job Creation		
2.	Facilitating sustainable solutions to unlock job creation opportunities	☹️
3.	SMME and entrepreneurship development	😊
Economic Overview		
4.	Addressing the digital divide and unemployment	☹️
5.	Informal Economy Enhancement Strategy	😊
Poverty Alleviation		
6.	Thirteen (13) food and nutrition centres	😊
7.	Development of small business linkages	😊
8.	Enhancing Small Business Support	😊
Growth Promotion		
9.	Sufficient broadband access	☹️

Serial No.	Components of the PDO	Rating
10.	Business infrastructure (industrial parks)	☹️
11.	Small business development and further skills development	😊
Investment Promotion		
12.	Ensure investor facilitation, investment promotion and ease of doing business	😊
13.	Development of a Contribution Policy	😊
14.	Engagement with large roleplayers to plan together in order to attract investment	😊
Capital Development		
15.	Development of funding proposals to implement targeted business support interventions	😊
16.	Promotion of SMME development in the tourism sector	😊
17.	Business confidence in Drakenstein Areas	😊
Product Development		
18.	Collaboration with sector industry bodies/businesses in the tourism value chain and professional industry associations	😊
Destination Marketing		
19.	International and domestic marketing	☹️
Sustainable Tourism		
20.	Drive to increase Drakenstein as a preferred film location	😊
21.	Transformation in the tourism industry	☹️
22.	Tourism infrastructure	☹️
24.	Sports tourism focus	😊
25.	Conservation of the environment	☹️
26.	Adventure tourism focus	☹️
27.	Wellness tourism focus	😐
Skills Development		
28.	Relevant training to meet sector needs	😊
29.	Integration and proper planning of the skills development value chain	☹️
Education		
30.	Educational resources and access to technology (e-learning)	☹️
31.	Lack of financial assistance for youth to access education	☹️

PDO 28: LAND USE AND PROPERTIES

PDO DESCRIPTION

This PDO relates to activities concerning municipal planning, specifically Land Use Planning and Building Control. The Land Use Planning Division is responsible for the processing of applications for land use changes (by means of rezoning, consent uses, departures, temporary departures, amendment of conditions of approval, and removal of restrictive title conditions); farm subdivision applications; scrutinising building plans for compliance with zoning parameters; and attending to illegal land uses.

The Building Control Section is responsible for the circulation and approval of building plans, in terms of the National Building Regulations and Standards Act (No. 103 of 1977). Building plans are required for the

construction of new dwellings and other buildings, extensions and alterations to dwellings and other buildings, the erection of boundary walls and advertising signs, and the construction of swimming pools.

Regarding the Land Use Planning and Building Control functions, the focus areas were assessed based on the following criteria:

- The relevance of the content of the documents or systems;
- The effectiveness of the systems;
- The user-friendliness of the systems;
- The acceptability of the turnaround times; and
- Whether the documents or systems require revision.

All these criteria are used to ensure user-friendliness and faster turnaround times.

Sections 30–32 in Table 48 of PDO 28 relate to heritage resource management. Currently Heritage Western Cape is mandated to decide on all matters pertaining to the National Heritage Resources Act. The Municipality has identified a process to acquire the necessary competency and delegations from Heritage Western Cape. The necessary documentation and structures are currently being prepared for submission to Heritage Western Cape for consideration. Progress with the management of heritage resources at a municipal level have been made. However, the necessary competency and delegations from Heritage Western Cape have not been received.

RATING OF THE PDO

Table 48: PDO 28 – Rating

Serial No.	PDO Focus Areas	Rating
Land Use Planning		
1.	Expedite the land use planning application processes via an electronic system ('Collaborator')	😊
2.	Ongoing revision of the electronic land use planning application processing system ('Collaborator')	😊
3.	Expedite the processing of land use planning applications by means of pre-application consultation with all the relevant roleplayers	😊
4.	Revision of the Land Use Planning and Zoning Scheme Bylaw	😊
5.	Processing of applications for land use changes	😊
6.	Scrutinising of building plans for compliance with zoning parameters	😊
7.	Attending to illegal land uses	😊
8.	Dealing with priority applications by assigning a dedicated official to deal with the application from submission to decision-making	😊
9.	Timely forwarding of all final land use planning approvals to the Property Rates Section for re-valuation	😊
Building Control		
10.	Expedite the building plan application processes via an electronic system ('Collaborator')	😊

Serial No.	PDO Focus Areas	Rating
11.	Ongoing revision of the electronic building plan application processing system ('Collaborator')	😊
12.	Expedite the processing of building plan applications by means of pre-application consultation with all the relevant roleplayers	😊
13.	Processing and assessment of new building plan applications within the prescribed timeframes	😊
14.	Monitoring of building work by means of the relevant inspections	😊
15.	Implementation of appropriate action where unauthorised building activities occur	😊
16.	Issuing of Occupation Certificates within the prescribed timeframe	😊
17.	Timely forwarding of a schedule of all inspections conducted to the Property Rates Section for re-valuation	😊
Land Surveying		
18.	Expedite applications for subdivision via an electronic system ('Collaborator')	😊
19.	Ongoing revision of the electronic subdivision application processing system (Collaborator)	😊
20.	Expedite the processing of applications for subdivision by means of pre-application consultation with all the relevant roleplayers	😊
21.	Ongoing revision of the Land Use Planning and Zoning Scheme Bylaw	😊
22.	Processing of applications for subdivisions	😊
23.	Scrutinising building plans for compliance with property information	😊
24.	Technical support service regarding land surveying-related matters	😊
25.	Verification of municipal property boundaries	😊
26.	Providing comments on the issuing of clearance certificates in relation to subdivisinal conditions of approval	😊
Property Management		
27.	Establishment of the Development and Investment Land Use Committee to discuss applications for the alienation of leasing of municipal land, prior to the submission thereof to Mayco	😊
28.	Collaboration with the Legal Services Section (Properties) in respect of drafting the items to serve before the Committee	😊
29.	Provision of inputs in respect of proposed transactions	😊
Heritage Resource Management		
30.	Heritage Resource Management	😊
31.	Management of the existing Heritage Committees	😊
32.	Heritage Awareness	😬

PDO 29: SPATIAL PLANNING**PDO DESCRIPTION**

Spatial Planning within the municipal sphere of government can be regarded as the identification, co-ordination and implementation of targeted practices and policies associated with the natural and built environments, the economy, and society, in order to achieve the development vision of the Municipality.


The primary planning tool that sets the spatial trajectory of the Municipality in the Spatial Development Framework (SDF). The MSA defines the SDF as a core component of the IDP. The SDF was therefore approved on 30 May 2022, as part of the five year IDP. The SDF is attached hereto as **Annexure M**.

The approved SDF is based on the IDP Vision of “A City of Excellence”. In order to achieve the vision, the SDF identifies seven themes with proposals that provides the spatial element to the IDP PDOs.

The seven SDF Themes include:

- Implementing the catalytic zones and big moves;
- Promoting integrated environmental management;
- Promoting agriculture and rural development;
- Protecting and promoting heritage and cultural landscapes;
- Reinforcing the hierarchy of settlements and promoting rural-urban connectivity;
- Promoting connectivity, mobility and logistical corridors; and
- Promoting spatial transformation towards resilient, inclusive, smart and sustainable settlements.

Table 49: PDO 29 – Rating

Serial No.	PDO Focus Area	Rating
1.	Review of the SDF	

Performance Comment

The 2022/2023 SDF was reviewed as part of the 2022/2023 IDP, in accordance with the approved IDP Process Plan and 2022/2023 IDP Time Schedule.

The approved SDF identified the following projects for implementation within the the 2022/2027 period:

Table 50: PDO 29 – Projects

Project	Performance
Implement the Berg River Corridor and Arboretum Precinct Project	The Arboretum was upgraded and the Berg River Corridor pathway is currently being constructed.
Development of the De Kraal Sport Complex	Construction currently in process.
Construction of Fairyland Sport Facility	Construction complete.
Implementation of social housing, GAP housing, infill housing, BNG housing and a number of IRDP projects	The Vlakkeland Public Housing Project and the Mountain Ridge Social Housing project has been initiated.

Project	Performance
Upgrading of Informal Settlements Programme Projects	3 UISP project is currently in planning phase.
The establishment of a new cemetery	The land development application of a new cemetery is currently in process.
Upgrading and maintenance of existing playgrounds, open spaces and parks	Playgrounds, open spaces and parks are maintained and upgarded according to the Playgrounds, open spaces and park Maintenance Plan.
Upgrading of the R301 and R45 Roads	Upgrading of the R301 is currently in process.
Upgrading of Gouda Sport Field	Upgrading completed.
Finalisation of the Saron Transformation Process in terms of the TRANCRAA	The Saron Communal Property Association was established.

Land Use Applications

During the period under review, a total of 52 land development applications were approved by the delegated authority. A total of 40 land development applications, which relates to properties that are situated within the approved Drakenstein Urban Edge were approved. The remaining 12 land development applications entails the establishment of tourist facilities and agriculture related land uses.

It is also important to note that 5 out of the 40 land development applications entails the establishment of new residential developments that offers 255 new residential opportunities.

From a new land development application perspective, a total of 55 new land development applications were received by the Municipality during the period under review. A total of 46 land development applications, which relates to properties that are situated within the approved Drakenstein Urban Edge were received. The remaining 9 land development applications entails the establishment of tourist facilities and agriculture related land uses.

Furthermore, out of the 55 new land development applications, 15 entails the establishment of new residential developments, which will yield a total of 2222 new residential opportunities. An additional 43600 GLA for industrial use and 13365 for commercial use is also proposed.

Table 51: PDO 29 – Rating

Serial No.	PDO Focus Area	Rating
2.	Local Area Based Planning	

Performance Comments

It was recognised that the urban settlements of Paarl, Mbekweni and Wellington is converging to create on urban conurbation. The Municipality therefore initiated the development of a Local SDF for the Newton, Vlakkeland and Roggeland Area, which situated between the Paarl, Mbekweni and Wellington urban settlements. The Local SDF is currently in draft format and will be advertised for public consultation during the 2023/2024 year. The Local SDF will assist in implementing all the themes of the SDF.

Table 52: PDO 29 – Rating

Serial No.	PDO Focus Area	Rating
3.	Alignment of Sectoral Plans and Policies	

Performance Comments

The Provincial Minister of Local Government, Environmental Affairs and Development Planning, during November 2022, adopted the Drakenstein Municipality Environmental Management Framework (EMF). The EMF is considered as an important informant to the SDF as it contains principles and guidelines that must be incorporated into the SDF in order to achieve the theme of “Promoting integrated environmental management”.

Furthermore, during February and March 2023, the Municipality interacted with the National Department of Agriculture, Land Reform and Rural Development with regard to the protection of high value agricultural land. Consultation between the Municipality and the Department is ongoing in order to identify agricultural areas that must be protected through the implementation and enhancing of the theme of “Promoting agriculture and rural development”.

PDO 30: ENVIRONMENT AND NATURAL RESOURCES

PDO DESCRIPTION

This PDO focuses on the role that Drakenstein Municipality plays in implementing Integrated Environmental Management, as derived from the broad rights defined in section 24 of the Constitution, stating that: *“Everyone has the right: to an environment that is not harmful to their health or well-being; and to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that prevent pollution and ecological degradation; promote conservation; and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.”*

This PDO also focuses on the management of natural resources in the municipal area. Well-managed natural resources provide the foundation for improving and maintaining the quality of life of residents, and contributes to sustainable economic growth. These natural resources also provide vital ecosystem services that many communities benefit from directly and indirectly. Climate change response also forms part of this PDO and the Municipality has a number of initiatives to address this issue, particularly through its climate partnership with the City of Neumarkt in Germany. The Municipality’s Climate Change Response Plan is attached hereto as **Annexure J**: this comprehensive plan encapsulates the Environmental Management Framework, the Air Quality Management Plan, as well as the Invasive Alien Vegetation Monitoring and Eradication Plan.

The focus areas of this PDO is divided into the three main areas of operation in the Environmental Management Section. Criteria such as service delivery outcomes, completion of project schedules, resource allocation, fulfillment of legal requirements and innovation were used to rate the progress of the focus areas.

Components of this PDO include:

- Environmental Compliance and Enforcement;
- Natural Resource Management; and
- Planning and Sustainability.

RATING OF THE PDO

Table 53: PDO 30 – Rating

Serial No.	PDO Focus Areas	Rating
Natural Resource Management		
1.	Promote participation in the Environmental Education and Awareness Programme by the public	😊
2.	Implementation of Berg River Improvement Projects	😊
3.	Formalise the conservation status of priority municipal conservation areas	😞
4.	Implementation of the Invasive Alien Vegetation Monitoring and Eradication Plan	😊
Environmental Monitoring and Compliance		
5.	Responding to environmental complaints in accordance with the organisation's Customer Service Charter	😊
6.	Implementation of the Drakenstein Air Quality Management Plan	😊
7.	Conducting intergovernmental compliance inspections and investigations on serious environmental contraventions	😊
Planning and Sustainability		
8.	Review of the Drakenstein Environmental Management Framework	😊
9.	Review of the Climate Change Response Plan	😐
10.	Implementation of the Joint Programme of Action under the Climate Partnership with Neumarkt	😐

PDO 31: URBANISATION AND HUMAN SETTLEMENTS

PDO DESCRIPTION

This PDO focuses on Urbanisation Management and Human Settlements in Drakenstein Municipality as the Municipality has a bigger focus on Urbanisation Management as part of its housing strategy.




The PDO comprises the following components:

- Management and maintenance of Council's rental stock;
- Management of Housing Demand Database (waiting list);
- Informal Settlements Management;
- Evictions and Emergency Housing Management; and
- Provision of Housing Opportunities (Human Settlements Projects).

This PDO also takes into account the Priority Human Settlements and Housing Development Areas (PHSHDAs) as Gazetted during May 2020. These PHSHDAs are spatially depicted in the SDF of the Municipality.

Detailed information regarding the current housing context, which encompasses all aspects pertaining to housing (i.e. informal settlements, housing projects, housing demands etc.) within the Drakenstein Municipality is included in the Human Settlements Sector Plan that is attached as **Annexure K. The criteria used to determine the rating are listed below:*

Table 54: Human Settlements (Housing) Criteria – Rating










Rating	Condition of Rental Blocks	Comments
	High risk	Replacement and installation of critical maintenance items.
	Minor risk	Regular reactive maintenance has been attended to.
	Safe condition	Blocks in good condition.

RATINGS OF COMPONENTS

Table 55: PDO 31 – Rating

Serial No.	PDO Focus Areas	Rating
Management and Maintenance of Council's Rental Stock		
1.	Maintenance of Rental Stock	
2.	Repair and Upgrade of Rental Stock	
3.	Alienation/Transfer of Rental Stock to Qualifying Occupants	
Management of Housing Demand Database (Waiting List)		
4.	Maintaining and updating of database	
Management and Maintenance of Informal Settlements		
5.	Maintenance of services in informal settlements	
6.	Development of new basic services in informal settlements	
7.	Monitoring of informal settlements (land invasions)	
8.	Enumeration of informal settlements	
9.	Implementation of Informal Settlement Upgrade Plans (as per housing pipeline)	
Evictions and Emergency Housing Management		
10.	Eviction Management Planning	
11.	Emergency Housing Planning and Implementation	
Provision of Housing Opportunities (Human Settlements Projects)		
12.	Title Deed Restoration Project	
13.	Planning and Implementation of Social Housing Projects	
14.	Planning and Implementation of Affordable Housing Projects	
15.	Planning and Implementation of IRDP Projects	

Table 56: Status of Rental Stock – Blocks of Flats (Triple Storey)

Triple Storey				
Serial No.	Name of block	Ward	Total units	Condition of Rental Blocks (Rating)
1.	Magnolia	20	432	
2.	Bauhinia	20	196	
3.	Bougainvillia	20	144	
4.	Kudu	24	18	
5.	Bosbok	22	72	
6.	Springbok	24	36	
7.	Blesbok	21	60	
8.	Rietbok	24	36	
9.	Gemsbok	24	36	

Triple Storey				
Serial No.	Name of block	Ward	Total units	Condition of Rental Blocks (Rating)
10.	La Uva	19	19	😊

Table 57: Status of Rental Stock – Blocks of Flats (Double Storey)

Double Storey				
Serial No.	Name of block	Ward	Total units	Condition of Rental Blocks (Rating)
1.	Lantana St.	21	44	☹️
2.	Wisteria St.	20	34	☹️
3.	Bauhinia St.	20	16	☹️
4.	Daphne St.	20	34	☹️
5.	Plumbago St.	20	42	☹️
6.	Azalia St.	20 & 25	92	☹️
7.	Oleander St.	21	34	☹️
8.	Pointsettia St.	20 & 25	88	☹️
9.	Disa St.	25	98	☹️
10.	Lantana Court	25	74	😊
11.	Hibiscus St.	25	16	☹️
12.	Kiewiet Flats	26	76	😊
13.	Loerie Flats	27	112	😊
14.	Solomon Flats	26	44	😊
15.	Van der Stelpark	24	42	😊
16.	Grysbok St.	24	42	☹️
17.	Steenbok St.	24	58	☹️
18.	Klipbok St.	24	48	☹️
19.	Kudu St.	24	10	☹️
20.	Ribbok St.	21	79	☹️
21.	Blesbok St.	21	20	☹️
22.	Bosbok St.	22	20	☹️
23.	Bontebok St.	24	44	☹️
24.	Springbok St.	24	196	☹️
25.	Cornelissen St.	26	30	😊
26.	Solomon St.	26	6	😊
27.	Beukes St.	26	6	😊
28.	Harper St.	26	26	😊
29.	Mimosa	19	26	☹️
30.	Bredahof	4	10	😊

Table 58: Status of Rental Stock – Blocks of Flats (Maisonette)

Maisonette				
Serial No.	Name of block	Ward	Total units	Condition of Rental Blocks (Rating)
1.	Blommedal	19	39	😊

Table 59: Status of Rental Stock – Blocks of Flats (Semi-Detached and Single Units)

Semi-Detached and Single Units				
Serial No.	Name of block	Ward	Total units	Condition of Rental Blocks (Rating)
1.	Mbekweni	8, 9, 12	10	☹️
2.	Wellington	All	19	☹️
3.	Paarl East	25, 26, 27	26	☹️
4.	Van der Stel Park	24	10	☹️

Table 60: Status of Rental Stock Maintenance – Blocks of Flats (Triple Storey)

Triple Storey									
Serial No.	Name of block	Ward	Total units	Roof	Windows	Staircase	Paint	Aprons	Other
1.	Magnolia	20	432	☹️	☹️	☹️	☹️	😊	N/A
2.	Bauhinia	20	196	☹️	☹️	☹️	☹️	😊	N/A
3.	Bougainvillia	20	144	☹️	☹️	☹️	☹️	😊	N/A
4.	Kudu	24	18	☹️	☹️	☹️	☹️	☹️	N/A
5.	Bosbok	22	72	☹️	☹️	☹️	😊	😊	N/A
6.	Springbok	24	36	☹️	☹️	☹️	☹️	😊	N/A
7.	Blesbok	21	60	☹️	☹️	☹️	☹️	😊	N/A
8.	Rietbok	24	36	☹️	☹️	☹️	☹️	☹️	N/A
9.	Gemsbok	24	36	☹️	☹️	☹️	😊	😊	N/A
10.	La Uva	19	19	☹️	☹️	☹️	☹️	😊	N/A

Table 61: Status of Rental Stock – Blocks of Flats Maintenance (Double Storey)

Double Storey									
Serial No.	Name of block	Ward	Total units	Roof	Windows	Staircase	Paint	Aprons	Other
1.	Lantana St.	21	44	☹️	☹️	☹️	☹️	☹️	N/A
2.	Wisteria St.	20	34	☹️	☹️	☹️	☹️	☹️	N/A
3.	Bauhinia St.	20	16	☹️	☹️	☹️	☹️	☹️	N/A
4.	Daphne St.	20	34	☹️	☹️	☹️	😊	😊	N/A
5.	Plumbago St.	20	42	☹️	☹️	☹️	☹️	☹️	N/A
6.	Azalia St.	20 & 25	92	☹️	☹️	☹️	☹️	☹️	N/A
7.	Oleander St.	21	34	☹️	☹️	☹️	☹️	☹️	N/A
8.	Pointsettia St.	20 & 25	88	☹️	☹️	☹️	☹️	😊	N/A
9.	Disa St.	25	98	☹️	☹️	☹️	☹️	😊	N/A
10.	Lantana Court	25	74	☹️	☹️	☹️	😊	😊	N/A
11.	Hibiscus St.	25	16	☹️	☹️	☹️	☹️	😊	N/A
12.	Kiewiet Flats	26	76	☹️	☹️	☹️	😊	😊	N/A
13.	Loerie Flats	27	112	☹️	☹️	☹️	😊	😊	N/A
14.	Solomon Flats	26	44	☹️	☹️	☹️	😊	😊	N/A
15.	Van der Stelpark	24	42	☹️	☹️	☹️	😊	😊	N/A

Double Storey									
Serial No.	Name of block	Ward	Total units	Roof	Windows	Staircase	Paint	Aprons	Other
16.	Grysbok St.	24	42	☹	☹	☹	☹	😊	N/A
17.	Steenbok St.	24	58	☹	☹	☹	☹	☹	N/A
18.	Klipbok St.	24	48	☹	☹	☹	☹	☹	N/A
19.	Kudu St.	24	10	☹	☹	☹	☹	☹	N/A
20.	Ribbok St.	21	79	☹	☹	☹	😊	😊	N/A
21.	Blesbok St.	21	20	☹	☹	☹	☹	☹	N/A
22.	Bosbok St.	22	20	☹	☹	☹	😊	😊	N/A
23.	Bontebok St.	24	44	☹	☹	☹	☹	☹	N/A
24.	Springbok St.	24	196	☹	☹	☹	☹	😊	N/A
25.	Cornelissen St.	26	30	😊	😊	😊	☹	😊	N/A
26.	Solomon St.	26	6	😊	😊	😊	😊	😊	N/A
27.	Beukes St.	26	6	😊	😊	😊	☹	😊	N/A
28.	Harper St.	26	26	😊	😊	😊	☹	😊	N/A
29.	Mimosa	19	26	😊	😊	😊	☹	😊	N/A
30.	Bredahof	4	10	😊	😊	😊	😊	😊	N/A

Table 62: Status of Rental Stock – Blocks of Flats Maintenance (Masionette)

Maisonette									
Serial No.	Name of block	Ward	Total units	Roof	Windows	Staircase	Paint	Aprons	Other
1.	Blommedal	19	39	😊	😊	-	😊	😊	N/A

Table 63: Status of Rental Stock – Blocks of Flats Maintenance (Semi-Detached and Single Units)

Semi-Detached and Single Units									
Serial No.	Name of block	Ward	Total units	Roof	Windows	Staircase	Paint	Aprons	Other
1.	Mbekweni	8,9,12	10	😊	😊	-	☹	-	N/A
2.	Wellington	All	19	😊	😊	-	☹	-	N/A
3.	Paarl East	25, 26, 27	26	😊	😊	-	☹	-	N/A
4.	Van der Stel Park	24	10	😊	😊	😊	😊	😊	N/A

Table 64: Rental Stock Rating Criteria




Rating	Rating Criteria
	No dumping of waste, all maintenance are completed i.e roofs are mended, all windows are in, staircases are whole, all rental stock units are painted and all rental stock have aprons
	Cleaned regularly, some maintenance are completed but some (windows, doors etc) needs to be repaired
	Regular dumping of waste, rental stock units unkept, some aspects such as painting of rental stock units and installation of aprons for example, have not been done.

Table 65: Informal Settlements Norms and Standards

Component	Drakenstein Municipality Minimum Norms
Water	Standpipes within 100 m radius
Sanitation	1 toilet per 10 households
Waste removal	Waste Removal: once per week

Table 66: Informal Settlements – Rating

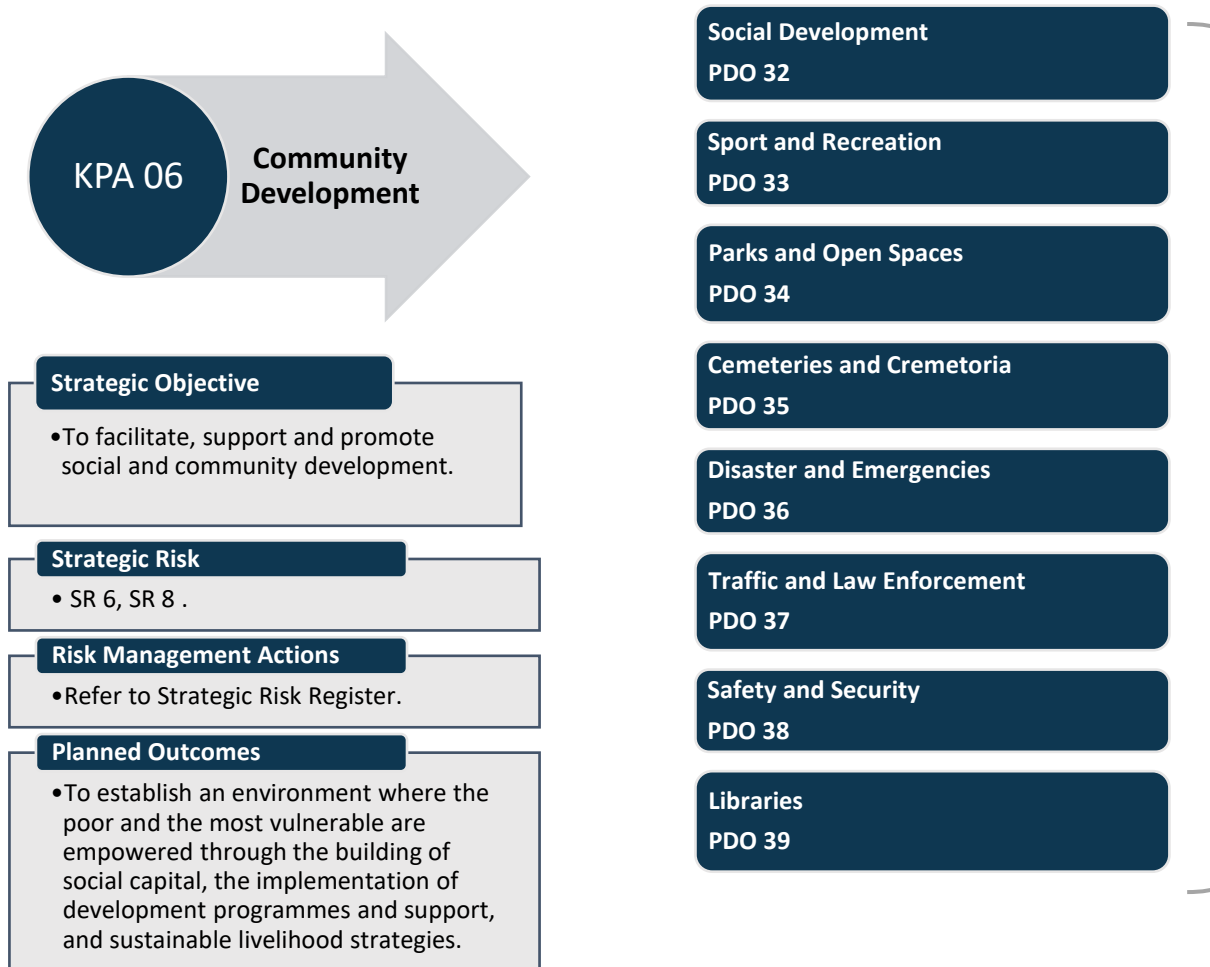
* Where “U” is indicated, it means that unauthorised connections have been installed for water and sanitation by the informal settlement inhabitants.

Serial No.	Name of Informal Settlement	Ward	Number of Households	Water (Standpipes/Taps)			Sanitation (Toilets)			Rating - Weekly Waste Removal
				Number of Standpipes	Standpipes (<100m)	Rating	Number of Toilets	Toilet/ Households (1:10)	Rating	
1.	Simondium Informal Settlement	1	76	4	Yes	😊	18	1: 4	😊	😊
2.	Simondium (Nuwenhoop)	1	27	4	Yes	😊	16	1:2	😊	😊
3.	Brickfields	1	154	4	Yes	😊	22	1: 6	😊	😊
4.	PA Kamp	1	27	1	Yes	😊	3	1: 9	😊	😊
5.	Grysbok/Spooky Square	24	108	6	Yes	😊	9	1: 12	😐	😊
6.	Janfiskaal Street	27	52	2	Yes	😊	12	1: 5	😊	😊
7.	New beginning (Bontebok Street)	21	42	1 +1 “U”	Yes	😐	16	1: 3	😐	😊
8.	Bokmakierie Street	27	32	2	Yes	😊	6	1: 5	😊	😊
9.	Chester Williams	27	123	3	Yes	😊	16	1: 10	😊	😊
10.	Kingston (Poinsettia Street)	25	5	2	Yes	😊	6	1: 1	😊	😊
11.	Fairlyland (Marika)	32	108	2	Yes	😊	37	1:5	😊	😊

Serial No.	Name of Informal Settlement	Ward	Number of Households	Water (Standpipes/Taps)			Sanitation (Toilets)			Rating - Weekly Waste Removal
				Number of Standpipes	Standpipes (<100m)	Rating	Number of Toilets	Toilet/ Households (1:10)	Rating	
12.	Lovers lane (Bauhinia Street)	20	175	1 + "U"	Yes	😊	55	1:3	😊	😊
13.	Fairyland (Bo-dal street)	32	243	3	Yes	😞	57	1:8	😊	😊
14.	Siyahlala 2 (Bo-dal Street, Sarah Roberston 44 and Mini Daniels 27	14	509	10	No	😞	30	1: 17	😞	😊
15.	Siyahlala 1 (Bo-Dal Street)	32	357	18	Yes	😊	42	1:9	😊	😊
16.	Joe Williams (Kamp)	14	113	2	Yes	😊	20	1: 6	😊	😊
17.	7 De Laan (Paarl East)	21	36	2	Yes	😊	8	1:5	😊	😊
18.	Bonnagee Square	21	38	"U"	Yes	😊	"U"	n/a	😞	😊
19.	Kudu Land (Chicago)	24	154	6	Yes	😊	23	1: 7	😊	😊
20.	Palmiet River (Ribbok Street)	21	57	2	Yes	😊	5	1:11	😞	😊
21.	Bosbok (Backyarders IS)	24	227	4	Yes	😊	08	1:16	😞	😊
22.	Silvertown 1 (Lobola str)	6	103	1	Yes	😊	15	1:5	😊	😊
23.	Silvertown 2 (Diniso str)	6	67	2	Yes	😊	10	1:7	😊	😊
24.	Drommedaris Street	16	1022	15	No	😞	62	1:19	😞	😊
25.	Cornershop (White City)	16	77	11	Yes	😊	38	1:3	😊	😊

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Serial No.	Name of Informal Settlement	Ward	Number of Households	Water (Standpipes/Taps)			Sanitation (Toilets)			Rating - Weekly Waste Removal
				Number of Standpipes	Standpipes (<100m)	Rating	Number of Toilets	Toilet/ Households (1:10)	Rating	
26.	Unathi (Langabuya + Marikana + Road)	16	334	4	No	😊	20	1:18	😞	😊
27.	Them bani 2 + Under Eskom Line	12	306	4	Yes	😊	20	1:15	😐	😊
28.	Next to Sports-Ground	16	119	2	Yes	😊	10	1:12	😐	😊
29.	Ntshamba Street	16	130	4	Yes	😊	12	1:10	😊	😊
30.	B&C Block (Hostel)	16	38	1	Yes	😊	1	1:38	😞	😊
31.	Mfuleni Street (Transnet Wall) Shinny Street	8	798	8	No	😞	40	1:20	😞	😊
32.	Noordkamp & Maylaan	8	27	2	Yes	😊	6	1:4	😊	😊
33.	New Rest (Bhekela)	8	129	2	Yes	😐	10	1:13	😐	😊
34.	Plankiesdorp (Dietman)	8	47	2	Yes	😊	10	1:5	😊	😊
35.	Mpumelelo Street	8	866	11	Yes	😊	50	1:17	😞	😊
36.	Soetendal (Farm Resident Dietman)	8	169	3	Yes	😊	20	1:8	😊	😊
37.	Sand Street (Davey Store)	8	44	2	Yes	😊	10	1:4	😊	😊
38.	Swartberg Street	8	152	2	Yes	😊	10	1:15	😐	😊
39.	Ntambanani Street (OR Tambo)	5	51	2	Yes	😊	10	1:5	😊	😊
40.	Chameleon	5	54	2	Yes	😊	10	1:5	😊	😊
41.	Gouda	31	367	8 + "U"	Yes	😐	12	1:31	😞	😊
42.	Ringroad	16	285	1 x Jojo tank	No	😐	N/A	N/A	😞	😞
43.	Schoongezicht	13	305	64	Yes	😊	67	1:4	😊	😊

**Table 67: KPA 06's Policies and Bylaws**

No.	Policies linked to KPA 06	Rating
1.	Traffic Calming Policy	😊
2.	Tree Management Policy	😊
3.	Food and Nutrition Security Policy	😊
4.	Sport and Recreation Policy	😊
5.	Early Childhood Development Policy	😊
6.	Street People Policy	😊
No.	Bylaws linked to KPA 06	Rating
7.	Bylaw No 1/2007: The Advisory Board for Nature Reserves	😊
8.	Bylaw No 7/2007: Paarl Mountain Nature Reserve	😊
9.	Fire Safety Bylaw	😊
10.	Bylaw No 9/2007: Parking Meters	😊
11.	Bylaw No 2/2007: Cemeteries and Crematoriums	😊
12.	Bylaw No 5/2007: Camping Areas	😊
13.	Bylaw No 6/2007: Childcare Facilities	😊
14.	Bylaw No 8/2007: Public Amenities	😊
15.	Bylaw No 12/2007: The impoundment of animals	😊
16.	Bylaw No 16/2007: Public Swimming Pools	😊



Analysis of Internal and External Factors (The Current State):

Below is an analysis of internal as well as external factors in respect of the status quo of PDOs and its related components that form part of the KPA.











PDO 32: SOCIAL DEVELOPMENT**PDO DESCRIPTION**

The PDO related to Social Development encapsulates the Municipality's dedication to ensure that the community is supported in respect of the social issues they face. The Municipality is committed to ensuring that vulnerable groups are included in these support efforts. This PDO addresses an array of topics forming part of Community Development, including Health, Gender and Gender-Based Violence (GBV), Early Childhood Development, and People with Disabilities. The criteria that were used to determine the rating are listed below:

Table 68: Social Development Rating Criteria

Rating	Rating Criteria
	People with Disabilities: The Disability Forum became dysfunctional as a result of the impact of COVID-19; however, we are busy working towards the reactivation of the Forum in order to discuss and get input towards the development of a Disability Policy.
	People with Disabilities: The database containing information pertaining to disability-friendly municipal buildings was lost during the cyber attack that took place in 2022.

RATING OF THE PDO**Table 69: PDO 32 – Rating**

Serial No.	PDO Focus Areas	Rating
Health		
1.	Engagements with the Integrated Health Forum	
2.	Relationship with stakeholders in the Public Healthcare Domain	
HIV/ AIDS		
3.	Functioning of the established Multi Sectoral Area Team (MSAT)	
Early Childhood Development		
4.	Implementation of the Drakenstein ECDC Strategy	
5.	Functioning of ECDC Forums	
6.	Partnership with all stakeholders in the ECDC domain, such as DSD as well as Cape Winelands District Municipality	
7.	Updating of ECDC database for both registered and unregistered facilities	
8.	Provision of training to community-based ECD operators	
Gender		
9.	Participation in and functioning of the Gender Forum	
10.	Conducting gender-specific programmes to create awareness around gender-specific issues, such as gender-based violence.	

Elderly		
11.	Participation and functioning of the Elderly Forum	😊
12.	Establishment and maintenance of a database pertaining to the amount of elderly people in the Drakenstein municipal area, and identifying their needs	😊
Youth		
13.	Conducting youth-specific programmes to create awareness around youth matters	😞
14.	Establishment and coordination of a Local Drug Action Committee	😞
15.	Skills development programmes for the youth	😞
People with Disabilities		
16.	Establishment and maintenance of a database pertaining to the number of disabled people (per category, e.g. blind, deaf, physically disabled) in the Drakenstein municipal area, and identifying their needs	😊
17.	Disability Forum: inclusive of relevant stakeholders in the disability domain	😊
18.	Development and/or implementation of a Disability Policy	😞
19.	Database of all disability-friendly municipal buildings	😞

PDO 33: SPORT AND RECREATION

PDO DESCRIPTION

PDO 33 looks at the Municipality's day-to-day management and maintenance of sports and recreation facilities. The Municipality provides and maintains sports and recreation facilities that will meet the needs of the community. The components of this PDO comprises 23 facilities where the community can engage in various sporting codes, such as rugby, cricket, soccer, cycling, BMX, hockey, athletics, netball and swimming. The criteria used to determine the rating are listed below:

Table 70: Sport and Recreation Rating Criteria

Rating	Rating Criteria
😞	<ul style="list-style-type: none"> The facility is not in use; Facility is vandalised and unsafe to use; and Facility is under construction.
😊	<ul style="list-style-type: none"> Facility is used; Facility meets minimum maintenance standards; and Facility is due for upgrades.
😊	<ul style="list-style-type: none"> Facility is used to optimal capacity; Facility exceeds minimum standards; and Facility meets safety standards.

RATING OF THE PDO

Table 71: PDO 33 – Rating




Serial No.	PDO Focus Areas	Rating
Sports Facilities		
1.	De Kraal Sports Complex	
2.	Newton Sports Fields	
3.	Weltevrede Sports Field	
4.	Pelikaan Sports Field	
5.	Parys Sports Field	
6.	New Orleans Sports Field	
7.	Mbekweni Sports A Field	
8.	Mbekweni Rugby field	
9.	Mbekweni B&C	
11.	Gouda Sports Field	
12.	Saron Sports Field	
13.	Pen Basson Cricket Field	
14.	Boy Louw Sports Facility	
15.	Faure Street Stadium	
16.	Dal Josaphat Stadium	
17.	Hermon Sports Field	
18.	Ambagsvallei Sports Hall	
Tennis Courts		
19.	David Samaai Tennis Courts	
20.	Wellington Tennis Courts	
21.	Spin Street Tennis Courts	
22.	Boy Louw Tennis Courts	
23.	Huguenot Tennis Court	
Swimming Pools		
24.	Pentz Street Swimming Pool	
25.	Drakenstein Swimming Pool	
26.	Mbekweni Swimming Pool	
27.	Faure Street Swimming Pool	
28.	Weltevrede Swimming Pool	
Recreational Facilities		
29.	Antoniesvlei Resort	
30.	Saron Resort	
31.	Orleans Park	
Other Sports-Related Aspects		
32.	BMX Track	
33.	Functioning of the Sport Forum/Council	

PDO 34: PARKS AND OPEN SPACES**PDO DESCRIPTION**
















This PDO focuses on activities as undertaken by the Municipality's Parks Section. This Section is responsible for the maintenance of Town Entrances, Parks, Trees, Nature Conservation and Pest Control. It also provides and maintains facilities such as the Paarl Arboretum, Paarl Mountain Nature Reserve, Victoria Parks in Wellington and Paarl, both of which are of heritage value. Components of this PDO includes Town Entrances, Municipal Parks and Recreation, Local Amenities, and Public Places.

The criteria used to determine the rating are listed below:

Table 72: Parks and Open Spaces Rating Criteria

Rating	Rating Criteria
	Services are regularly rendered according to pre-set service levels and frequencies.
	Services are rendered at a lower frequency according to pre-set service levels. Budget limitations might also have an impact on the level of services rendered. There is room for improvement.
	Services rendered are below the required service level and done on an as-and-when basis.

RATING OF THE PDO**Table 73: PDO 34 – Rating**

Serial No.	PDO Focus Areas	Rating
Town Entrances (beautification of towns and creating a sense of place through planting and maintaining grass and trees)		
1.	Paarl Entrance	
2.	Wellington Entrance	
3.	Mbekweni Entrance	
4.	Gouda Entrance	
5.	Saron Entrance	
Municipal Parks and Recreation		
6.	Removal of invasive alien vegetation	
7.	Planting of trees on sidewalks and parks	
8.	Maintaining existing play parks, and establishing new ones	
9.	Regular grass cutting at parks and town entrances	
10.	Maintenance of grass and weeds growing on sidewalks and roads	
11.	Combating vandalism at parks	
12.	Environmental Awareness Programmes	
Local Amenities and Public Places		
13.	Implementation of the "Cleaner and Greener" environment programme	
14.	Maintenance of local amenities and public places i.r.o. cleaning, grass cutting and tree planting	
15.	Upgrading of local amenities and public places	

PDO 35: CEMETERIES AND CREMATORIUM

PDO DESCRIPTION

This PDO relates to the cemeteries and the crematorium in the Drakenstein municipal area. Currently, there are 13 cemeteries. The proposed Nieuwedrift Cemetery has been approved by the National Department of Health and all other relevant stakeholders. All cemeteries, apart from four (4) have reached full capacity. It should be noted that although at full capacity, the cemeteries are still active in terms of family recycling of graves (family members making use of family graves). There is one crematorium in Drakenstein. To address the daily maintenance and operations of cemeteries, the Section makes use of EPWP project workers. The rating of the PDO relates to maintenance and challenges such as vandalism, encroachment of illegal housing structures, illegal dumping, vagrants as well as drainage. The criteria used to determine the rating are listed below:

Table 74: Cemeteries and Crematorium Rating Criteria


















Rating	Criteria for Rating Service
	Maintained, dormant, cut twice a year.
	Dormant, not fenced or only partly fenced, not well-maintained.
	Regularly cut, fenced, well-maintained.

Table 75: PDO 35 - Rating

Serial No.	PDO Focus Areas	Rating
Cemeteries		
1.	Parys Cemetery	
2.	Klein Parys Cemetery	
3.	Simondium Cemetery	
4.	Dal Josaphat Cemetery	
5.	Hout Street Cemetery	
6.	Bosman Street Cemetery	
7.	Hillcrest Cemetery	
8.	Champagne Cemetery	
9.	Bloekomlaan Cemetery	
10.	Voor Street Cemetery	
11.	Hermon Cemetery	
12.	Gouda Cemetery	
13.	Saron Cemetery	
Crematorium		
14.	Drakenstein Crematorium	

PDO 36: DISASTER AND EMERGENCIES

This PDO and all the activities related to it, is guided by the Disaster Management Plan. The plan confirms the arrangements for managing disaster risks and for preparing for, and responding to, disasters within Drakenstein Municipality as required by the Disaster Management Act, 2002 (No. 57 of 2002). **The plan is attached as Annexure L.**

The Municipality's activities in respect of Disaster and Emergency Management is addressed in this PDO and are Components of the function are divided into three sections, namely:

- Operations;
- Training and Support services; and
- Fire Safety and Disaster Risk Management.

Table 76: PDO 36 – Rating

Serial No.	PDO Focus Areas	Rating
Operations		
1.	24-hour emergency control and dispatch centre	😊
2.	The use of drones	😊
3.	Control software	😊
Professional Fire-Fighting Training and Support Services		
4.	Roll-out of firefighting training to personnel and neighbouring fire services	😊
5.	Response time to reported incidents	😊
Fire Safety and Disaster Management		
6.	Implementation of the Disaster Management Plan	😊
7.	Disaster Management Centre	😐
8.	Compliance with the National Building Regulations and the Building Standards Act, and related Bylaws	😊
9.	SANS 10900: Weight and speed of response pertaining to community protection against fire	😊
10.	Events Management	😊
11.	Disaster Management Advisory Forum	😊
12.	Stakeholder engagements/Service Level Agreements: Cape Winelands District Municipality, Provincial Government, Drakenstein Farm Watch, ValCare and EMS	😊
13.	Community Safety and Awareness Programmes	😊

PDO 37: TRAFFIC AND LAW ENFORCEMENT

PDO DESCRIPTION

The general priority of the Law Enforcement Section and the purpose of this PDO is to ensure that the community is adhering to the Bylaws of the Municipality. A key focus area of the Municipal court is to ensure compliance and to strengthen the Justice Department in the execution of Municipal bylaws. This PDO furthermore oversees traffic control and licencing. It is not only necessary to prosecute offenders but also important in respect of the education and training of road users, encouraging good road user behaviour through enforcement, managing accurate and complete data to inform strategy, and also ensuring that the road infrastructure and environment is secure.

Table 77: PDO 37 – Rating

Serial No.	PDO Focus Areas: Law Enforcement	Rating
1.	Implementation of the “Bobbies on the Beat” visible foot patrol programme	😊
2.	Establishment of cable theft working group	😊
3.	Introduction of smart technology to prevent or curb cable theft	😞

Serial No.	PDO Focus Areas: Law Enforcement	Rating
4.	Working relationship with Law Enforcement agencies	
5.	Farm and neighbourhood watches relationships	
6.	Establishment of auxiliary services	
7.	24-hour Law Enforcement operations	
8.	Effective 24-hour emergency control and dispatch centre	
9.	Control and impoundment of stray animals	
10.	Safeguarding of municipal infrastructure	
11.	Establishment of internal working group to deal with land invasion	
12.	Review and update of municipal Bylaws	
13.	Dealing with illegal dumping	
14.	Enforcement of nuisance Bylaw	
15.	Bylaw enforcement of dilapidated buildings	
PDO Focus Areas: Traffic Law Enforcement		Rating
Enforcing traffic laws on offenders		
16.	Talking on cell phones while driving	
17.	Red light and stop street violations	
18.	Red and yellow line offences	
19.	Failure to wear seatbelts	
20.	Excessive speeding	
21.	Traffic violations by taxis	
22.	Illegal number plates	
23.	Driving under the influence of alcohol or drugs	
24.	Driving without driving license	
25.	Unlicensed motor vehicle	
26.	Barrier line offences	
Implementation of the turnaround strategic plan		
27.	The construction of a public transport impoundment facility	
28.	Regular roadblocks in conjunction with SAPS	
29.	The implementation of mobile cameras to effectively deal with excessive speed	
30.	Issuing and collecting of traffic fines	
31.	Traffic safety talks at various institutions to address irresponsible driver behaviour and pedestrian safety	
32.	Electronic MVR licensing renewal	
33.	Establishment of junior traffic centres (rural areas/ECDs)	
34.	Expansion of electronic learner licenses	
35.	Establishment of electronic driving license system	

PDO 38: SAFETY AND SECURITY

PDO DESCRIPTION

This PDO addresses issues pertaining to safety and security in the Drakenstein Municipal area. The Municipality has plans to grow as a preferred investment destination and therefore it is essential to ensure that public safety is prioritised. Public safety is understood as the mitigation and prevention of incidents threatening the safety of the public. It also focuses on the protection of the public against risks like criminal behaviour and natural or man-made disasters, such as crimes, floods, storms, traffic accidents, fire accidents, mass violence, service delivery protests, water safety risks, and network security threats, to name but a few. The Drakenstein Smart Safety Network (DSSN) consists of relevant stakeholders in the safety sphere. These safety partnerships emanated from the development of a Public Safety Plan and outlines all activities of the relevant parties working together in order to maintain public order and safety in the municipal area and beyond. The Municipality is in process of establishing two (2) Law Enforcement Precincts, one in Paarl and surrounds and one in Wellington and surrounds, including the Hinterland. The aim with the establishment of these precincts is to have Law Enforcement as a more direct focus on safety and security in the community. The Municipality furthermore is in the process of establishing a new Department, with its entire focus on Public Safety, again, with the aim to centralize and have a direct focus on Law Enforcement, Traffic Law Enforcement, By-Law Enforcement, Fire Services, Disaster and Emergency Services.

RATING OF THE PDO

Table 78: PDO 38 – Rating











Serial No.	PDO Focus Areas	Rating
1.	Functioning of the DSSN	😊
2.	CCTV Coverage	😞
3.	24-hour Control Room	😊
4.	Effective 24-hour Emergency Control and Dispatch Centre	😊
5.	Management of security service providers	😊
6.	Use of innovative technology in security services	😊
7.	24-hour Armed Response	😞

PDO 39: LIBRARIES

PDO 39 looks at the status of the 19 operating libraries in the municipal area, of which ten are on school grounds. Components of this PDO include the library facilities as well as key initiatives and programmes pertaining to library services.

Table 79: PDO 39 – Rating

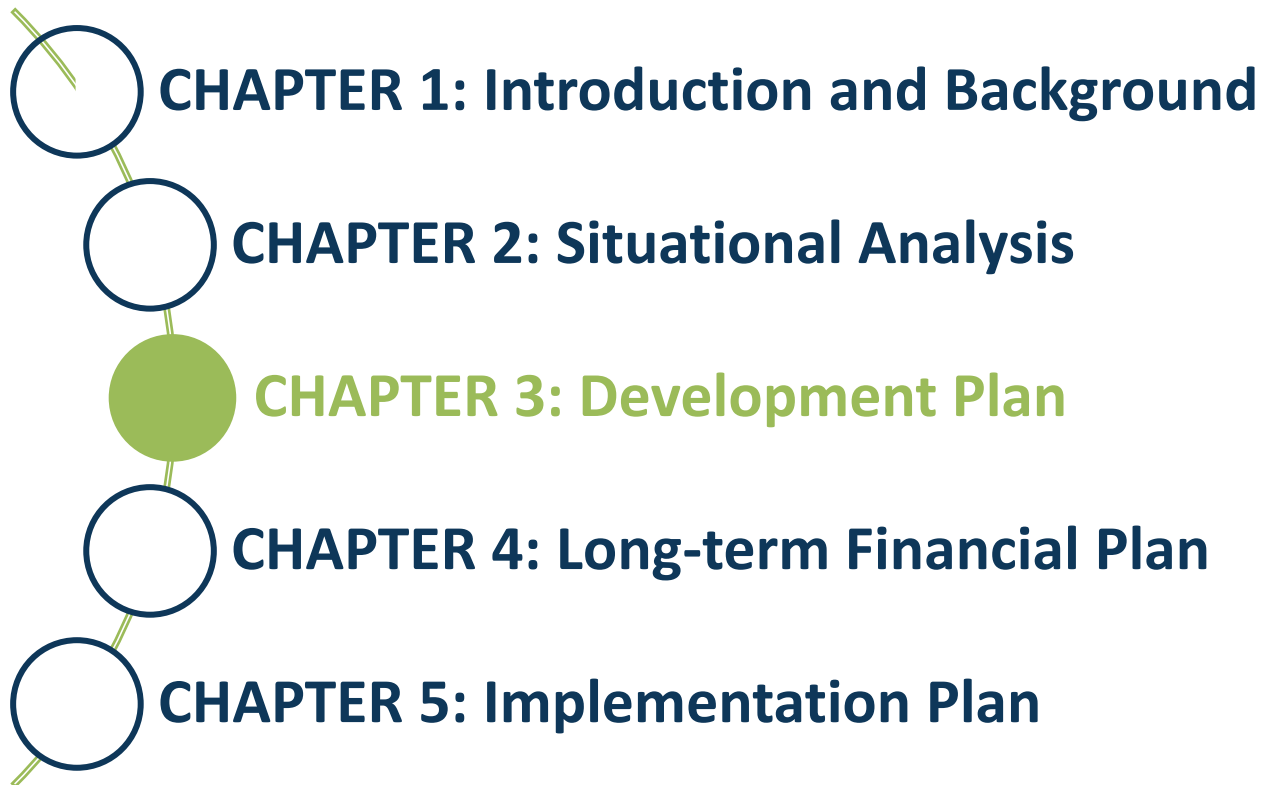
Serial No.	PDO Focus Areas	Rating
Libraries		
1.	Saron Library	😊
2.	Gouda, Hermon and Groenberg Library	😊
3.	Wagenmakersvallei Library	😞
4.	Wellington Library	😞
5.	Bergrivier and Windmeul Library	😊
6.	Nieuwedrift Library	😊
7.	Readers Library	😊

Serial No.	PDO Focus Areas	Rating
8.	Mbekweni Library	
9.	Groenheuwel Library	
10.	Drakenstein Library	
11.	Klein Drakenstein and Ronwe Library	
12.	Paarl Library	
13.	Simondium Library	
14.	Bergendal Library	
15.	Service point at the Paarl East Thusong Centre	
Library Programmes		
16.	Wellington Library Upgrade	
17.	Municipal-wide programme to develop a reading culture, increase information literacy, and improve social awareness	

2.3 CONCLUSION

In conclusion, Drakenstein Municipality has many challenges and issues, as indicated in this chapter. Most of these challenges emanate from the needs of the communities that we serve. Other issues and challenges are as a result of internal municipal systems and processes that must be optimised and coordinated to facilitate better service. Increased cooperation between the various spheres of government and other key roleplayers as well as, most importantly, collaboration with our communities, are critical for efficient and effective municipal governance and excellent service delivery.

Based upon the identification and interrogation of challenges hindering growth, good governance and service delivery, chapter 3 will look towards solutions. The third chapter will identify the various projects, programmes and initiatives that the Municipality plans to use when addressing such issues and challenges.



3. CHAPTER 3: DEVELOPMENT PLAN

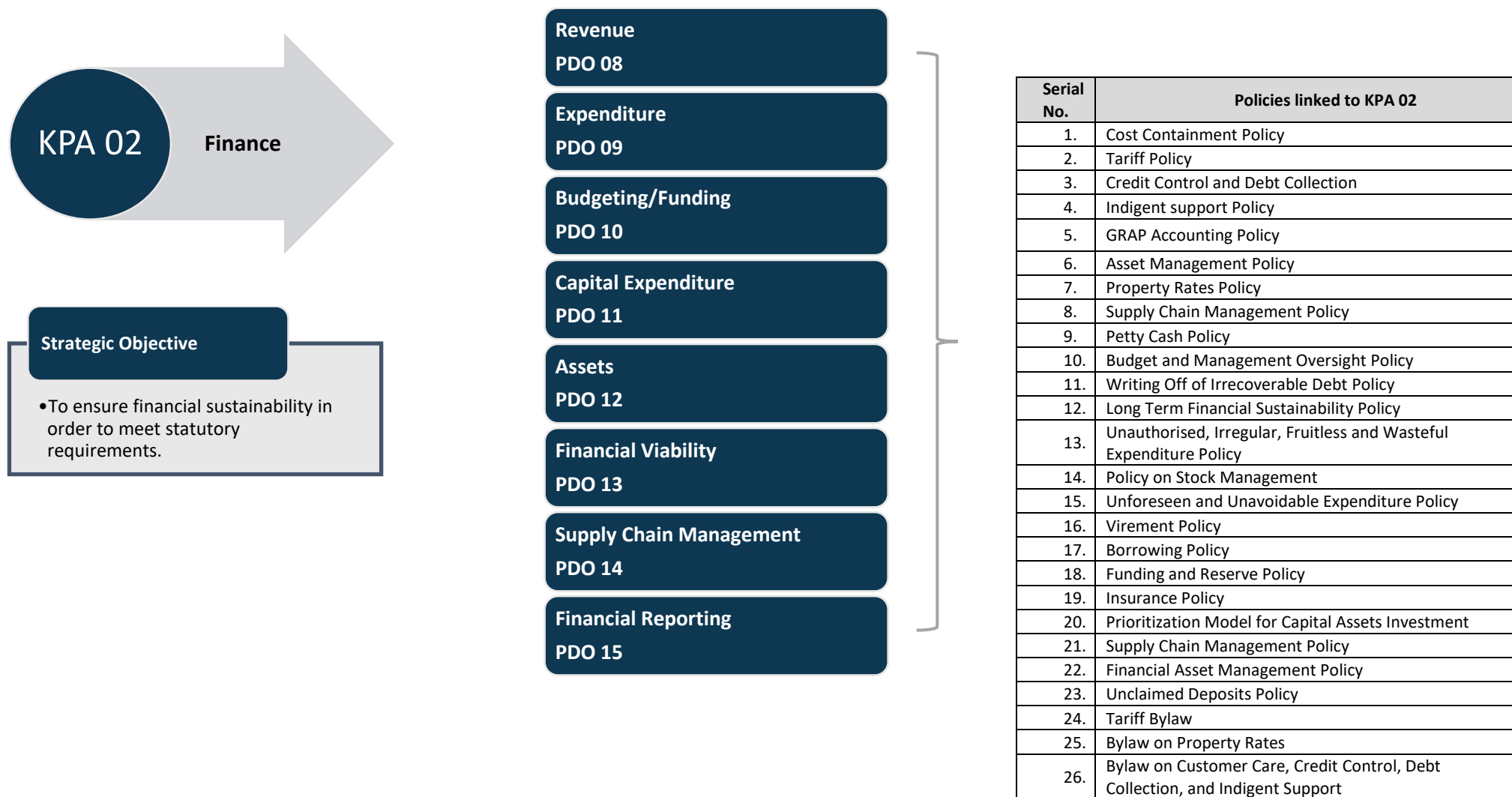
3.1 INTRODUCTION

This Chapter focuses on the development plan of the Drakenstein Municipality and its alignment to the budget. The development plan has framework of six Key Performance Areas (KPAs), the thirty-nine (39) Pre-Determined Objectives (PDOs) and the respective key initiatives, key programmes as well as capital projects formulated to achieve the developmental goals and vision of the Municipality.



PROGRAMMES AND INITIATIVES (KPA 01)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO 1): Governance Structures							
Capacitating Councillors	Councillor Workshops	x	x	x	x	x	N/A
Functioning of Portfolio Committees Committee	<ul style="list-style-type: none"> Undertake annual self-assessments by committee members Quarterly report to Council regarding attendance of portfolio committees 	x	x	x	x	x	N/A
PRE-DETERMINED OBJECTIVE (PDO) 02: Risk Management and Assurance							
Business Continuity	Programme- Implementation of Business Continuity Framework	x	x	x	x	x	N/A
Combined Assurance	Programme- Implementation of Combined Assurance Framework	x	x	x	x	x	N/A
Assurance	Programme – Implementation of the Risk Based Internal Audit Plan	x	x	x	x	x	N/A
Improving Assurance	Project – Implement the use of software to enable the use of data analytics in audit execution	x					N/A
PRE-DETERMINED OBJECTIVE (PDO) 03: Stakeholder Participation							
Regular Feedback with the communities	IDP/Budget Public Participation Processes	x	x	x	x	x	All wards
PRE-DETERMINED OBJECTIVE (PDO) 04: International and Inter-Governmental Relations							
International Agreements	Review all Twinning Agreements and International Agreements	-	-	-	x	x	N/A

PROGRAMMES AND INITIATIVES (KPA 01)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 05: Communications							
Need for social media guidelines for staff and Councillors	<ul style="list-style-type: none"> Submit Draft Internal Social Media Policy to the Corporate Services Portfolio Committee, Mayco and thereafter Council. Next step is staff and Councillor training on the policy's guidelines 	x	-	-	-	-	-
Need for media training for Executive Mayor, Mayco and Executive Directors	Explore media training programmes for the Executive Mayor, Mayco and Five Executive Directors	x R120,000	-	-	-	-	-
Need for centralised customer cellphone contact database	Explore the option of building and continually updating such a database through Solar and Collaborator, to be used for sending out bulk SMSs; as well as marketing campaign to encourage residents to register and update their details	x	x	x	x	x	-
PRE-DETERMINED OBJECTIVE (PDO) 06: Marketing (Branding and Website)							
Maximising Events-Related and Other Marketing Opportunities to the Optimum	Add resources; Build a closer relationship between LED, the Sports Division for more effective marketing	x	x	x	x		N/A
Monitoring media coverage for the purpose of reputation management and brand enhancement	Appoint a media monitoring company to monitor the Municipality's media coverage and mentions, and do monthly analysis of sentiment, reach and more	x R120,000	x R144,000	x R156,000	x R168,000	x R192,000	-
PRE-DETERMINED OBJECTIVE (PDO) 07: Customer Relations Management							
Continuously measure the satisfaction levels of citizens in terms of service delivery	Implement New Customer Satisfaction Survey	x	-	-	-	-	All
	Conduct annual customer satisfaction surveys	x	x	x	x	x	All



PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 08: Revenue Management							
Valuation Roll	Implement supplementary valuation rolls per year (including general valuation in 2021/2022)	x	x	x	x	x	All wards
Accurate Billing: Property Rates	Ensure that all properties are rated and levied at the correct tariff and property category	x	x	x	x	x	All wards
Accurate Billing: Electricity	Ensure that the applicable availability charges/consumer tariffs are levied on each property	x	x	x	x	x	All wards
Accurate Billing: Water	Ensure that the applicable availability charges/consumer tariffs are levied on each property	x	x	x	x	x	All wards
Accurate Billing: Sanitation	Ensure that the applicable availability charges/consumer tariffs are levied on each property	x	x	x	x	x	All wards
Accurate Billing: Solid Waste	Ensure that the applicable availability charges/consumer tariffs are levied on each property	x	x	X	x	x	All wards
Accurate Billing: Housing Rentals	Ensure that the applicable housing rental tariffs are levied on each property	x	x	x	x	x	All wards
Pre-Paid Electricity Meters	Monthly review the pre-paid sales statistics to investigate no or low purchases	x	x	x	x	x	All wards
Pre-Paid Water Meters	Develop a Pre-paid Meters Policy to be approved by Council	-	-	-	-	x	All wards
Conventional Electricity Meters	Read at least 90% of All electricity meters on a monthly basis	≥90%	≥90%	≥90%	≥90%	≥90%	All wards
Conventional Water Meters	Read at least 80% of All electricity meters on a monthly basis	≥80%	≥80%	≥80%	≥80%	≥80%	All wards
Indigent Register	Compile and maintain an indigent register	x	x	x	x	x	All wards

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 09: Expenditure and Cost Management							
Operating Expenditure	Compile a zero-based operating expenditure budget	x	x	x	x	x	All wards
Cost Containment	Compile a zero-based operating expenditure budget	x	x	x	x	x	All wards
Creditor Payments	Pay all creditors within 30 days of receipt of invoice	≤30 days	≤30 days	≤30 days	≤30 days	x	All wards

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 10: Budgeting/Funding							
Zero Based Budgeting	Compile a zero-based balanced operating budget to generate operating surpluses	-3%	-1.5%	0%	0.5%	1.5%	N/A
Grants	Compile & submit business plans to obtain more grant funding from National and Provincial grant programs	x	x	x	x	x	N/A
External Borrowings	Reduce borrowings to reduce gearing ratio to 45%	47.5%	41.7%	36.3%	34.1%	32.2%	N/A
Own Reserves (CRR)	Compile a zero-based balanced operating budget to generate operating surpluses	-3%	-1.5%	0%	0.5%	1.5%	N/A

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 11: Capital Expenditure							
Capital Expenditure	Calculate own funding mix (CRR) for compiling a capital expenditure framework (CEF)	x	x	x	x	x	N/A
Capital Expenditure	Compile and submit business plans to obtain more grant funding from National and Provincial grant programs	x	x	x	x	x	N/A

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 12: Asset Management							
GRAP Compliant Asset Register	Submit GRAP compliant asset register by 31 August	x	x	x	x	x	N/A
Moveable Assets	Compile and maintain a moveable asset register	x	x	x	x	x	N/A
Immoveable Assets	Compile and maintain an immoveable asset register	x	x	x	x	x	N/A

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 13: Financial Viability Ratios							
Capital Expenditure to Total Expenditure	Reduce the Capital Expenditure to Total Expenditure Ratio to 5 %, until the gearing ratio decrease to 45%.	10%	10%	10%	10%	10%	N/A
Impairment of PPE, IP and Intangible Assets	Maintain the impairment to PPE and IP ratio to less than 0.5%.	<0.50%	<0.50%	<0.50%	<0.50%	<0.50%	N/A
Repairs and maintenance as a % of PPE and IP	Provide for repairs and maintenance of 10% to 12% of total operating expenditure	11%	11%	11%	11%	11%	N/A
Debtors Collection Ratio	Improve and sustain revenue collection to 98% of total revenue billed	96.8%	96.8%	95.7%	95.6%	95.6%	N/A

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Bad debts Written-off as a % of Provision for Bad Debt.	Maintain the bad debts written off as a % of Provision for Bad Debt to 100%.	100%	100%	100%	100%	100%	N/A
Net Debtors Days	Improve revenue collection to reduce net debtors' days ratio to 40 days	46 days	44 days	42 days	40 days	40 days	N/A
Cash/Cost Coverage Ratio	Compile a balanced operating budget to improve cash/cost coverage ratio to 3 months	1.35 months	1.7 months	2.16 months	2.74 months	3.18 months	N/A
Current Ratio	Compile a balanced operating budget and improve revenue collection to stabilise current ratio to 1.5 : 1	1.15	1.43	1.61	1.84	1.96	N/A
Capital Cost as a % of Total OperatingExpenditure	Reduce borrowings to reduce interest andredemption as a % of total operating expenditure to 12%.	8.9%	8.3%	7.9%	7.4%	7.0%	N/A
Debt (Total Borrowings/Revenue –Gearing Ratio	Reduce borrowings to reduce gearing ratio to45%	49.0%	43.3%	37.7%	32.3%	35.6%	N/A
Level of Cash Backed Reserves (NetAssets – Accum. Surplus)	Maintain the Level of Cash Backed Reserves(Net Assets – Accum. Surplus) to more than100%.	>100%	>100%	>100%	>100%	>100%	N/A
Net Operating Surplus Margin	Compile a balanced operating budget to generate operating surpluses	-1.4%	0.6%	0.8%	1.5%	1.0%	N/A
Net Surplus/Deficit: Electricity	Review charge outs of internal costs to ensure cost reflective electricity tariffs and a surplus of15%	15%	15%	15%	15%	15%	N/A
Net Surplus/Deficit: Water	Review charge outs of internal costs to ensurecost reflective water tariffs and a surplus of15%	15%	15%	15%	15%	15%	N/A
Net Surplus/Deficit: Refuse	Review charge outs of internal costs to ensurecost reflective refuse removal tariffs and a surplus of 10%	10%	10%	10%	10%	10%	N/A

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Net Surplus/Deficit: Sanitation	Review charge outs of internal costs to ensure cost reflective sanitation tariffs and a surplus of 10%	10%	10%	10%	10%	10%	N/A
Electricity Distribution Losses	Maintain electricity distribution losses to less than 6%, by monitoring illegal connections and performing meter audits.	6%	6%	6%	6%	6%	N/A
Water Distribution Losses	Maintain water distribution losses to less than 15%, by monitoring broken water pipes, meter auditing.	15%	15%	15%	15%	15%	N/A
Growth in Number of Active Consumer Accounts	Maintain the Growth in Number of Active Consumer Accounts to more than 2% year-on-year	2%	2%	2%	2%	2%	N/A
Revenue Growth (%)	Improve revenue enhancement through analysing consumption and basic charges patterns and tariffs levied for property rates and service charges customers	x	x	x	x	x	N/A
Revenue Growth (%): Excluding Capital Grants	Improve revenue enhancement through analysing consumption and basic charges patterns and tariffs levied for property rates and service charges customers	x	x	x	x	x	N/A
Creditors Payment Period (Trade Creditors)	Maintain the Creditors Payment period to 30 days and less	≤30 days	≤30 days	≤30 days	≤30 days	≤30 days	N/A
Irregular, F&W & UE/Total Operating Expenditure	Compile/maintain a SCM contract management register for rates tenders to avoid deviations	x	x	x	x	x	N/A
Remuneration as a % of Total Operating Expenditure	Monitor the employee spending on a monthly basis – focusing on overtime and the appointment of employees against the amount budgeted for employee cost	≤30 %	≤30 %	≤30 %	≤30 %	≤30 %	N/A
Contracted services % of Total Operating Expenditure	Monitor the spending on contracted services – through monthly budget monitoring meetings.	≤6.5%	≤6.5%	≤6.5%	≤6.5%	≤6.5%	N/A

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Capex (Grants excluded) to Total CapitalExpenditure	Compile a balanced operating budget to generate operating surpluses to reduce external borrowings	-3%	-1.5%	0%	1.5%	1.5%	N/A
Capex (Grants & EL excluded) to TotalCapital Expenditure	Compile a balanced operating budget to generate operating surpluses to reduce external borrowings	-3%	-1.5%	0%	1.5%	1.5%	N/A
Own Source Revenue to Total OperatingRevenue	Reduce the Own Source Revenue to Total Operating Revenue mix, by applying for more capital grants.	75%	75%	75%	75%	75%	N/A
Capital Expenditure Budget Implementation Indicator	Monitor the capital expenditure budget implementation indicators with monthly budgetmonitoring meetings with all departments	100%	100%	100%	100%	100%	N/A
Operating Expenditure Budget Implementation Indicator	Monitor the operating expenditure budget implementation indicators with monthly budgetmonitoring meetings with all departments (Housing Grant budgeted and actual expenditure excluded)	95%	95%	95%	95%	95%	N/A
Operating Revenue Budget Implementation Indicator	Monitor the operating revenue budget implementation indicators with monthly budgetmonitoring meetings with all departments (Housing Grant budgeted and actual expenditure excluded)	98%	98%	98%	98%	98%	N/A
Service Charges & Property Rates Budget Implementation indicator	Compile and maintain tariff modelling for property rates and service charges	x	x	x	x	x	N/A

PROGRAMMES AND INITIATIVES (KPA 02)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 15: Financial Reporting							
MSCOA Structure	Implement new MSCOA 6.7 version and maintain MSCOA charts in outer years	x	x	x	x	x	N/A
Compliance Reporting	Submit annual financial statements by 31 August	x	x	x	x	x	N/A

CAPITAL PROJECTS (KPA 02)

Issues/Challenges	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO 8): REVENUE							
Old / Broken office furniture	Replacement of office furniture	-	R50,000	R50,000	R50,000	R50,000	N/A
Replacement of Meter reading system	Meter reading equipment	R2,725,000	-	-	-	-	N/A
Old / Broken office furniture	Replacement of office furniture	-	R40,000	-	-	-	N/A
PRE-DETERMINED OBJECTIVE (PDO 14): SUPPLY CHAIN MANAGEMENT							
Old / Broken office furniture	Replacement of office furniture	R243,395	-	-	-	-	N/A

KPA 03

**Organisation
and Human
Capital**
Strategic Objective

- To ensure an efficient and effective organisation supported by a competent and skilled workforce.

Organisational Structure

PDO 16

Human Capital

PDO 17

Performance Management

PDO 18

Systems and Technology

PDO 19

Processes and Procedures

PDO 20

Serial No.	Policies linked to KPA 03
1.	Bestowal of Aldermanship Policy
2.	Education, Training and Development Policy
3.	Overtime Policy
4.	Alcohol Policy and Procedure Agreement
5.	Sexual Harassment Policy
6.	Policy for the Use of Landline Telephone System
7.	Electronic Records Management Policy
8.	Records Management Policy
9.	Private Work Policy
10.	Placement Policy
11.	Cellular Telephone Policy
12.	PAIA Section 14 Manual (Promotion of Access to Information)
13.	Language Policy
14.	Appointment of Temporary Staff
15.	Smoking Policy
16.	Asset Transfer Policy
17.	Donations Policy
18.	Job Evaluation Policy
19.	Student Accommodation Policy
20.	Generic ICT Service Level Agreement Management
21.	ICT Technical Policy
22.	Change Management Policy
23.	Backup and Restore Management Policy
24.	ICT Access Management Policy
25.	ICT Technology Management Framework
26.	Motor Vehicle Allowance Scheme
27.	Smoking Policy
28.	Information and Communication Technology Policy (Reviewed)
29.	Policy for Formulation, Development and Review of Policies
30.	Code of Ethics Policy
31.	Substance Abuse Policy
32.	Talent Management and Succession Planning Policy

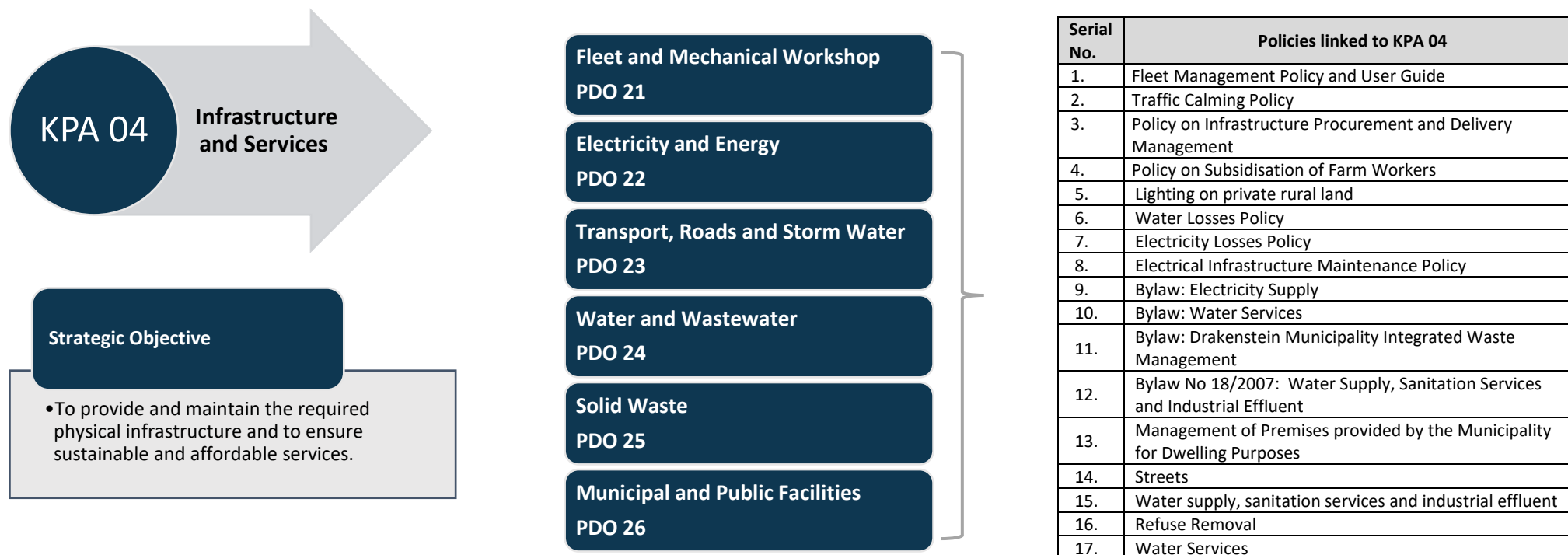
33.	External Bursary Policy (Mayoral Bursary Policy)
34.	Leave Policy
35.	Acting, Additional and Secondment Allowance Policy
36.	Occupational Health and Safety
37.	Dress Code Policy
38.	Standby Policy
39.	Probation Policy
40.	Personal Protective Equipment and Clothing Policy
41.	Recruitment and Selection Policy
42.	HIV/AIDS Policy

PROGRAMMES AND INITIATIVES (KPA 03)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 16: Organisational Structure							
Efficient and Effective Utilisation of Staff	Review staff establishment	x	x	x	x	x	N/A
PRE-DETERMINED OBJECTIVE (PDO) 17: Human Capital							
Skilled Workforce	Implement training initiatives and bursary programme	x	x	x	x	x	N/A
Retention of Institutional Memory	Implement Coaching and Mentoring Programmes	x	x	x	x	x	N/A
PRE-DETERMINED OBJECTIVE (PDO) 18: Performance Management							
Individual Performance Management	Implementation of Performance Management Development (PMDS) by all Departments	50%	75%	100%	100%	100%	N/A
PRE-DETERMINED OBJECTIVE (PDO) 19: Systems and Technology							
Sustainable ICT Infrastructure	Submission of Technology replacement Plan to budget steering committee by February of each year	x	x	x	x	x	N/A
	Upgrade Hosts at Disaster Recovery Site in Wellington	x	x	x	x	x	N/A
	Migrate virtual environment from Microsoft Hyper-V to VMWare	x	x	x	x	x	N/A
	Expand fibre optic network for interconnectivity of Drakenstein buildings	x	-	x	-	-	N/A
	Install 6GHz Radios on backbone	x	x	-	-	-	N/A
	Change Mitel PRI to SIP Line (Digital Line)	x	-	-	-	-	N/A

PROGRAMMES AND INITIATIVES (KPA 03)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
	Replace Firewalls	x	x	x	-	-	N/A
Improve ICT Governance	Renew Service Level Agreements and Software License Agreements with Service Providers	x	x	x	x	x	N/A
	ICT Steering Committee leadership and coordination of the use of technology in service delivery	x	-	x	-	-	N/A
	Continuously strengthen the governance of ICT practices in support of business requirements	x	x	x	x	x	N/A
	Review of the ICT Risk Register	x	x	x	x	x	N/A
	ICT Vulnerability Scans	x	x	x	x	x	N/A
Enable Web Access of Internal Apps	Convert current Clarion Apps to Web-based Apps. User will be able to access apps from the Intranet.	x	x	x	-	-	N/A
Enhance Security and Disaster Recovery	Migrate Clarion Apps to Azure cloud infrastructure.	x	x	x	-	-	N/A
Some Business Systems on old SQL versions	Migrate Business systems to SQL server 2019.	x	x	-	-	-	N/A
GIS -Tree App	Inventory of the trees of the Municipality	x	x	x	x	x	N/A
ERF-Cleaning App	Generates private erven invoices for grass cutting services	x	x	x	x	x	N/A
Lack of control over fuel transactions	Implementation and institutionalization of CES 20/2021 Fuel pre-transaction authorization devices, software, and support. (GoFuel project)	x	x	x	x	x	All
Ongoing revision of the electronic land use planning	Continuously revise the Collaborator system in order to be more user friendly and efficient	x	x	x	x	x	All

PROGRAMMES AND INITIATIVES (KPA 03)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Application processing system (Collaborator)							
Ongoing revision of the electronic subdivision application processing system (Collaborator)	Continuously revise the Collaborator system in order to be more user friendly and efficient	x	x	x	x	x	All
PRE-DETERMINED OBJECTIVE (PDO) 20: Process and Procedures							
Optimising Business Processes	Create awareness of business process automation	x	x	x	x	x	N/A
Address driver behaviour	Approval of driver demerit system	x	x	x			N/A
Revision of the Building Related Complaints SOP	Ensure that building related complaints are address timely and effectively	x	-	-	-	-	All
Revision of the Building Inspections SOP	Ensure that building inspections are conducted timely and effectively	x	-	-	-	-	All
Revision of the Issuing of Occupation Certificates SOP	Ensure that that occupation certificates are issued timely and effectively	x	-	-	-	-	All
Revision of the Building Plan Processing SOP	Ensure the processing of building plan applications is conducted timely and effectively	x	-	-	-	-	All

CAPITAL PROJECTS: (KPA 03)							
PRE-DETERMINED OBJECTIVE (PDO) 17: Human Capital							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Old/ broken office furniture	Replacement of office furniture	R10,000	R10,500	R11,500	R15,000	R16,500	N/A
Refurbishment of training centre	Refurbishment of training centre	R30,000	R33,000	R33,000	R36,300	R39,330	N/A
Old/ broken equipment	Replacement of voice recorders	R30,250	R33,275	R36,603	R40,263	R44,289	N/A
PRE-DETERMINED OBJECTIVE (PDO 19): SYSTEMS AND TECHNOLOGY							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Sustainable ICT Infrastructure	New and replacement of desktops, laptops, switches, radio backbone links, radio distribution links, Wi-Fi access points, Storage and Backup devices and other ICT infrastructure equipment	R2,600,000	R2,650,000	R2,700,000	R2,800,000	R2,800,000	N/A
Sustainable ICT Infrastructure	New and replacement of telephone handsets	R30,000	R30,000	R30,603	R30,909	R30,909	N/A
Software License	New and additional Software Licences	R505,000	R510,050	R515,151	R520,302	R520,302	N/A
Software	SMME Website Portal	R80,000	-	-	-	-	N/A



PROGRAMMES AND INITIATIVES (KPA 04)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 21: Fleet and Mechanical Workshop							
Efficient Prioritisation of Fleet Purchases	Implement Standard Operating Procedure for fleet prioritisation and inclusive decisions	x	x	x	x	x	N/A
	Establish process to centralize approval of vehicle hire orders	x	-	-	-	-	N/A
Efficient Utilisation of Existing Equipment and Fleet	Distribute fleet utilization reports and fleet management changes to vehicle allocations	x	x	x	x	x	N/A
	Establish a fleet control room	x	-	-	-	-	N/A
Minimising of Equipment and Fleet Down Time	Establish electronic dashboard for vehicle downtime	x	-	-	-	-	N/A
Accountability for critical vehicles	Implementation and operationalization of critical vehicle groups coordination	x	x	x	x		N/A
Addressing supervisor void	Appointment of Head: Fleet Maintenance	x					N/A
Ensure Responsible Driving	Monitor and Report on Functioning of Vehicle Control Officers	x	x	x	x	x	N/A
	Implement Rating System for Driver Behaviour	x	-	-	-	-	N/A
PRE-DETERMINED OBJECTIVE (PDO) 22: Electricity and Energy							
Replacing aged infrastructure	Annual aged electrical reticulation replacement	x	x	x	x	x	All wards
Additional electrical supply	Quality of supply (upgrading of SCADA system)	x	x	x	x	x	All wards
	Create projects for energy efficiency measures: Drakenstein Street Light Projects	x	x	x	x	x	All wards
Create projects for energy generation	Provision of self-generating solutions	x	x	x	x	x	1, 23, 16, 18, 17, 28
	Installation and upgrade of electrical infrastructure to provide spare capacity for future development	x	x	x	x	x	All wards
Replacing aged infrastructure	Annual aged electrical reticulation replacement	x	x	x	x	x	All wards

PROGRAMMES AND INITIATIVES (KPA 04)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 23: Transport, Roads and Stormwater Infrastructure							
Continuation of Pavement Management System (PMS)	Upgrade Existing Sidewalks (Drakenstein)	x	x	x	x	x	Paarl/Wellington
Continuation of Pavement Management System (PMS)	Reseal of Streets in Terms of The Rams (PMS)	x	x	x	x	x	Paarl/Wellington
PRE-DETERMINED OBJECTIVE (PDO) 24: Water and Wastewater							
Maintenance and replacement of infrastructure.	Annual replacement of aged reticulation replacement	x	x	x	x	x	All wards
Burst pipes.	Speedy repair of water bursts pipes on water networks	x	x	x	x	x	All wards
Infrastructure maintenance - pump stations – Water & Waste Water Installations.	Refurbish and upgrade of all pump installations at the existing sites.	x	x	x	x	x	All wards
Blocked drains and blocked sewerage system.	Removal of blockages on sewer networks on a daily basis	x	x	x	x	x	All wards
Vandalism of infrastructure.	Replacement of infrastructure with innovative materials with curbing of vandalism in mind.	x	x	x	x	x	All wards
Maintenance and replacement of infrastructure. Burst pipes. Infrastructure maintenance - pump stations – Water & Waste Water Installations.	Annual replacement of aged reticulation replacement	x	x	x	x	x	All wards
	Speedy repair of water bursts pipes on water networks	x	x	x	x	x	All wards
	Refurbish and upgrade of all pump installations at the existing sites.	x	x	x	x	x	All wards
Blocked drains and blocked sewerage system.	Removal of blockages on sewer networks on a daily basis	x	x	x	x	x	All wards
Vandalism of infrastructure.	Replacement of infrastructure with innovative materials with curbing of vandalism in mind.	x	x	x	x	x	All wards
Maintenance and replacement of infrastructure.	Annual replacement of aged reticulation replacement	x	x	x	x	x	All wards

PROGRAMMES AND INITIATIVES (KPA 04)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Burst pipes.	Speedy repair of water bursts pipes on water networks	x	x	x	x	x	All wards
Addressing shortage of critical posts and compliance posts	Filling of posts on organigram	x	x	-	-	-	All areas
Energy shortage at pump stations (water and sewerage)	Purchase and installation of UPS's and generators at critical sites	x	x	-	-	-	All areas
PRE-DETERMINED OBJECTIVE (PDO) 25: Solid Waste							
Illegal dumping/area cleaning	Construction of mini drop-offs at hotspots (35) Maintenance and cleaning by designated registered EPWP project (at least 2 workers + 1 driver/supervisor with own transport) Estimated cost: R6,365,100	x	x	x	x	x	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
Illegal dumping/area cleaning	Implementation of 3m ³ skips project in high-density and informal areas Estimated cost: R3,377,400	x	x	x	x	x	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
Illegal dumping/area cleaning	Implementation of Area cleaning block system in registered informal settlements (42) Estimated cost: R5,450,000	x	x	x	x	x	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
Illegal dumping/area cleaning	Backyarder EPWP project Estimated cost: R6,365,100	x	x	x	x	x	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
PRE-DETERMINED OBJECTIVE (PDO) 26: Municipal & Public Facilities							
Development of enabling infrastructure	Saron Community Hall - Higher voltage usage for the Hall. Painting of the building Saron Community Hall - Painting	x	-	-	-	-	30
Aged Infrastructure	Gouda Community Hall - Painting and upgrading	-	x	x	-	-	31
Aged Infrastructure	Wellington Town Hall - Painting and upgrading	-	x	x	-	-	2, 7, 10, 11, 18, 29

PROGRAMMES AND INITIATIVES (KPA 04)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Aged Infrastructure	Colibri Community Hall- Painting and upgrading	-	x	x	-	-	5
Aged Infrastructure building with containers. The hall is regularly broken into and vandalized.	Safmarine Community – Painting and upgrading	-	-	x	x	-	11
Aged Infrastructure. The community hall is used as a vaccination point.	<ul style="list-style-type: none"> Mbekweni Community Hall- Painting and upgrading. Conversion of the Mbekweni Community Hall, it has been converted into partitions to accommodate the department of Health to complete the vaccination process from Monday till Fridays. 	-	x	x	-	-	6, 7, 8, 9, 12, 16

CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 21: Equipment & Fleet Management							
FLEET AND WORKSHOP							
Efficient Utilisation of Existing Equipment & Fleet	Replacement of Workshop equipment and tools	R540,000	R550,000	R600,000	R600,000	R600,000	N/A
Efficient Prioritisation of Fleet Purchases	Replacement of vehicles and equipment	R50,000	R50,000	R95,000	R95,000	R95,000	N/A
Aging fleet infrastructure	Appropriate allocation of budget to replace aged vehicles that lead to inappropriate downtime	R5,500,000	R12,460,000	R10,000,000	R8,000,000	R7,000,000	All
PRE-DETERMINED OBJECTIVE (PDO) 22: Electricity and Energy							
ENERGY SUPPLY							
Equipment needs	Tools & Equipment	R450,000	R567,100	R500,000	R500,000	R500,000	All wards
Aged infrastructure	Replacement program for old & redundant electrical equipment	R3,000,000	R4,360,000	R3,932,721	R7,485,720	R7,485,720	Various
Aged infrastructure and according to replacement plan	Upgrading of SCADA system &	R1,200,000	R3,000,000	R1,000,000	R1,000,000	R1,000,000	All wards
Aged infrastructure and according to replacement plan	Increase existing MT network capacity to facilitate development, electrification &	R4,000,000	R2,240,000	R2,240,000	R2,000,000	R0	Various
Aged infrastructure and according to replacement plan	Increase existing LT network capacity to	R1,200,000	-	-	R5,485,500	R7,485,500	Various
Aged infrastructure and according to replacement plan	Increase Existing HT Network Capacity to Facilitate Development, Electrification and Existing Load Growth	R5,965,145	R3,010,000	R5,010,000	R12,630,700	R12,630,700	Various

CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
	(Transformers at Parys 66/11 Kv Substation) Finish Off Phase 1 Of Project						
Aged infrastructure and according to replacement plan	Substation: transformer fire wall and other related works	R600,000	R400,000	R420,000	R440,000	R460,000	Various
Aged infrastructure and according to replacement plan	Dalweiding Substation and Switchgear Upgrading (INEP)	R8,695,652	R13,895,652	R17,391,304	-	-	All wards
Aged infrastructure and according to replacement plan	Drakenstein Streetlight Projects	R450,000	R477,000	-	-	-	-
Aged infrastructure and according to replacement plan	Vandalism and Theft to Infrastructure	R4,090,000	R2,210,000	R3,000,000	R1,000,000	R1,000,000	All wards
Electrification of Housing projects	Carterville, Simondium, Schoongezicht, Fairyland/Siyahlala & Other housing projects	-	R13,500,000	R8,500,000	R18,391,304	R18,391,304	All affected wards
Electrification of informal areas	Informal settlement areas electrification	R3,250,000	R2,650,000	R4,650,000	R2,500,000	R2,500,000	All affected wards
Electrification of new developments	New connections BICLS	R8,000,000	R8,000,000	R8,000,000	R8,000,000	R8,000,000	Various
Airconditioners replacement	Airconditioners replacement	R500,000	R530,000	R567,100	R623,710	R698,667	N/A
PRE-DETERMINED OBJECTIVE (PDO) 23: Transport, Roads & Stormwater Infrastructure							
ROADS							
Drommedaris Road is failing - upgrade is urgently required	Drommedaris Road Rebuild	R8,695,652	-	-	-	-	16
Upgrading of x3 signalised intersections	Traffic Lights (Drakenstein)	R4,030,000	R1,000,000	-	-	-	15,20,33
Urgent pipe upgrades to prevent collapse.	Refurbish Storm Water Systems (Drakenstein)	R5,850,000	R3,500,000	R3,500,000	R7,000,000	R7,000,000	Various

CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Continuation of PMS	Upgrade Existing Sidewalks (Drakenstein) & Closing of walkways	-	-	R2,000,000	R2,000,000	-	Saron Paarl Wellington
Continuation of PMS	Reseal of Streets in terms of RAMS	R6,473,406	R2,000,000	R2,000,000	-	-	Various
Continuation of PMS	Upgrade Existing Sidewalks (Drakenstein) (IUDG)	R4,250,000	R3,000,000	R3,000,000	R2,000,000	R2,000,000	Paarl/Wellington
Upgrade of Oosbosch	Upgrade of Oosbosch Street	R4,570,435	R11,791,304	R10,434,783	-	-	Paarl/Wellington
Closing of Walkways	Closing of walkways	R450,000	R480,000	R400,000	-	-	As identified by Council
Bus shelters	Bus Shelters	R300,000	R350,000	-	-	-	Various
PRE-DETERMINED OBJECTIVE (PDO) 24: Water and Wastewater							
WATER AND WASTEWATER							
Upgrade of Waste Water Treatment Work (Paarl), pump stations, rising mains and new bulk sewer main south of N1	Rehabilitation and Upgrade of the Drakenstein Sanitation Infrastructure (BFI grant)	R265,486,957	R522,239,130	R426,086,957	-	-	Paarl & Wellington

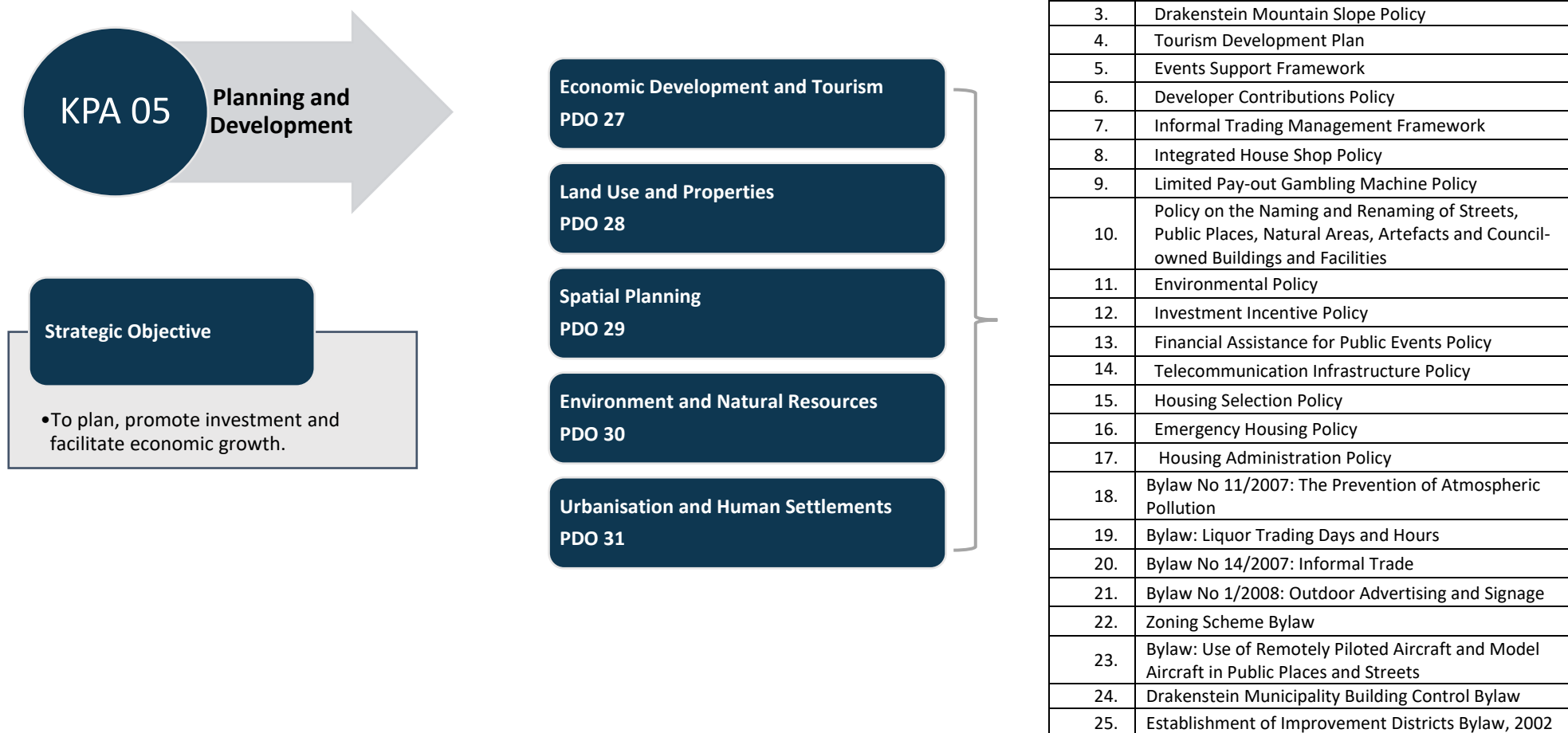
CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Replacement of delapidated water reticulation system at Paarl & Wellington	Upgrade/replace water pipe systems at Paarl/Wellington (WSIG grant)	R13,913,043	-	-	-	-	Paarl & Wellington
Replacement of old water reticulation system at Paarl & Wellington	Ysterbrug-Victoria Booster Pumpline - Replacement of existing 250mm booster pipeline as to allow full use of allocation from Berg River	R10,269,895	R11,313,043	R13,342,062	-	-	Paarl & Wellington
Replacement of old waste water reticulation system at Paarl & Wellington	Replacement of sewerage reticulation	R2,995,000	R3,000,000	R3,000,000	R3,372,863	R3,372,863	Paarl & Wellington
Water and Waste Water Services to housing projects	Simondium, Fairyland / Siyahhlala/Amstelhof	R33,500,000	R7,500,000	R7,500,000	R6,750,000	R5,000,000	1,32,32,26
Water and Waste Water Services to informal settlements	Informal areas	R4,000,000	R3,000,000	R4,500,000	R1,200,000	R3,700,000	All affected wards
Replacement of water services tools and equipment	Provision of electrofusion machine	R45,000	-	-	-	-	N/A
Replacement of water services tools and equipment	Provision of trench compactors	R51,750	-	-	-	-	N/A
Replacement of water services tools and equipment	Replacemnet of old SCADA system- from analog to digistal	R200,000	R230,000	-	-	-	N/A
Safeguarding of municipal assets	Security fence at Amstelhof reservoir	-	R890,000	-	-	-	26
Safeguarding of municipal assets	Improve security system at store area	R250,000	-	-	-	-	N/A
Safeguarding of municipal assets	Water security for Bainskloof and water compliance (New Borehole)	-	R1,000,000	R2,500,000	-	-	18
Replacement of water services tools, systems & equipment	General equipment such as drills, compactors	R50,000	R150,000	-	-	-	N/A

CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Safeguarding of municipal assets	Monitoring system at Courtrai Reservoir	R120,000		-	-	-	15
Safeguarding of municipal assets	Monitoring system at Newton Reservoir	R120,000		-	-	-	11
Replacement of water services tools, systems & equipment	Require equipment to measure pressure and flow in water network to enhance WDM	R55,000	R55,000	-	-	-	N/A
Provision of water during Loadshedding	UPS System and Bulk meter at Leliefontein	-	R1,500,000	-	-	-	All Wards
Provision of water during Loadshedding	UPS System 4hrs power back-up on telemetric system (Welvanpas)	R130,000	-	-	-	-	All Wards
Increasing of existing capacity	Require retention volume for southern areas of Pearl Valley, de Hoop, Val de Vie and Fraaigelegen – New Pearl Valley 6000ML Reservoir and Bulk pipeline	-	R350,000	-	-	-	28
Replacement of waste water services tools, systems & equipment	Gradual upgrade telemetric system from Analog to Digital	R180,000	R150,000	-	-	-	N/A
Replacement of waste water services tools, systems & equipment	Require upgrading of old equipment and office equipment (shredder)		R120,000	-	-	-	N/A
Replacement of waste water services tools, systems & equipment	Replace/upgrade of existing electronic flow meters & other equipment	R650,000	R250,000	-	-	-	N/A
Replacement of waste water services tools, systems & equipment	Wellington WWTW Upgrade and replacement of disinfectant equipment and pumps/motors	-	R1,500,000	-	-	-	All wards

CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Replacement of waste water services tools, systems & equipment	Replace vandalised UV system at Wellington WWTW	R2,355,000		-	-	-	All Wards
Safeguarding of municipal assets	Security fencing for Paarl Houses at Paarl WWTW and Plant for fencing that was stolen, Access control and CCTV	R500,000	R330,000	-	-	-	All Wards
Safeguarding of municipal assets	Replace stolen security fencing at Gouda and Hermon	R200,000	R230,000	-	-	-	30,31
Replacement of old sewer reticulation system at Paarl & Wellington	Replace/ remove Sewer Midblocks, to further develop & provide access to municipal sewer system	R250,000	R500,000	-	-	-	All Wards
Safeguarding of municipal assets	Replacing of roof area at Paarl WWC Depot for security reasons(store area of equipment) and safety of occupants in office	-	R250,000	-	-	-	All Wards
Replacement of waste water services tools, systems & equipment	General equipment such as drills, compactors	R150,000	R165,000	-	-	-	All Wards
Replacement of waste water services tools, systems & equipment	Require continous upgrade of equipment	R1,043,500	R360,500	-	-	-	N/A
Safeguarding of municipal assets	Replace security fence around Amstelhof Reservoir	-	R890,000	-	-	-	26
Replacement of old sewer reticulation system	Replace faulty flowmeter at Hermon Pump Station	-	R25,000	-	-	-	31
Upgrading of Saron WWTW	New granular cholrine system	-	R1,380,000	-	-	-	30

CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 25: Solid Waste							
SOLID WASTE							
Illegal dumping/area cleaning	Solid waste skips	R1,750,000	R500,000	R500,000	R500,000	R500,000	All wards
Illegal dumping/area cleaning	Wheelie bins	R1,000,000	R2,000,000	R2,000,000	R2,000,000	R2,000,000	All wards
Illegal dumping/area cleaning	Street refuse bins - Reduce littering in CBD's and on main entrance routes/ high traffic areas	-	R660,000	R720,000	R720,000	R720,000	All wards
Illegal dumping/area cleaning	Illegal dumping signage	-	-	-	R400,000	-	All wards
Compliance of waste disposal facility	Organic waste diversion infrastructure at Paarl RTS	R5,150,000	-	-	-	-	All wards
Compliance of waste disposal facility	RTS Parking and Wash Bay	-	R800,000	-	R2,000,000	-	All wards
New equipment	Electronic locks at main entrances in Admin building, voice recorder for meetings	-	-	-	-	R100,000	All Wards
PRE-DETERMINED OBJECTIVE (PDO) 26: Municipal & Public Facilities							
MUNICIPAL FACILITIES							
Ageing Infrastructure	Computer Equipment - Network Point	R25,000	R25,000	-	-	-	N/A
Ageing Infrastructure	Civic Centre: Office Alterations All and equipment (Urns)	-	-	R275,000	R275,000	R275,000	N/A
Ageing Infrastructure	Buildings: Upgrading of Civic Centre (Electricity)	-	-	R250,000	R275,000	R275,000	N/A
Ageing Infrastructure	Corporate Facility Aircons	R215,000	R230,000	R400,000	R400,000	R400,000	N/A
Safeguarding of Municipal Assets	Biometric systems	-	-	-	R100,000	-	N/A
Loadshedding mitigation	Back-up power installations	R6,300,000	R2,500,000	-	-	-	N/A
Ageing Infrastructure	Upgrading of Municipal buildings (Streets and	R965,000	R1,100,000	R5,000,000	R6,000,000	R6,000,000	N/A

CAPITAL PROJECTS (KPA 04)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
	stormwater depot, Main stores, Electricity Department)						



PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 27: Economic Development and Tourism							
Reviewed Tourism Development Plan	Review Tourism Development Plan	x	-	x	-	-	All wards
Sports Tourism Strategy	Develop a Sports Tourism Strategy	x	-	-	-	-	All wards
Lack of feasible Incentives for investors	Provision of feasible investment incentive policies	x	-	-	-	-	All wards
Enhance online Tourism information presence	Review and expand online Tourism information platforms	x	x	-	-	-	All wards
Provision of Investment Retention and Expansion plan	Provision of Investment Retention and Expansion plan	x	x	x	x	x	N/A
PRE-DETERMINED OBJECTIVE (PDO) 28: Land Use and Properties							
Heritage Advisory Committee	Appointment of Heritage Advisory Committee Members	x	-	-	-	-	N/A
Heritage Competence	Apply to Heritage Western Cape for heritage competency in terms of the National Heritage Resources Act	x	x	-	-	-	N/A
Heritage Delegations	Apply to Heritage Western Cape for heritage delegations in terms of the National Heritage Resources Act	-	-	x	x	x	N/A
Paarl-East Heritage Survey	Conduct a heritage survey for the Paarl-East Area	x	x	-	-	-	N/A
Revision of the Land Use Planning Bylaw	Amend the Bylaw	-	x	-	-	-	All wards
Revision of the Zoning Scheme Bylaw	Amend the Bylaw	-	x	-	-	-	All wards
Revision of the House Shop Policy	Amend the Policy	x		-	-	-	All wards

PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 29: Spatial Planning							
Review the Drakenstein Spatial Development Framework	Annually review the Drakenstein Spatial Development Framework	x	x	x	x		All wards
New Drakenstein Spatial Development Framework	Compile a new Drakenstein Spatial Development Framework	-	-	x	x	x	All wards
Local Area Based Planning	Formulation of the Newton, Roggeland and Vlakkeland Local Spatial Development Framework	x	-	-	-	-	All wards
Local Area Based Planning	Formulation of the Gouda Local Spatial Development Framework	x	x	-	-	-	All wards
Local Area Based Planning	Formulation of the N1 Corridor Local Spatial Development Framework	-	-	x	-	-	All wards
Local Area Based Planning	Formulation of the Paarl Mountain Local Spatial Development Framework	-	-	x	x	-	N/A
Alignment of the Urban Edge with the objectives of the National Department of Agriculture, Land Reform and Rural Development	Establish an agreement between Drakenstein Municipality and the National Department of Agriculture, Land Reform and Rural Development regarding the protection of high potential agricultural land	x	x	x	-	-	All wards
PRE-DETERMINED OBJECTIVE (PDO) 30: Environment and Natural Resources							
Environmental education and awareness	Establish and maintain partnerships with external stakeholders to undertake environmental education and awareness activities in the municipal area	x	x	x	x	x	All wards

PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Environmental education and awareness	Capacity building of municipal law enforcement officials in environmental management transgressions	x	x	x	x	x	All wards
Biodiversity Protection	Complete administrative process for the formalisation of priority municipal conservation areas	x	-	-	-	-	All wards
Invasive alien vegetation management on municipal properties	Implement and monitor the action plan of priority areas as indicated in the Invasive Alien Vegetation Monitoring and Eradication Plan	x	x	x	x	x	All wards
Air Quality Management	Undertake ambient air quality monitoring in the Drakenstein Municipal Area	x	x	x	x	x	All wards
Air Quality Management	Register fuel burning appliances in accordance with the Air Quality Management Bylaw	x	x	x	x	x	All wards
Air Quality Management	Update and maintain the emissions inventory	x	x	x	x	x	All wards
Climate Change Response	Monitor and evaluate implementation of the Climate Change Response Plan	x	x	x	x	x	All wards
Climate Change Response	Implementation of the Joint Programme of Action to give effect to the Climate Partnership with the City of Neumarkt	x	x	x	x	x	All wards
PRE-DETERMINED OBJECTIVE (PDO) 31: Urbanisation and Human Settlements							
Effective Management of existing rental stock	Routine Maintenance of Rental Stock (daily maintenance activities)	x	x	x	x	x	19,20,21,22,24,25, 26,27
Effective Management of existing rental stock	<ul style="list-style-type: none"> Compilation of detailed maintenance plan; and 	x	-	-	-	-	19,20,21,22,24,25,2 6,27

PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
	<ul style="list-style-type: none"> Roll out of projects (repair/upgrade of rental stock) as per maintenance plan. 	x					
Effective Management of existing rental stock	Paint –My- Story Project	x	x	x	x	x	19,20,21,22,224,25,26
Effective Management of existing rental stock	Assess rental stock that can be alienated; Transfer/Alienation of Council Owned Rental Stock	x	x	x	x	x	6,7,12,19,20,21,22,24,25,26,27,30,
Effective Management of existing rental stock	Develop and implement an active housing consumer education program for tenants;	x	x				6,7,12,19,20,21,22,24,25,26,27,30
	Establishment of tenant committees	x	x	-	-	-	
Lack of Eviction Management Planning	Implementation of Eviction Management and Emergency Housing Plan (Re-settlement land)	x	x	x	x	x	All wards
Lack of Updated Housing Demand Database	Management of Housing Demand Database;	x	x				All wards
	Rural Demand Drives;	x	x	x	x	x	
	Assess all applicants in data base that applied before April 1999 that are not assisted to date	x	x	x	x	x	
Lack of services in informal settlements	Improve maintenance of services in Informal Settlements;	x	x	x	x	x	1,5,6,8,12,14,21,24,25,31,32

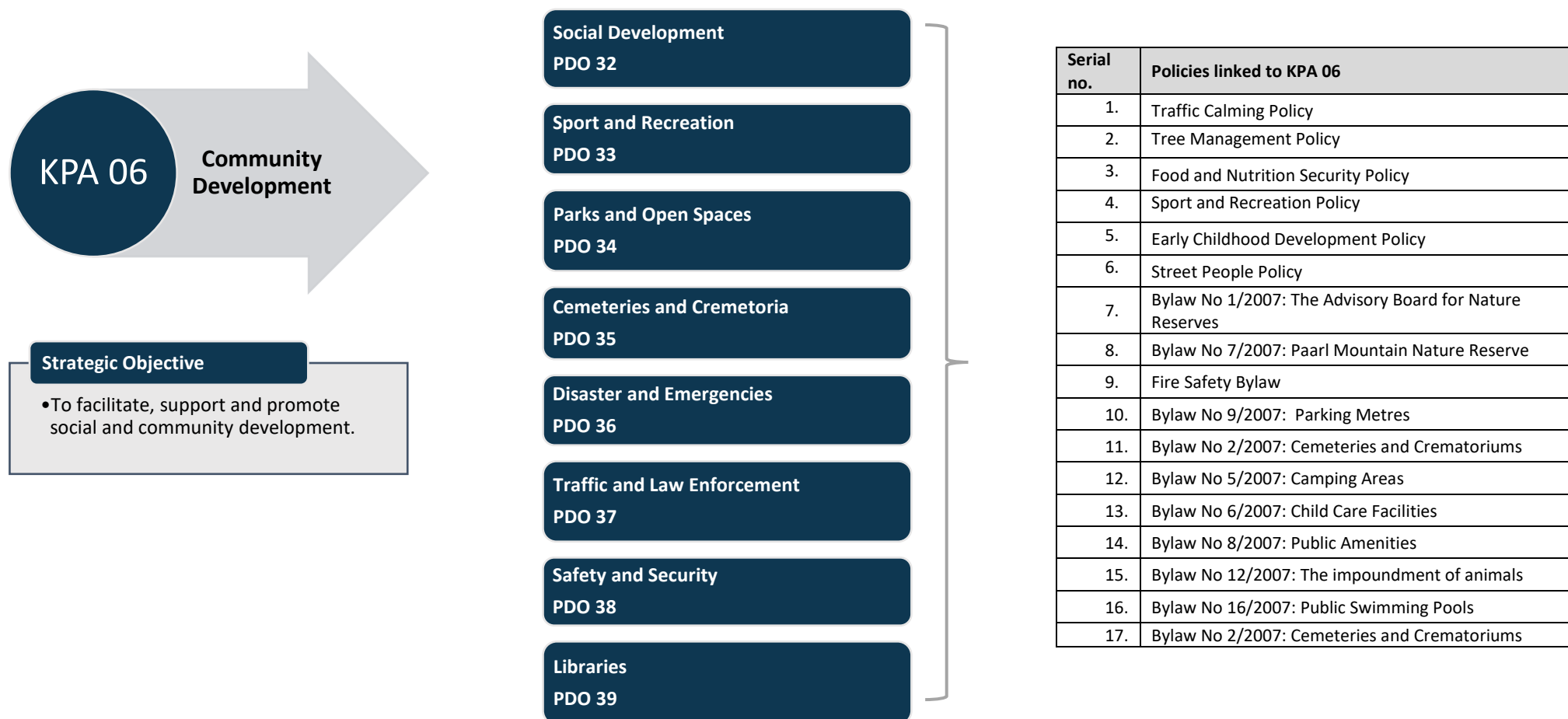
PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
	Rollout of new basic services installations and replacement of existing redundant services;	x	x	x	x	x	
	Ongoing monitoring to prevent erection of illegal structures; and	x	x	x	x	x	
	<ul style="list-style-type: none"> Establish Informal Settlement Committees. 	x	x	x			
Lack of emergency housing planning	Implementation of emergency housing plan	x	x	x	x	x	All wards
Plan and implement the roll-out of UISP (Upgrade of Informal Settlements) Projects and Emergency Housing Site	Finalize the Project Implementation; Readiness Report (PIRR) for 11 identified informal settlements for upgrade;	x	-				6, 20, 21, 24, 27
	Implement upgrade of 11 identified settlements;	x	x				6, 20, 21, 24, 27 32
	Complete incomplete UISP Projects (Fairylane & Siyashlala); and	x	x	x	x	x	1, 5, 7, 8, 14, 16, 31,
	Identify further settlements for upgrade.	x	x				
Lack of development of affordable housing opportunities	Establish and maintain a database of households that may qualify for affordable housing	x	x	x	x	x	All wards

PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Lack of implementation of Social Housing Projects	Advertise to enter into partnership agreements with Social Housing Institutions (SHIs);	x	x	x	x	x	All wards
	Roll-out plan of identified social housing sites within approved restructuring zones	x	x	x	x	x	4, 9, 14, 15, 22, 29
Provision of service sites	Identify appropriate land for the implementation of service site concept; and	x					1, 13, 14, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33
	Develop a policy on service sites.	x	x	x	x	x	
Lack of awareness in relation to role and responsibility as home owner in new subsidized housing development	Implementation of Housing Consumer Education and Awareness Campaigns	x	x	x	x	x	All Wards
Addressing matters in relation to employer assisted housing	Finalise a policy for employer assisted housing	-	-	x	x	x	All Wards
Conclusion of old incomplete projects	Implementation of actions to address defective roof in identified projects;	x	x	x	x	x	6, 9, 12, 16
Title Deeds backlog	<ul style="list-style-type: none"> To address the title deed restoration backlog by enter into agreement with various stakeholders; 	x	x	x	x	x	All Wards

PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
	<ul style="list-style-type: none"> To establish a Title Deed Restoration Committee to address disputes, deceased cases, etc. 	x	x	x	x	x	
Lack of Updated Housing Demand Database	Management of Housing Demand Database	x	x				All Wards
	Rural Demand Drives			x	x	x	
	Assess all applicants in data base that applied before April 1999 that are not assisted to date	x	x	x	x	x	
Provision of service sites	Identify appropriate land for the implementation of service site concept; and develop a policy on service sites	x	x	x	x	x	1, 13, 14, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33
Lack of awareness in relation to role and responsibility as home owner in new subsidized housing development	Implementation of Housing Consumer Education and Awareness Campaigns	x	x	x	x	x	All Wards
Addressing matters in relation to employer assisted housing	Finalise a policy for employer assisted housing	-	-	x	x	x	All Wards
Conclusion of old incomplete projects	Implementation of actions to address defective roofs in identified projects;	x	x	x	x	x	6, 9, 12, 16
Title Deeds backlog	<ul style="list-style-type: none"> To address the title deed restoration backlog by enter into agreement with various stakeholders; 	x	x	x	x	x	All Wards
	<ul style="list-style-type: none"> To establish a Title Deed Restoration Committee to address disputes, deceased cases, etc. 	x	x	x	x	x	

PROGRAMMES AND INITIATIVES (KPA 05)							
Issues/Challenges	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Lack of Updated Housing Demand Database	<ul style="list-style-type: none"> Management of Housing Demand Database 	x	x		x	x	All Wards
	<ul style="list-style-type: none"> Rural Demand Drives 	x	x		x	x	
	<ul style="list-style-type: none"> Assess all applicants in data base that applied before April 1999 that are not assisted to date 	x	x		x	x	
Lack of emergency housing planning	Implementation of emergency housing plan	x	x	x	x	x	All Wards
Lack of development of affordable housing opportunities	Establish and Maintain a database of households that may qualify for affordable housing	x	x	x	x	x	All Wards

CAPITAL PROJECTS (KPA 05)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 27: Economic Development and Tourism							
ECONOMIC GROWTH							
Upgrading of Central Business districts	Upgrading through the Neighbourhood Development Partnership Grant	-	R8,695,652	R4,347,826	-	-	All wards
Provision of adequate infrastructure to support entrepreneurs in the formal and informal sector	Upgrade existing informal trading structures and business hives (Arendsnes, Paarl CBD & rest of Drakenstein)	R320,000	-	-	-	-	Relevant Wards 4, 18, 14, 9, 12
PRE-DETERMINED OBJECTIVE (PDO) 31: Urbanisation and Human Settlements							
URBANISATION AND HUMAN SETTLEMENTS							
Upgrade/replace basic services at informal areas	Power tools erecting of Starter kits (2x grinders ,1 x drill & 5 Estwing hammers	R15,000	R15,000	R15,000	-	-	Multiple wards
Upgrading of Rental stock	Upgrading of Rental Stock	-	R1,000,000	R1,000,000	R1,000,000	R1,000,000	
Provision and upgrade basic services at Informal Areas	Power tools - Maintenance work	R30,000	-	-	-	-	Multiple wards



PROGRAMMES AND INITIATIVES (KPA 06)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 32: Social Development							
Safety of communities in all wards	<ul style="list-style-type: none"> Installation and commissioning of CCTV cameras in all wards; and Installation of number plate recognition cameras. 	x	x	x	x	x	All wards
Operating a 24-hr Control room	<ul style="list-style-type: none"> Centralise control rooms of Fire, Law Enforcement and Traffic at Breda 60; Connect radio frequency of the Drakenstein Smart and Safety Networks (DSSN) to Breda 60; and Link WhatsApp groups of Neighbourhood Watches to control centre. 	x	x	x	x	-	All wards
Strengthening DSSN Partnership	To establish and strengthen the relationship between the farm and neighbourhood watches	x	x	x	x	x	All wards
Gender Awareness	Gender specific programmes to create gender awareness	x	x	x	x	-	All Wards
	Gender-base violence accredited training (victims / perpetrators / forum members).	x	x	x	x	-	All Wards
Elderly	Provisioning of breakfast packs for the Elderly who participates in the annual Golden Games.	x	x	x	x	-	All Wards
Youth	Youth Rallies to create awareness around youth matters	x	x	x	x	-	All Wards
	Youth rallies to create awareness around youth matters	x	x	x	x	-	All Wards
	Youth training camps	x	x	x	x	-	All Wards
	Youth Business Awareness workshop	x	x	x	x	-	All Wards
	Capacity building training to the Junior Town Council	x	x	x	x	-	All Wards
	Skills Development Programmes for Youth	x	x	x	x	-	All Wards
ECD	Provisioning of capacity building training to community based ECD operators	x	x	x	x	-	All Wards

PROGRAMMES AND INITIATIVES (KPA 06)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Health	First-Aid training	x	x	x	x	-	All Wards
	Foetal Alcohol Syndrome Workshop for ECD staff	x	x	x	x	-	All Wards
	Provisioning of training and administrative assistance to the integrated Health Forum and the Multi Sectoral Area Team (MSAT) to build relationships and to ensure the continuation of public health care services.	x	x	x	x	-	All Wards
Arts & Cultures	Painting of the 365 murals at municipal community facilities	x	x	x	x	-	All Wards
PRE-DETERMINED OBJECTIVE (PDO) 33: Sport and Recreation							
De Kraal Sports Complex	• Project is a multi-year project	x	x	x	-	-	5
Weltevrede sports field – vandalism and cable theft	• Item written to Council to decide on alternative use of facility	x	x	x	-	-	10
Mbekweni B&C – unplayable fields	Re-turf of sport field for soccer practice and cricket	-	x	-	-	-	8,9,12
Hugenote tennis courts surface	Re-surfacing and upgrade to courts	-	x		-	-	5
Park Street tennis vandalism	Building has been demolished – grass cutting ongoing	-		x	-	-	10
PRE-DETERMINED OBJECTIVE (PDO) 34: Parks and Open Spaces							
Environmental Awareness Programmes	Arbor Month	x	x	x	x	x	15
Removal of invasive alien vegetation	EPWP Weed control	x	x	x	x	x	All wards
Maintenance of local amenities and public places	EPWP Tree and pest control	x	x	x	x	x	All wards
Removal of invasive alien vegetation	EPWP Alien Clearing	x	x	x	x	x	All wards
Maintenance of local amenities and public places	EPWP Open spaces/Grass Cutting	x	x	x	x	x	All wards
Upgrading of local amenities and public places	Community Beatification Projects	x	x	x	x	x	All wards
Beautification & Maintenance of entrances and parks	Marketing of Parks and Main routes	x	x	-	-	x	All wards

PROGRAMMES AND INITIATIVES (KPA 06)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Implementation of the “Cleaner and Greener” environmental programme	Tree Planting (Greening of Drakenstein)	x	x	x	x	x	All wards
PRE-DETERMINED OBJECTIVE (PDO) 35: Cemeteries and Crematoria							
Development of new cemeteries	Develop Nieuwedrift Cemetery	x	x	x	x	x	17
Security at cemeteries (fencing)	Install fencing /security lights /CCTV cameras at cemeteries	x	x	x	x	x	All wards
Tools of trade	[a] Procure of truck with drop sides - 3000kg. [b] Procure tractor 55kw with PTO attachment shaft.	x	x	x	x	x	All wards
PRE-DETERMINED OBJECTIVE (PDO) 36: Disaster and Emergencies							
Fire safety in informal settlements	Public and Life safety awareness programmes	x	x	x	x	x	All wards
Support services in fire service section	Appointment of volunteers	x	x	x	x	x	All wards
Staff shortages Failure to comply to legislation SANS 10090.(Community protection against fire)	Fill Vacancies to comply with SANS 10090	x	x	x	x	x	All wards
PRE-DETERMINED OBJECTIVE (PDO) 37: Traffic and Law Enforcement							
Implementation of the “Bobbies on the Beat” visible foot patrol programme	<ul style="list-style-type: none"> Develop and submit business plan to Cape Winelands District Municipality 	x	x	x	x	x	CBD
	<ul style="list-style-type: none"> Develop and submit business plan to Department of Community Safety Employ Bobbies on the Beat for festive season safety. 	x	x	x	x	x	CBD and Berg River
Introduction of smart technology to curb cable theft	<ul style="list-style-type: none"> Training of staff Link technology to DSSN 	x	x	x	-	-	All wards
Pedestrian Safety	Training project: Pedestrian Safety	x	x	x	x	x	All wards

PROGRAMMES AND INITIATIVES (KPA 06)							
Core Components	Action	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Drunken driving	Awareness project	x	x	x	x	x	All wards
Scholar Safety	Junior Traffic Training Centre	x	x	x	x	x	All wards
Establishment of auxiliary services	Develop and submit business plan to Department of Community Safety	x	x	x	x	x	All wards
24 Hour Law Enforcement operations	Establish an effective 24\7 Law Enforcement service	x	x	x	x	x	All wards
Effective 24-hour emergency control and dispatch centre	Appointment and training of control room staff	x	x	x	x	x	All wards
Control and impoundment of stray animals	Caring for impounded animals in pound	x	x	x	x	x	All wards
Establishment of internal working group to deal with land invasion	Appointment and training of staff to deal with land invasion	x	x	x	x	x	All wards
Review and update of municipal Bylaws	<ul style="list-style-type: none"> Review Bylaws Update Bylaws Gazette Bylaws 	x	x	x	x	x	All wards
PRE-DETERMINED OBJECTIVE (PDO) 38: Safety and Security							
Purchase trailer	To purchase a trailer for livestock	-	-	-	x	-	All wards
Appoint Pound-Master	The appointment of a pound master	x	-	-	-	-	All wards
Respond to Live-Stock complaints	Effective response to livestock complaints	x	x	x	-	-	All wards
PRE-DETERMINED OBJECTIVE (PDO) 39: Libraries							
Developing reading, increase information literacy, and focus on social awareness	Municipal-wide Program to develop reading, increase, phonetic ability, vocabulary, information literacy and focus on awareness of social issues	x	x	x	x	x	All wards
Insufficient space for Rural Libraries	Set up containerised library Nieuwedrift Valley	-	-	-	-	x	17
Insufficient space for Rural Libraries	Set up containerised library Groenberg	-	x	-	-	-	31
insufficient space for Rural Libraries	Set up containerised library in Wagenmakers Valley	x	-	-	-	-	7

CAPITAL PROJECTS (KPA 06)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PREDETERMINED OBJECTIVE (PDO) 32: Social Development							
SOCIAL DEVELOPMENT							
Social Development	Upgrade Soup Kitchens & Tools of the trade	R725,000	-	R500,000	-	-	All Wards
Social Development	Upgrade Containerised night shelter	R800,000	R1,300,000	R1,450,000	R1,000,000	R1,000,000	All wards
PREDETERMINED OBJECTIVE (PDO) 33: Sport and Recreation							
SPORT AND RECREATION							
De Kraal Sports Complex	Construction of spectator stand, construction of museum	R3,000,000	-	-	-	-	5
Saron Sports field	Construction of a spectator stand and cricket nets	-	R500,000	-	-	-	30
Faure Street Stadium	Upgrade of cycling track	-	R1,000,000	R1,500,000	-	-	4
Orleans Facilities	Upgrading	R800,000	-	-	-	R500,000	11
Daljosafat Stadium Parking area	Upgrade of parking area	R3,000,000	-	-	-	-	22
Mbekweni B&C – unplayable fields	Re-turf of B & C fields	-	-	R500,000	R500,000	-	8
Swimming pool upgrades	Upgrade of swimming pool at Antoniesvlei Resort	-	R400,000	-	-	-	18
PREDETERMINED OBJECTIVE (PDO) 34: Parks and Open Spaces							
Cemetaries							
Tools of the trade	Tools of the trade	R975,000					
PREDETERMINED OBJECTIVE (PDO) 35: Cemeteries							
Cemetaries							
Development of new cemeteries	Develop Nieuwedrift Cemetery	R1,000,000	-	-	R1,000,000	-	17
Security at cemeteries (fencing)	Install fencing /security lights /CCTV cameras at cemeteries	-	R1,500,000	R2,000,000	-	-	All Wards
Tools of trade	[a] Procure of truck with drop sides - 3000kg. [b] Procure tractor 55kw with PTO attachment shaft.	R325,000	-	-	-	-	All Wards

CAPITAL PROJECTS (KPA 06)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
PRE-DETERMINED OBJECTIVE (PDO) 36: Disaster and Emergencies							
DISASTER AND EMERGENCIES							
Wear and tear of current municipal infrastructure	Upgrading of fire services buildings	-	R50,000	R50,000	R50,000	R50,000	32,1, 5, 9
Replace old and broken furniture	Office furniture and equipment	-	-	R80,000	R80,000	R54,000	32,1,5,9
Replace and upgrade search and rescue equipment	Medical/Urban Search rescue equipment	-	R100,000	R85,000	R85,000	R85,000	30, 4,6 ,18
Critical replacement of current firefighting equipment	Machinery and equipment	R400,0000	-	R100,000	R100,000	R100,000	30, 4, 6, 18
Replacement/upgrade of computer, screens etc.	CCTV Equipment	-	R70,000	-	-	-	30, 4, 6, 18
Replace old, unserviceable operational firefighting vehicle(s)	Fire Service Capacity Building Grant	R985,000	-	-	-	-	30, 4, 6, 18
Upgrade of current control centre	Disaster Management Control Centre	-	R50,000	R50,000	R50,000	R50,000	4
PRE-DETERMINED OBJECTIVE (PDO) 37: Traffic and Law Enforcement							
TRAFFIC AND LAW ENFORCEMENT							
Introduction of smart technology	Procurement of Body Cameras & Protective Clothing, Radios & weapons	R325,000	R200,000	-	R200,000	-	All Wards
Effective 24-hour emergency control and dispatch centre	Establish required infrastructure for emergency control		R75,000	R100,000	-	-	All Wards
Safeguarding of municipal infrastructure	Purchasing of high-tech innovation/security systems and equipment	-	-	-	-	R964,000	All Wards
Old/ broken furniture	Replacement of furniture & office equipment	R325,000	R50,000	-	R80,000		

CAPITAL PROJECTS (KPA 06)							
Core Components	Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	Wards
Safety of community in all wards	Installation and commissioning of CCTV Cameras in all wards and linking with DSSN Control room						All wards
	Installation of number plate recognition cameras and linking with DSSN Control room	R3,100,000	R1,000,000	R1,000,000	R1,000,000	R500,000	
PRE-DETERMINED OBJECTIVE (PDO) 39: Libraries							
LIBRARIES							
Expansion of library services	Wagenmakersvallei Container Library	R739,130	-	-	-	-	

Summary of Provincial Infrastructure Projects & Programmes in the Municipality for the MTEF period 2022/23 – 2024/25.²

Table 80: Summary of Provincial Infrastructure Investment Projects in the Drakenstein Municipality

Department	No of Projects	Value of Projects & Programmes (R'000)					
		Infrastructure Transfers - Capital	New or Replaced Infrastructure	Non-Infrastructure	Rehabilitation, Renovations & Refurbishment	Upgrading and Additions	MTEF Total
Education	3	R0	R77 000	R0	R0	R25 000	R102 000
Health	16	R0	R80 641	R36 534	R0	R24 450	R141 625
Human Settlements	16	R162 812	R0	R0	R0	R0	R162 812
Transport and Public Works	8	R0	R250 000	R0	R344 000	R241 000	R835 000
Grand Total	43	R162 812	R407 641	R36 534	R344 000	R290 450	R1 241 437

List of funded Provincial Infrastructure Investment Projects and Programmes in the Municipality for the MTEF period 2022/23 – 2024/25

Table 81: Provincial Infrastructure Investment Projects in the Drakenstein Municipality

Department	Nature of Investment	Project ID	Project Name	MTEF Total (Rand)
Health	Non-Infrastructure	192069	Paarl - Paarl CDC - OD QA - New	R260 000
Health	Non-Infrastructure	203655	Paarl - Paarl Ambulance Station - HT - Upgrade and additions incl wash bay	R300 000
Human Settlements	Infrastructure Transfers - Capital	199981	Paarl Saron (356 services) IRDP	R992 000
Health	Non-Infrastructure	198310	Paarl - Paarl Hospital - HT - New Obstetric Theatre in Maternity Unit	R1 000 000
Health	Non-Infrastructure	108699	Saron - Saron Clinic - HT - General maintenance and upgrade (Alpha)	R1 063 000
Health	Non-Infrastructure	51194	Paarl - Windmeul Clinic - HT - Upgrade and Additions (Alpha)	R1 200 000
Human Settlements	Infrastructure Transfers - Capital	206471	Paarl Mbekweni Erf 557 (400 sites) IRDP_FLISP	R1 700 000

² Source: The data in this report represents an extract from the Provincial Infrastructure Reporting Model (IRM), as of 3 March 2022. Improving the accuracy of information in the reporting model is ongoing and continues to receive attention.

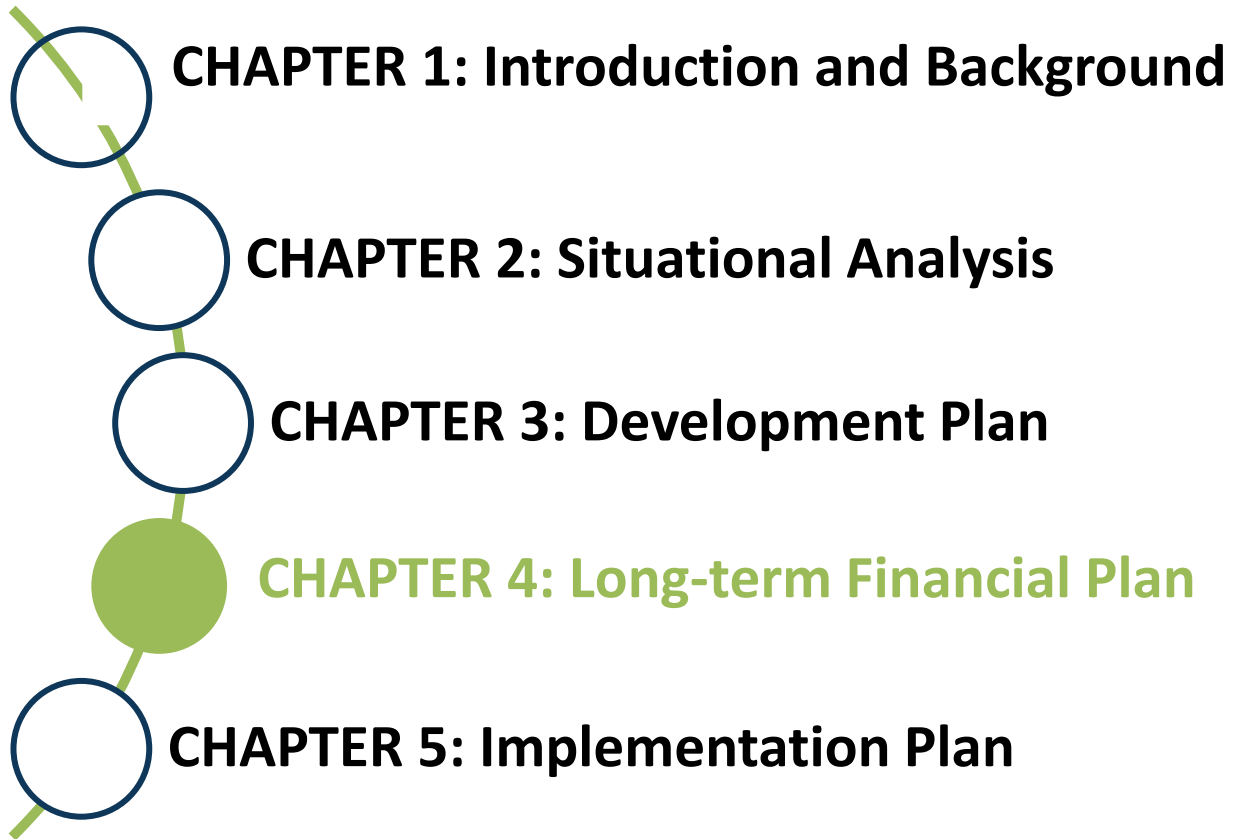
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Department	Nature of Investment	Project ID	Project Name	MTEF Total (Rand)
Education	New or Replaced Infrastructure	4209	Ebenezer PS	R2 000 000
Health	Non-Infrastructure	192067	Paarl - Dalvale Clinic - HT - General maintenance (Alpha)	R2 000 000
Health	Non-Infrastructure	184457	Gouda - Gouda Clinic - HT - Replacement	R2 050 000
Health	Upgrading and Additions	196113	Paarl - Paarl Ambulance Station - Upgrade and additions incl wash bay	R2 322 000
Human Settlements	Infrastructure Transfers - Capital	200503	3531 - ISSP Dignified Informal Settlements (267 sites and 31 hostels) UISP	R3 000 000
Human Settlements	Infrastructure Transfers - Capital	200504	3531-xx01 - ISSP Dignified Informal Settlements (267 services) UISP	R3 000 000
Human Settlements	Infrastructure Transfers - Capital	206472	Paarl East Farm Worker Housing (600 sites) IRDP	R3 000 000
Human Settlements	Infrastructure Transfers - Capital	206474	Simondium (1033 sites) IRDP	R3 000 000
Human Settlements	Infrastructure Transfers - Capital	199979	3226-02 - Paarl Siyahlala Phase 2 (193 units) UISP PHP	R4 680 000
Human Settlements	Infrastructure Transfers - Capital	199977	Paarl Vlakkeland (professional fees) IRDP	R5 000 000
Health	Upgrading and Additions	51083	Paarl - Windmeul Clinic - Upgrade and Additions (Alpha)	R5 036 000
Human Settlements	Infrastructure Transfers - Capital	206470	Wellington Carterville Remaining (50 units) IRDP	R5 200 000
Health	Non-Infrastructure	196080	Paarl - Paarl CDC - HT - New	R6 511 000
Health	Non-Infrastructure	192043	Paarl - Paarl HT Maintenance Hub - Infrastructure Support	R7 514 000
Health	Upgrading and Additions	192070	Paarl - Paarl Hospital - New Obstetric Theatre in Maternity Unit	R7 939 000
Human Settlements	Infrastructure Transfers - Capital	199978	Paarl Fairylands (259 units) UISP PHP	R8 320 000
Human Settlements	Infrastructure Transfers - Capital	200502	3457-xx01 - ISSP Chester Williams (139 services) UISP	R8 340 000
Health	Upgrading and Additions	192068	Paarl - Paarl CDC - Enabling work incl fencing to secure new site	R9 153 000
Human Settlements	Infrastructure Transfers - Capital	200505	3580-xx01 - ISSP Loverslane (168 services) UISP	R10 080 000
Human Settlements	Infrastructure Transfers - Capital	199975	Paarl Vlakkeland Phase 1_2 and 1_3 (537 units) IRDP	R13 000 000
Transport and Public Works	Upgrading and Additions	187338	Drakenstein Municipality	R13 000 000
Health	Non-Infrastructure	192044	Paarl - West Coast Maintenance Hub - Infrastructure Support	R14 636 000
Human Settlements	Infrastructure Transfers - Capital	200500	3234-01 - Schoongezicht (347 services) IRDP via UISP	R14 800 000
Health	New or Replaced Infrastructure	51072	Gouda - Gouda Clinic - Replacement	R15 420 000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	181695	C1102 PRMG Reseal Windmeul	R23 000 000
Human Settlements	Infrastructure Transfers - Capital	206473	Paarl East Farm Worker Housing (600 services) IRDP	R24 000 000

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Department	Nature of Investment	Project ID	Project Name	MTEF Total (Rand)
Education	Upgrading and Additions	195291	Magnolia PS	R25 000 000
Human Settlements	Infrastructure Transfers - Capital	199976	Paarl Vlakkeland Phase 1_1 and 1_4 (406 units) IRDP	R54 700 000
Transport and Public Works	Upgrading and Additions	203755	C974.1 Safety Improvements R44 Phase 1 - Winery I/C	R65 000 000
Health	New or Replaced Infrastructure	23546	Paarl - Paarl CDC - New	R65 221 000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	202326	C1145 PRMG Voor Paardeberg rd	R72 000 000
Education	New or Replaced Infrastructure	4183	Dal Josaphat PS (CWXXS1)	R75 000 000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	197992	C1105 Reseal Du Toits Kloof	R89 000 000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	194688	C1142 Rehab Simondium Reseal	R160 000 000
Transport and Public Works	Upgrading and Additions	203756	C1102.1 Dual MR201 N1 to Kliprug Rd	R163 000 000
Transport and Public Works	New or Replaced Infrastructure	22875	C967 Malmesbury Bypass	R250 000 000
Grand Total				R1 241 437 000



4. CHAPTER 4: LONG-TERM FINANCIAL PLAN

4.1 INTRODUCTION

The purpose of this chapter is to outline a comprehensive multi-year financial plan that will ensure long-term financial sustainability for Drakenstein Municipality. The Financial Plan is essential to ensure that the Municipality continues to implement its mandate effectively without eroding its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

This plan will also focus on the expansion of Drakenstein's revenue sources in relation to its costs to ensure that the Municipality stays a financially viable and sustainable going concern. Drakenstein must utilise available financial resources in an effective, efficient and economical way to ensure that outputs have the desired outcomes as set out in Chapter 5 of the IDP. The financial strategies detailed in this plan must contribute to the achievement of these objectives.

Budgets in terms of National Treasury's Municipal Budget and Reporting Regulations (MTREF) only need to cover a planning period of the next financial year and the two outer financial years thereafter. However, the MTREF and the multi-year sustainable financial plan will cover key budget focus areas over the next five years and the Long-term revenue and expenditure framework (LTREF) even longer. It will also cover the current financial year's information as well as the previous three financial years' audited information.

A discussion will now follow on Pre-Determined Objectives (PDOs) consisting of a financial framework, financial strategies, financial policies, budget assumptions, operating revenue, operating expenditure, capital expenditure, capital expenditure funding, the Prioritisation Model for Capital Asset Investment, long-term financial sustainability ratios and a concluding statement.

4.2 KEY INFLUENCES AND RISKS

This Long-Term Financial Plan (LTFP) generates information which is used to guide decisions about Council operations into the future. However, as with any long-term plan, the accuracy of this LTFP is subject to many inherent influences. These variables and risks can be divided into two main categories:

4.2.1 External Influences – items outside of the Municipality's control

Unforeseen political and economic changes or circumstances such as:

- Interest rates fluctuations;
- Localised economic growth through residential development and new business;
- Consumer Price Index;
- Changes in levels of grant funding;
- Changes to tariffs and levies and their conditions (e.g. Eskom bulk tariff increases);
- Availability of essential resources such as fuel, electricity and water;
- Community needs and expectations;
- A change in the level of legislative compliance; and
- Economic changes due to health disasters.

- International instability, eg. Wars.

Variable climatic conditions such as:

- Flooding;
- Fires; and
- Drought.

4.2.2 Internal Influences – items that the Municipality can control:

- Agreed service level review outcomes;
- Infrastructure asset management;
- Rates and other tariff increases;
- Performance management;
- Efficiencies in service delivery and administrative support; and
- Salaries and wages (vacancy rate).

4.3 MACRO ECONOMIC SITUATIONAL ANALYSIS

4.3.1 Global Outlook

Global growth is expected to slow in 2023 to 2.9 per cent, with significant risks to the outlook tilted largely to the downside. Growth in some of the world's largest economies is set to slow in 2023, with Europe and the United States showing signs of weakening activity.

Despite declining economic growth, labour markets in advanced economies remain fairly resilient. Manufacturing purchasing managers' indices in major advanced economies and some emerging market economies contracted in the second half of 2022. In particular, China's manufacturing activity was adversely affected by its zero-COVID policy and troubled real estate sector. The removal of China's zero-COVID policy in December 2022 will support a gradual rebound in economic activity this year.

Heightened geopolitical uncertainty from the war in Ukraine has resulted in persistent price increases. Indications are that headline inflation in both advanced and emerging market economies has peaked, although it is still elevated because food and energy prices remain high by historical standards. The International Monetary Fund projects that global consumer price inflation will fall from 8.8 per cent in 2022 to 6.6 per cent in 2023 before easing to 4.3 per cent in 2024. Global inflation averaged 3.6 per cent in the decade preceding the pandemic.

Table 82: Economic growth in selected countries

Region/country	2021	2022	2023	2024
Percentage	Actual	Estimate	Forecast	
World	6.2	3.4	2.9	3.1
Advanced economies	5.4	2.7	1.2	1.4
United States	5.9	2.0	1.4	1.0
Euro area	5.3	3.5	0.7	1.6
United Kingdom	7.6	4.1	-0.6	0.9
Japan	2.1	1.4	1.8	0.9
Emerging and developing countries	6.7	3.9	4.0	4.2
Brazil	5.0	3.1	1.2	1.5
Russia	4.7	-2.2	0.3	2.1
India	8.7	6.8	6.1	6.8
China	8.4	3.0	5.2	4.5
Sub-Saharan Africa	4.7	3.8	3.8	4.1
Nigeria	3.6	3.0	3.2	2.9
South Africa ¹	4.9	2.5	0.9	1.5
World trade volumes	10.4	5.4	2.4	3.4

1. National Treasury forecast

Source: IMF World Economic Outlook, January 2023

4.3.2 Domestic Outlook

The post-pandemic period has been characterised by an uneven recovery. In 2021, the economy grew by 4.9 per cent after accounting for inflation. The 2022 growth estimate has been revised upwards to 2.5 per cent from 1.9 per cent at the time of the 2022 MTBPS. However, projected economic growth for 2023 has been revised downwards to the lowest level since 2020.

Countervailing factors have made it difficult to assess the economic outlook:

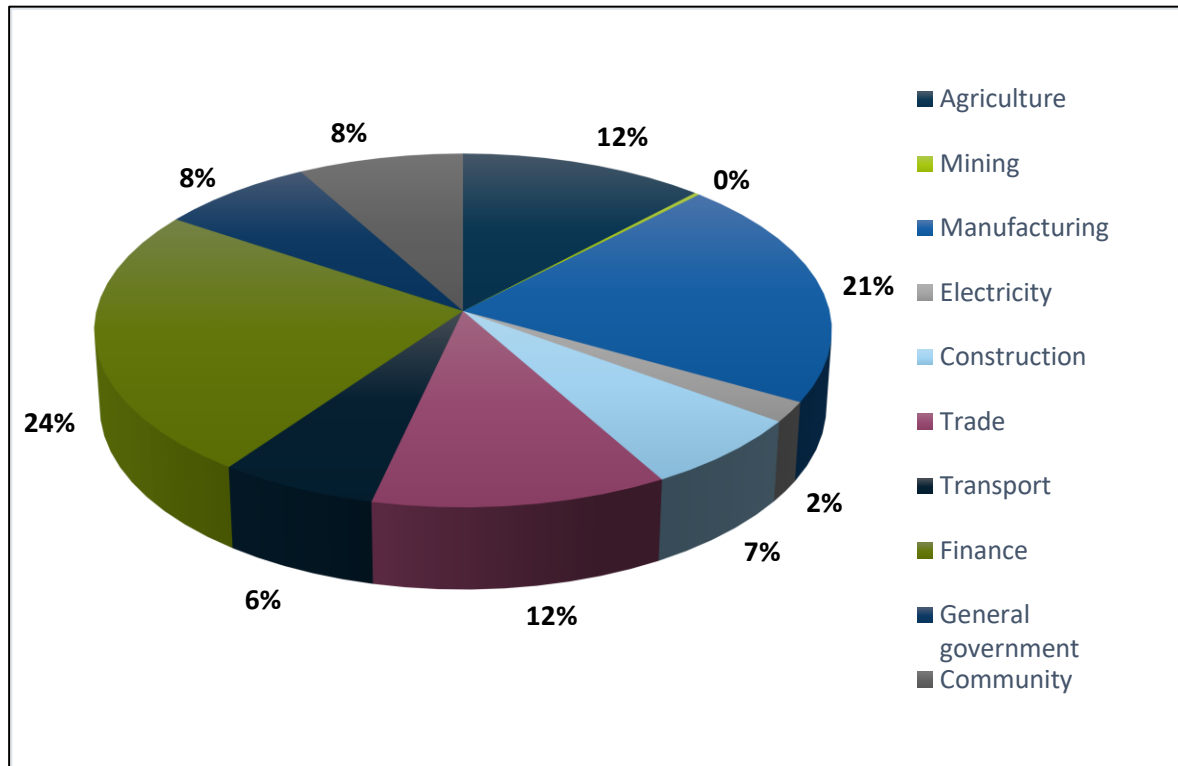
- Prolonged power failures and poor operational performance of transport industries continue to hamper operations and investment in manufacturing, mining and agriculture.
- Global inflation reached 8.8 per cent in 2022. A concerted effort by central banks to combat inflation has led to the strengthening of the US dollar, higher borrowing and debt-service costs for government and other borrowers, lower investment and consumer demand, and lower growth.
- The reopening of China's economy, and the consequent pick-up in global trade and demand, may counteract downside factors weighing on the global outlook.

GDP is expected to grow by 0.9 per cent in real terms in 2023, compared with an estimate of 1.4 per cent at the time of the MTBPS, recovering slowly to 1.8 per cent in 2025. This rate of economic expansion is well below the pace required to generate significant employment growth and support national development.

4.3.3 Economy

The Drakenstein's Gross Value Add (GVA) came to R61.5 billion in 2020 (output at basic prices). The Tress Index of 45.7 indicates a well-diversified economy that is driven by four sectors, namely - Finance (24%); Agriculture (12%); Manufacturing (21%); and Trade (12%). Together, these four sectors contribute approximately 69% to economic output.

Graph 1: Economic Sectors (Output Contribution By Industry)



Over the last 10 years, proportional growth was experienced by mainly the Finance, Community Services and Agriculture sectors and proportional reduction in the Manufacturing Sector. The shrinking economy along with a population growth of 1.5% p.a. (2020), resulted in a reduction of GVA per capita. This will have a negative impact on average household income and increase the pressure of households to settle their municipal bill (household ability to pay risk).

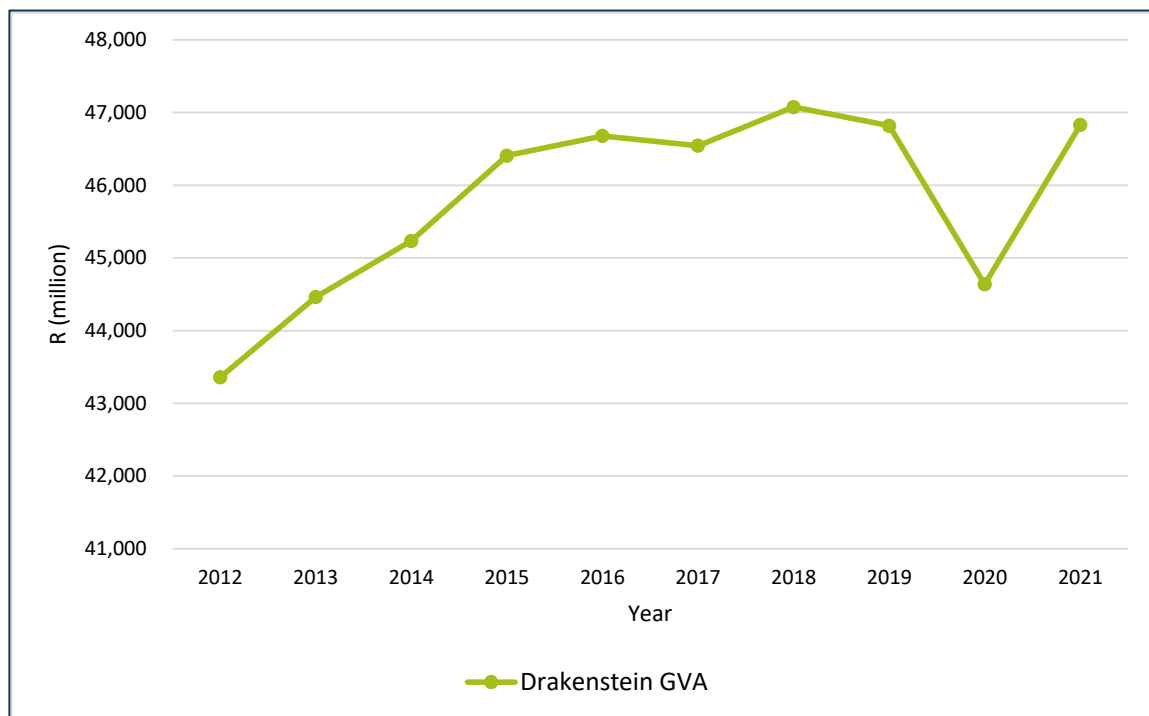
Table 83: Proportional Contribution of Economic Sectors

Industry	2011	2021
Agriculture	17.2%	16.1%
Mining	0.1%	0.1%
Manufacturing	11.2%	8.1%
Electricity	0.3%	0.3%
Construction	6.0%	6.2%
Trade	20.3%	21.1%
Transport	3.3%	3.0%

Industry	2011	2021
Finance	14.9%	17.2%
General government	6.2%	6.3%
Community	20.5%	21.5%

An analysis of the employment figures reveals that Trade (21.1%), Finance (17.2%) and Community Services (21.5%) remain the biggest contributors to employment. Total employment opportunities decreased by 2.5% from 103,684 in 2020 to 101,101 in 2021. This decrease in job opportunities is an expected result of the impact of COVID-19 lockdown which negatively impacted the economy. The decrease in employment opportunities, compared to a decrease in economically active people confirms an increase in the official unemployment rate and more importantly an increase in the number of discouraged job seekers in 2021 because of COVID-19. This highlights the need for economic growth in the region to stimulate job opportunities. The continued economic decline poses an economic risk to Drakenstein Municipality over the longer term, and ultimately negatively affects the municipality ability to generate cash revenue from the provision of services.

Graph 2: Drakenstein GVA



With reference to the above graph, it is evident that Drakenstein experienced higher levels of economic growth in the past, which enabled the municipality to extract higher municipal revenue per capita from its customers (2012 to 2014). Since 2015, however, the GVA has flattened out, and declined from 2018 to 2020 due to the impact of COVID 19. The GVA has recovered to 2019 levels by 2021.

4.4 FINANCIAL POLICIES

The Municipality have to develop financial policies that support the above. Drakenstein's financial policies shall also address the following fiscal goals:

- To keep the Municipality in a fiscally sound position in both the long- and short-term;
- To maintain sufficient financial liquidity through regular reviews and adjustments to meet normal operating and contingent obligations;
- To apply credit control policies which maximise collection while providing relief to the indigent;
- To implement credit control policies that recognise the basic policy of customer care and convenience;
- To operate utilities in a responsive and fiscally sound manner;
- To maintain and protect existing infrastructure and capital assets;
- To provide a framework for the prudent use of debt financing; and
- To direct the Municipality's financial resources toward meeting the goals of the Municipality's Integrated Development Plan (IDP).

The following is a list of all Budget-Related Policies:

- Budget and Management Oversight Policy;
- Virement Policy;
- Asset Management Policies;
- Developer Contribution Policy;
- Tariff Policy;
- Property Rates Policy;
- Credit Control and Debt Collection Policy;
- Indigent Support Policy Writing-off of Irrecoverable Debt Policy;
- Supply Chain Management Policy;
- Assets Transfer Policy;
- Cash Management and Investment Policy;
- Borrowing Policy;
- Asset Management Policy (AMP);
- Financial Asset Management Policy (FAMP);
- Long-term Financial Sustainability Policy;
- Cost Containment Policy; and
- Accounting Policy.

4.5 BUDGET ASSUMPTIONS

Drakenstein Municipality has prepared its financial plans and forecast on the basis of sound historical income and expenditure trends, and based upon latest forecasts and knowledge to date. Future years forecasts are neither worst case scenario, or overly optimistic, and as such it is seen as little value to artificially revise these estimates to create a significant negative or positive variance that is not anticipated, as this could simply be misleading to the reader of this LTFP.

In the table below (2023/2033 LTREF Key Budget Projection), the LTREF budget projection issues are depicted with the current financial year actual percentage increases and the assumed next ten financial year's increases.

Table 84: 2023/2033 LTREF Key Budget Projection

2023/2033 MTREF KEY BUDGET PROJECTIONS													
SERIAL NUMBER	DESCRIPTION	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033
COLUMN REFERENCE	A	B	C	D	E	F	G	H	I	J	K	L	M
1	GROWTH PARAMETERS												
2	Growth (GDP)	5.10%	1.90%	0.90%	1.40%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
3	Headline inflation rates	5.20%	6.90%	5.30%	4.90%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%
4	TARIFF INCREASES												
5	Property rates	-2.00%	0.00%	3.90%	3.90%	3.90%	3.90%	3.90%	4.50%	4.50%	4.50%	4.50%	4.50%
6	Refuse removal services	7.50%	7.50%	6.90%	6.90%	6.90%	6.90%	6.90%	4.50%	4.50%	4.50%	4.50%	4.50%
7	Sanitation services	6.00%	6.90%	6.50%	6.50%	6.50%	6.50%	6.50%	4.50%	4.50%	4.50%	4.50%	4.50%
8	Water services	6.00%	6.90%	6.50%	6.50%	6.50%	6.50%	6.50%	4.50%	4.50%	4.50%	4.50%	4.50%
9	Electricity consumers	14.59%	7.47%	15.10%	12.70%	15.70%	15.70%	15.70%	4.50%	4.50%	4.50%	4.50%	4.50%
10	EMPLOYEE RELATED COSTS												
11	Wage bill cost-of-living increases	3.50%	4.90%	5.40%	4.80%	4.80%	4.80%	4.80%	4.80%	4.80%	4.80%	4.80%	4.80%
12	Estimated notch increase	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%
13	BULK PURCHASES												
14	Bulk Purchases - Electricity	17.80%	8.61%	18.49%	14.70%	17.70%	17.70%	17.70%	17.70%	17.70%	17.70%	17.70%	17.70%
15	Bulk Purchases - Water	5.00%	5.30%	11.20%	4.90%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%
16	GRANTS: NATIONAL												
17	Equitable share	R 171,259,000	R 194,355,000	R 215,718,000	R 236,911,000	R 261,660,000	R 261,660,000	R 261,660,000	R 261,660,000	R 261,660,000	R 261,660,000	R 261,660,000	R 261,660,000
18	Other National grants	R 80,703,000	R 83,678,000	R 405,839,000	R 672,739,000	R 563,739,000	R 66,739,000	R 66,739,000	R 66,739,000	R 66,739,000	R 66,739,000	R 66,739,000	R 66,739,000
19	GRANTS: PROVINCIAL												
20	Provincial grants	R 79,200,000	R 56,962,000	R 91,304,000	R 53,230,000	R 96,536,000	R 78,116,000	R 78,116,000	R 78,116,000	R 78,116,000	R 78,116,000	R 78,116,000	R 78,116,000
21	GRANTS: DISTRICT MUNICIPALITY												
22	Cape Winelands District Municipality	R 5,500,000	R 1,541,000	R 600,000	R -	R -	R -	R -	R -	R -	R -	R -	R -
23	GEARING												
24	Gearing ratio (NT Formula)	62.3%	55.8%	49.2%	40.7%	33.7%	27.7%	22.3%	25.5%	28.0%	30.5%	32.0%	32.6%

4.6 SITUATIONAL ANALYSIS: FINANCIAL HEALTH OVERVIEW

The liquidity levels of the organisation are under strain but have improved from 2021/22, in spite of the temporary decrease in 2019/20 due to the effects of the COVID-19 lockdown.

Current ten-year external loans of the Development Bank of Southern Africa, Standard Bank and Nedbank were restructured in December 2019 to be repaid over a period of up to 17.5 years, including redemption “holidays” until the end of 2022. During the past 2 years the cash reserves have sufficiently been grown as because of these redemption “holidays” that was received and will assist the liquidity position of the municipality in future. Due to the restructuring of the external loans of the Development Bank of Southern Africa, Standard Bank and Nedbank, no further external loans will be taken up to 2026/2027. The increase of the municipality’s revenue base is expected to reduce the current gearing ratio from 62.3% (2021/22 Audited) to an estimated 22.3% in the 2027/28 financial year.

The municipality has a significant revenue base that continues to grow compared with previous years. The municipality is still confident that the growth in medium to high income developments will be increasing, albeit much slower than expected, due to the economic impact of the lockdown in 2019/20.

4.7 OPERATING REVENUE

In order to serve the community and to render the services needed, revenue generation is fundamental for financial sustainability. The reality is that we are faced with developmental backlogs and poverty challenging our revenue generation capacity. The needs (being capital or operational of nature) always exceed the available financial resources. This becomes more obvious when compiling the annual budget and marrying it with the community’s needs as recorded in the IDP. This is a worldwide problem and therefore available financial resources should be utilised where it delivers the biggest impact on outputs and outcomes that will improve the quality of life of our local communities.

Operating revenue will now be discussed and analysed.

4.7.1 Operating revenue by source

In the table below the **operating revenue per revenue source** are indicated as follows:

- The last three audited financial years (green colour);
- The current financial year (yellow colour);
- The 2023/24 financial year (pink colour);
- The last four outgoing financial years of the MTREF (no colour) (2024/25 to 2027/28); and
- The last five outgoing years of the LTREF (blue colour) (2028/29 to 2032/33).

4.7.2 Analysis Of Projected Operating Revenue

In the table below, on the anticipated operating revenue for 2023/24 is estimated at R3.437 billion or R513.2 million (17.6%) more than the 2022/23 approved adjustments budget revenue of R2.923 billion.

The graph below depicts that Drakenstein's main operating revenue source is their service charges (electricity, water, refuse removal and sanitation charges) of R2.042 billion that represents 59.4% of operating revenue for the 2023/24 financial year. This source of revenue is projecting revenue of R3.515 billion by year five and R4.380 billion by year ten. Trading services produces the much-needed profits to subsidise community services that cannot fully be funded through property rates.

Electricity revenue is the bulk of this revenue representing 43.9% or R1.510 billion of operating revenue. Electricity tariffs over the MTREF period increase at a slower rate than the bulk purchases from Eskom increase.

The Municipality must be weary as this revenue source is under threat, due to the ongoing problem of load shedding, resulting in no usage when load shedding occurs and the movement of consumers to alternative off-grid energy sources - such as photovoltaic systems (solar panels) - as to secure their own supply of electricity. The prevalence of loadshedding with stages 5 and 6 applied in the recent months and the strong possibility of stages 7 and 8 during the coming winter months, has already required a downward adjustment of approximately R155.2 million, from the March 2023 tabled to the approved budget in May 2023. To counter the revenue loss associated with consumers moving off-grid, the Municipality has already in prior years introduced a lower reselling rate for generated excess electricity back to the Municipality. The co-generated units will be credited against the units consumed, but not against the basic charges. Furthermore, the total co-generated units will expire on 30 June each year.

Water represents 6.0% or R215.2 million of operating revenue followed by refuse removal revenue (4.6%) and sanitation revenue (4.2%).

The second highest operating revenue source is property rates with an amount of R455.4 million that represents 12.7% of operating revenue. This revenue source increases to R532.1 million by year five and R651.8 million by year ten.

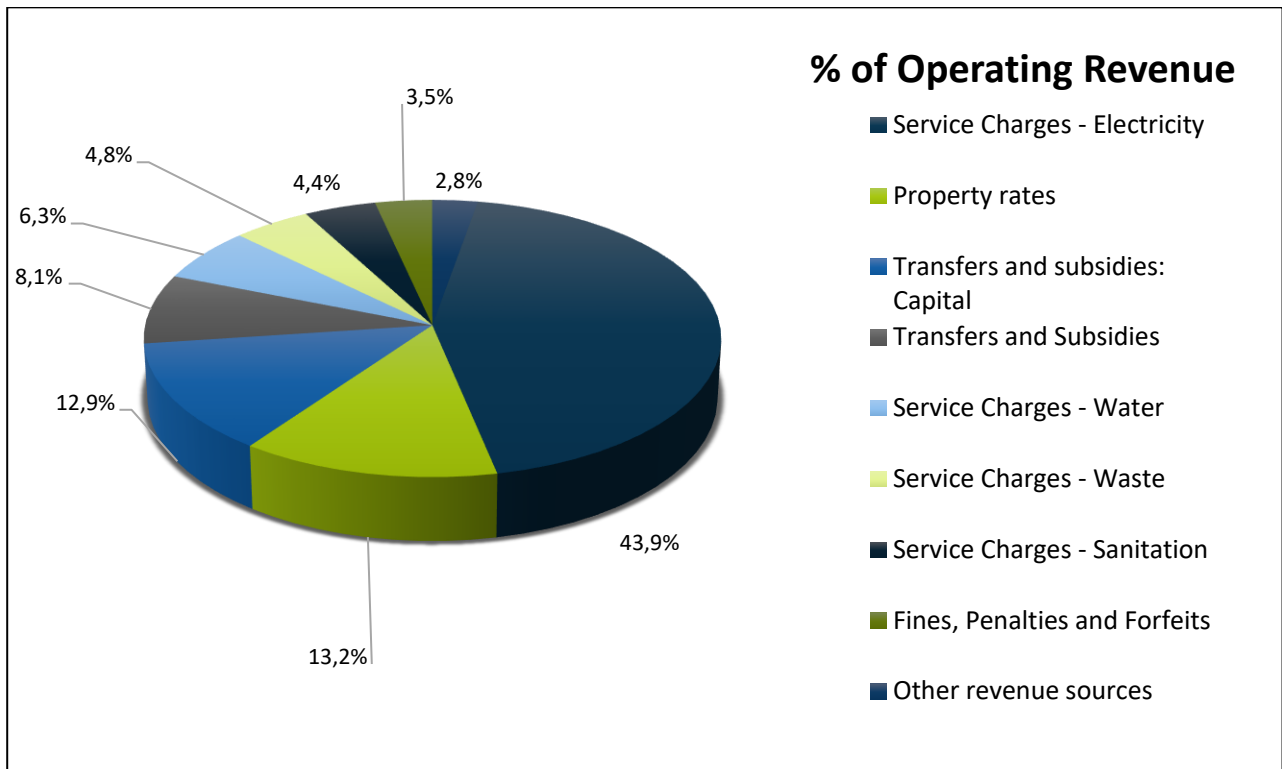
Capital government grants of R445.4 million are the third highest operating revenue source and represents 12.% of operating revenue.

Operating government grants of R278.7 million are the fourth highest operating revenue source and represents 7.7% of operating revenue. The bulk of this grant is the Municipality's equitable share from the national fiscus and for the building of houses for the poorest of the poor. The housing grant will fluctuate from year to year depending on the housing programme funds made available through the National and Provincial Housing Programme.

Table 85: Operating Revenue per Category

2023/2033 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY																
Serial Number	Description	2019/2020 Audited Actual R'000	2020/2021 Audited Actual R'000	2021/2022 Audited Actual R'000	2022/2023 Original Operating Budget R'000	2022/2023 Adjustment Operating Budget R'000	2023/2024 Original Operating Budget R'000	2024/2025 Indicative Operating Budget R'000	2025/2026 Indicative Operating Budget R'000	2026/2027 Indicative Operating Budget R'000	2027/2028 Indicative Operating Budget R'000	2028/2029 Indicative Operating Budget R'000	2029/2030 Indicative Operating Budget R'000	2030/2031 Indicative Operating Budget R'000	2031/2032 Indicative Operating Budget R'000	2032/2033 Indicative Operating Budget R'001
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Property rates	311,892	343,711	416,884	421,689	434,101	455,372	472,701	490,532	510,891	532,065	554,116	577,081	600,998	625,906	651,847
2	Service Charges - Electricity	1,172,378	1,231,861	1,382,372	1,491,502	1,434,602	1,510,137	1,866,827	2,145,311	2,478,840	2,864,014	2,992,895	3,127,575	3,268,316	3,415,390	3,569,083
3	Service Charges - Water	163,949	152,068	171,167	188,808	187,808	215,254	222,074	231,265	243,260	234,207	244,746	255,760	267,269	279,296	291,864
4	Service Charges - Sanitation	116,384	123,949	128,521	137,099	140,876	151,600	160,293	169,349	182,741	197,003	205,869	215,133	224,814	234,930	245,502
5	Service Charges - Waste	124,773	128,407	138,893	149,217	152,930	165,183	174,833	184,592	201,805	220,198	230,107	240,461	251,282	262,590	274,406
6	Rental from Fixed Assets	15,983	5,181	5,241	5,080	4,097	5,587	4,799	4,025	4,959	6,192	7,730	9,650	12,048	15,041	18,778
7	Interest earned - external investments	6,153	5,223	9,673	6,000	17,500	35,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
8	Interest earned - outstanding debtors	7,261	8,145	8,442	8,598	10,633	11,375	12,306	13,322	14,431	15,641	16,953	18,375	19,917	21,588	23,399
9	Fines, Penalties and Forfeits	82,126	128,603	105,224	107,354	120,113	120,113	120,113	120,113	120,113	120,113	120,113	120,113	120,113	120,113	120,113
10	Licences or Permits	5,695	2,622	3,571	3,274	3,274	3,447	3,616	3,786	3,964	4,150	4,346	4,550	4,764	4,987	5,222
11	Agency Services	0	17,488	16,708	18,469	18,469	19,282	20,150	21,056	22,004	23,038	24,121	25,254	26,441	27,684	28,985
12	Transfers and Subsidies	193,366	233,236	204,172	252,396	234,608	278,722	281,141	348,496	342,076	342,076	342,076	342,076	342,076	342,076	342,076
13	Other Revenue	31,575	23,601	32,928	32,840	20,578	21,309	22,350	23,392	24,482	25,633	26,838	28,099	29,420	30,802	32,250
14	Gains	(809)	6,581	20,654	14,238	14,238	0	0	0	0	0	0	0	0	0	0
15	Transfers and subsidies: Capital	180,714	177,436	117,813	79,249	129,986	444,641	688,489	580,051	73,051	73,051	73,051	73,051	73,051	73,051	73,051
16	Total Operating Revenue	2,411,440	2,588,114	2,762,262	2,915,815	2,923,813	3,437,023	4,072,691	4,358,290	4,245,617	4,680,381	4,865,959	5,060,179	5,263,508	5,476,455	5,699,576

Graph 3: Operating Revenue Distribution for the 2023/24 Financial Year



Operating revenue shown in the graph is further broken down and depicted in the graph below for the MTREF and LTREF. The revenue sources are clustered into six main revenue sources. Electricity revenue (dark blue colour) is clearly the main source of revenue. Water/sanitation/refuse revenue (green colour) is the second highest cluster of revenue followed by grant revenue (grey colour), property rates (blue colour), Fines, penalties and forfeits (light blue colour) and other revenue (light green colour).

Trends over the years suggest that electricity revenue represented 48.6% of operating revenue in 2019/20 compared with the 49.1% of the 2022/23 adjustments budget, the 43.9% for 2023/24, the estimated 61.2% in 2027/28 and 62.6% in 2032/33. Electricity revenue remains the main revenue source for the Municipality.

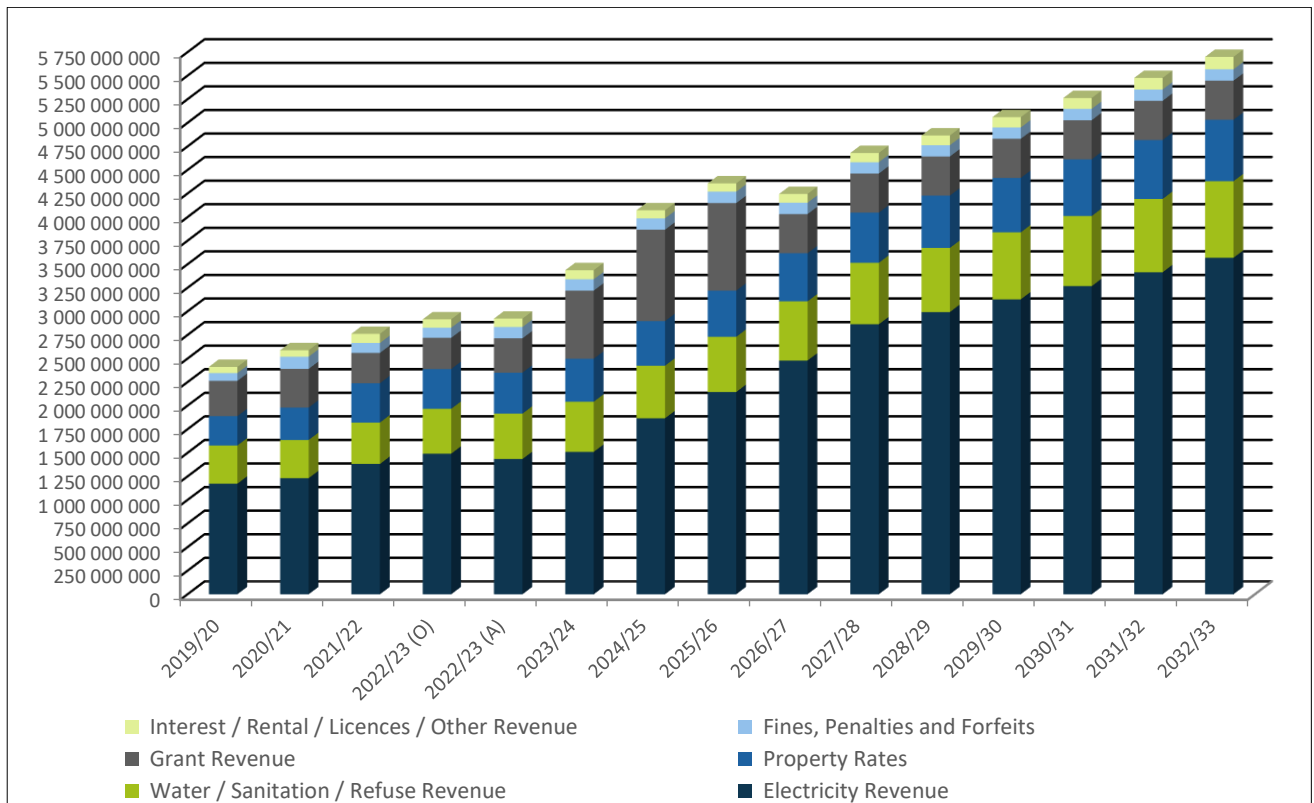
Water, sanitation and refuse removal revenue represented 16.8% of operating revenue in 2019/20 compared with the 16.5% of the 2022/23 adjustments budget, the 15.5% for 2023/24, the estimated 13.9% in 2027/28 and 14.2% in 2032/33.

Property rates revenue represented 12.9% of operating revenue in 2019/20 compared with the 14.9% of the 2022/23 adjustments budget, the 13.2% for 2023/24, the estimated 11.4% in 2027/28 and 11.4% in 2032/33.

Grant revenue represented 15.5% of operating revenue in 2019/20 compared with the 12.4% of the 2022/23 adjustments budget, the 21.0% in 2023/24 the estimated 8.9% in 2027/28 and 7.3% in 2032/33.

The increase in the grant revenue over the MTREF, as the municipality has been allocated R305 million in 2024/25, R593 million in 2025/26 and R481 million in 2026/27 to upgrade sanitation infrastructure, through the Budget Facility for Infrastructure.

Graph 4: Operating Revenue in Main Revenue Clusters



Drakenstein seems not to be depended on government grants for operational purposes, but, it should be noted that maybe the Municipality are not receiving sufficient funds from the national fiscus to eradicate the backlog in housing for the poorest of the poor and to render free basic services to indigent households through the equitable share. Due to the COVID-19 epidemic and the resulting economic impact, it is expected that grants revenue will reduce significantly over the MTREF, however the impact cannot be determined at this stage.

Other revenue, i.e. interest earned, rental revenue, licenses, gains on the disposal of property, plant and equipment and other sundry revenue income (grey colour) and fines, penalties and forfeits (light blue colour) represents the remaining revenue resources. Even combined in a cluster they contribute the least to Drakenstein's operating revenue base.

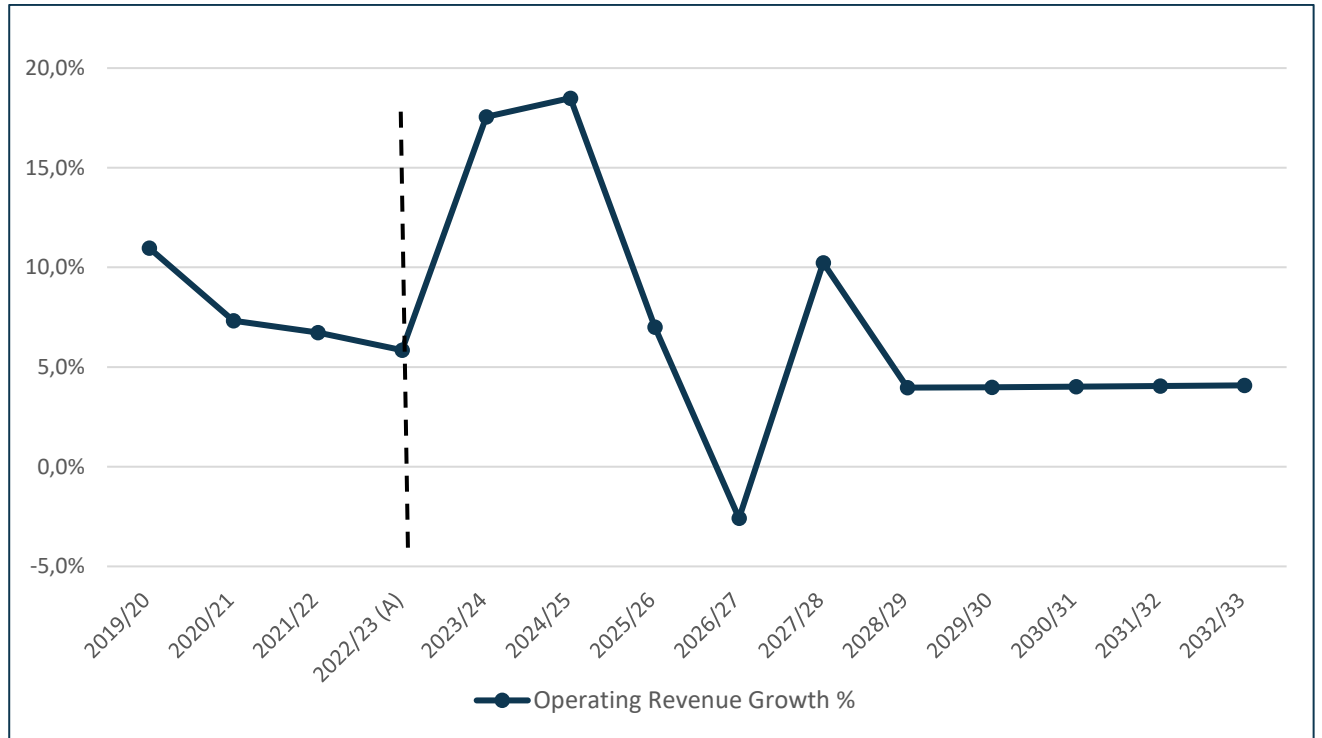
4.7.3 Revenue adequacy and certainty

It is essential that Drakenstein has access to adequate sources of revenue from its own operations and intergovernmental transfers to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to the source, amount and timing of revenue. The latest DoRA has laid out the level of funding from National Government that will be received for the 2023/24 to 2025/26 financial years, and from initial indicators, the equitable share for Drakenstein will on average increase with 10.42% per year over the MTREF.

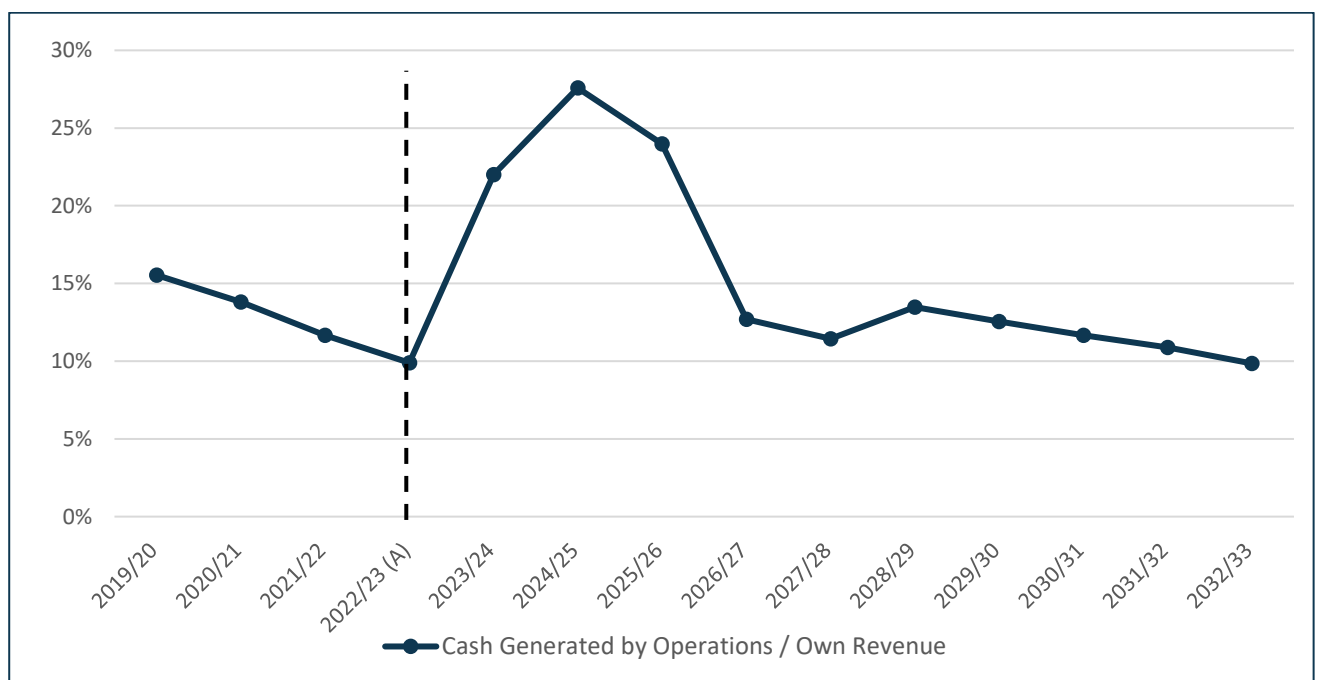
It is important to track the respective sources of revenue received by the Municipality as they can be quite different and can vary substantially depending upon the development phase that the Municipality is in. Knowledge of the sources of funding will illustrate the Municipality's position more

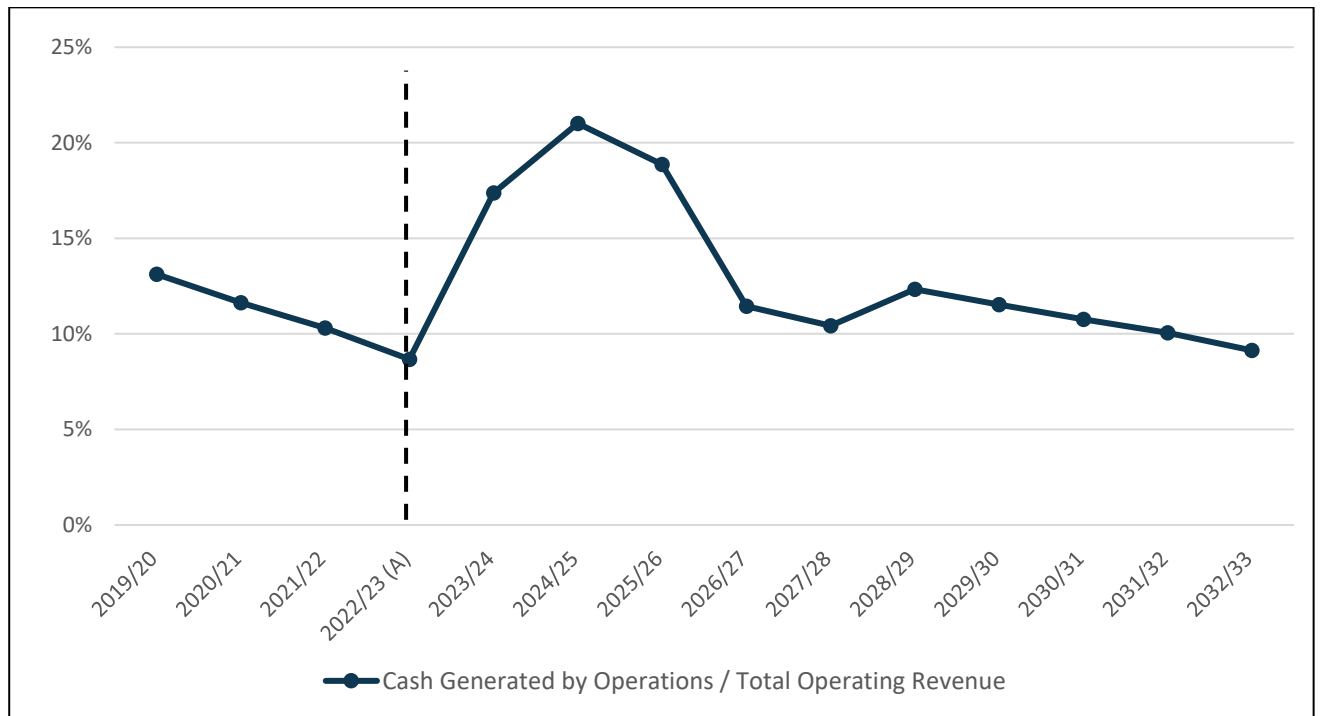
accurately, its ability to secure loans relative to its income and its borrowing capacity. From the Graph below it is estimated that revenue will grow between 4.9% and 6.7% over the LTREF.

Graph 5: Operating Revenue Growth %



Graph 6: Cash Generated by Operations/Own Revenue



Graph 7: Cash Generated by Operations/Total Operating Revenue

4.8 OPERATING EXPENDITURE

Operating expenditure budgeting is done on a zero-base budget approach where possible. This was done since the adjustments budget was approved by Council in February 2014 and the 2014/15 operating budget approved by Council in May 2014. For the 2023/24 budget further emphasis was placed on preparing a zero-based budget. Other best practice methodologies relating to operating expenditure include infrastructure repairs and maintenance as a priority; budgeted expenditure to be funded by realistically anticipated cash backed revenues; and, operational gains and efficiencies to result in operating surpluses to fund capital expenditure from own cash backed funds. The latter is a great challenge.

4.8.1 Operating expenditure by category

The table below depicts the main category of operating expenditure as follows:

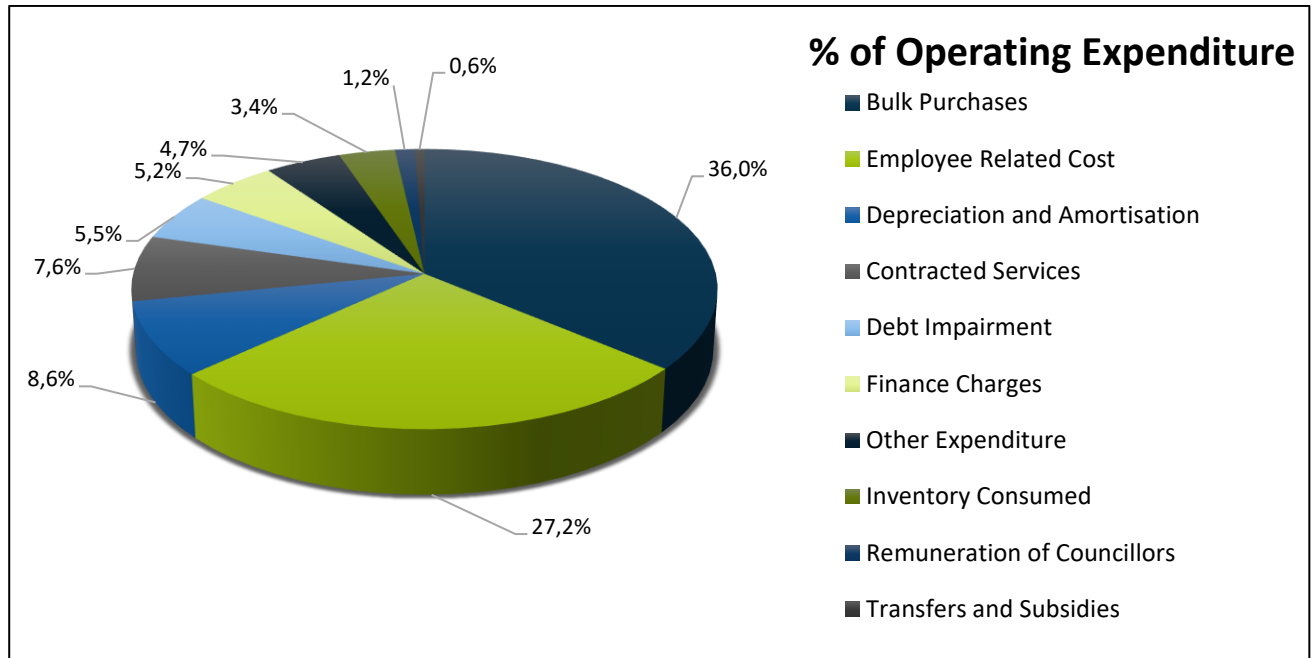
- The last three audited financial years (green colour);
- The current financial year (yellow colour);
- The 2023/24 financial year (pink colour);
- The last four outgoing financial years of the MTREF (no colour) (2024/25 to 2027/28); and
- The last five outgoing years of the LTREF (blue colour) (2028/29 to 2032/33).

4.8.2 Analysis of Operating Expenditure

The total operating expenditure forecasted for the 2023/24 financial year (table hereafter) reflects an increase of 6.2% to an amount of R3.065 billion compared with the projected

operating expenditure of R2.886 billion for the 2022/23 adjustment budget. Operating expenditure forecasts an increase to R4.550 billion in year five and R5.700 billion by year ten.

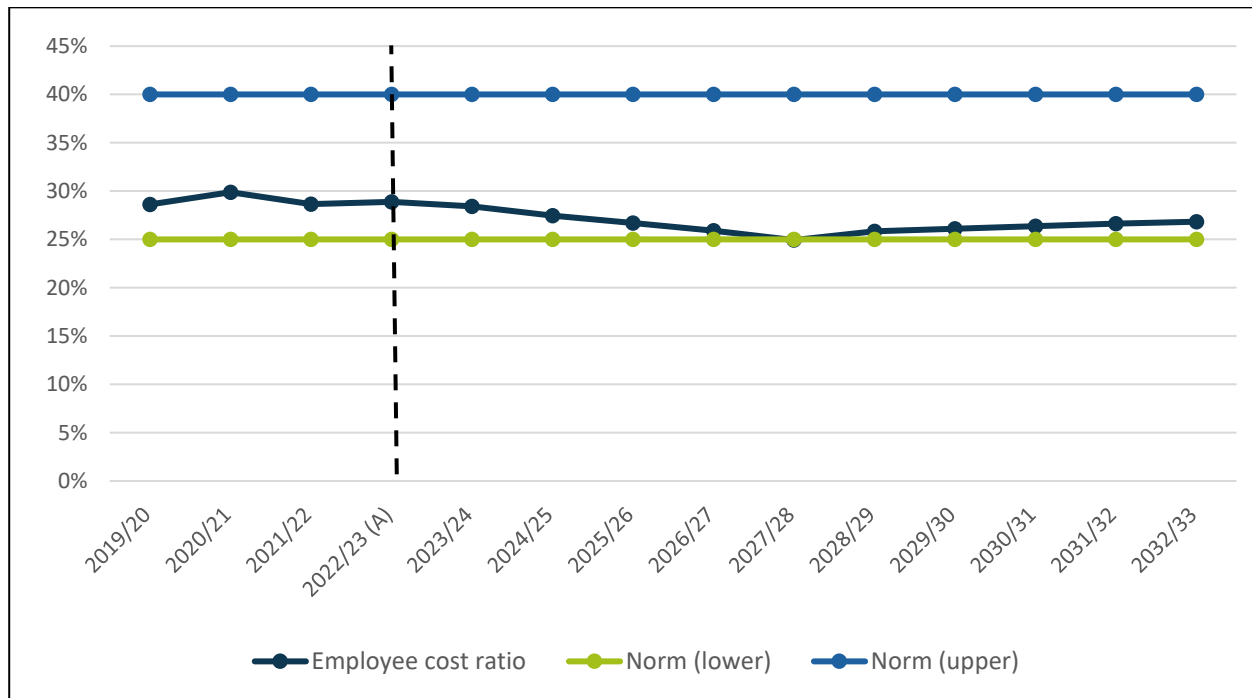
Graph 8: Operating Expenditure Distribution for the 2023/24 Financial Year



Drakenstein's main operating expenditure category is their bulk electricity purchases of R1.104 billion that represents 36.0% (graph above) of total **operating expenditure for the 2023/24** financial year. This expenditure category is projecting an expenditure of R2.209 billion by year five and R2.534 billion by year ten. As mentioned before bulk electricity purchases grow at a higher percentage than the percentage in electricity tariff increases.

The second highest operating expenditure category is employee related costs with an amount of R834.2 million that represents 27.2% of total operating expenditure. This expenditure category increases to R1.089 billion by year five and R1.473 billion by year ten. MFMA Circular No 71 of 17 January 2015 determines that the ratio of employee cost as a percentage (%) of operating expenditure of between 25% and 40% are deemed acceptable – depending on the kind and size of municipality. Over the LTREF it remains below the 30% mark.

Graph 9: Contribution per Expenditure Item: Employee cost & Council remuneration



Depreciation on capital assets is the third highest operating expenditure category with an amount R264.2 million that represents 8.6% of total operating expenditure. This expenditure category increase to R326.1 million by year five and R468.2 million by year ten.

Contracted services are the fourth highest operating expenditure category with an amount of R231.5 million that represents 7.6% of total operating expenditure. This expenditure category increase to R302.1 million by year five and R363.3 million by year ten. Over the LTREF it fluctuates above the norm of 5% of total operating expenditure.

Graph 10: Contribution per expenditure item: Contracted Services

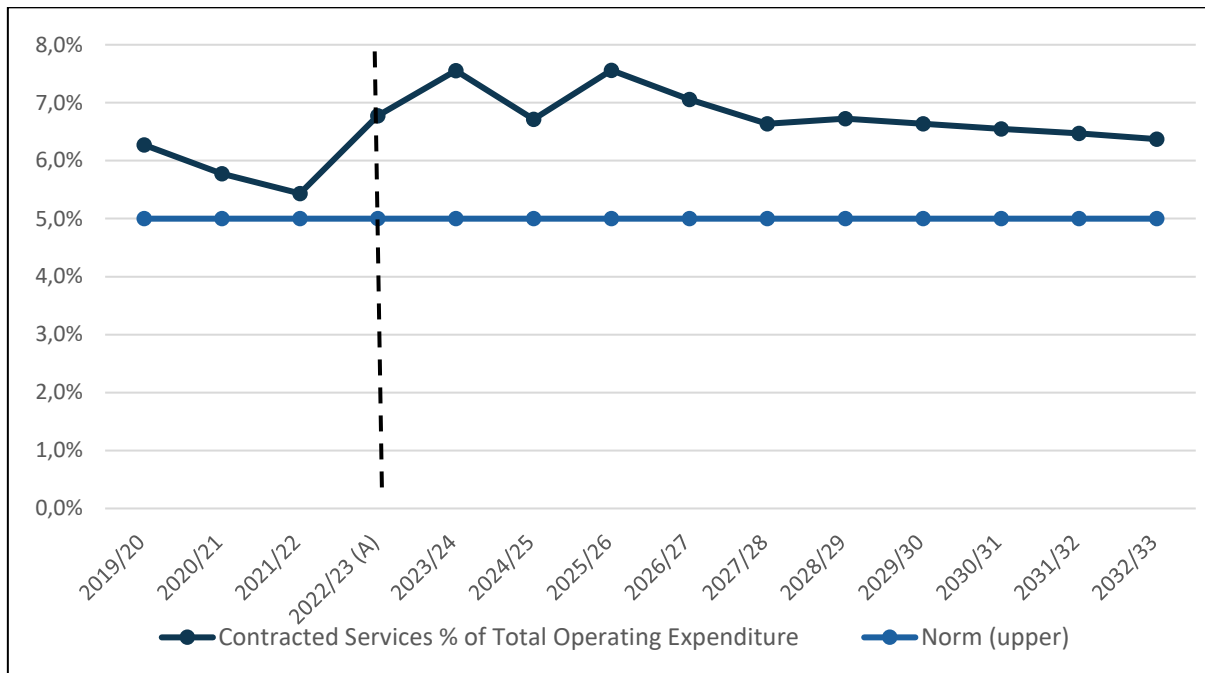


Table 86: Operating Expenditure by Category

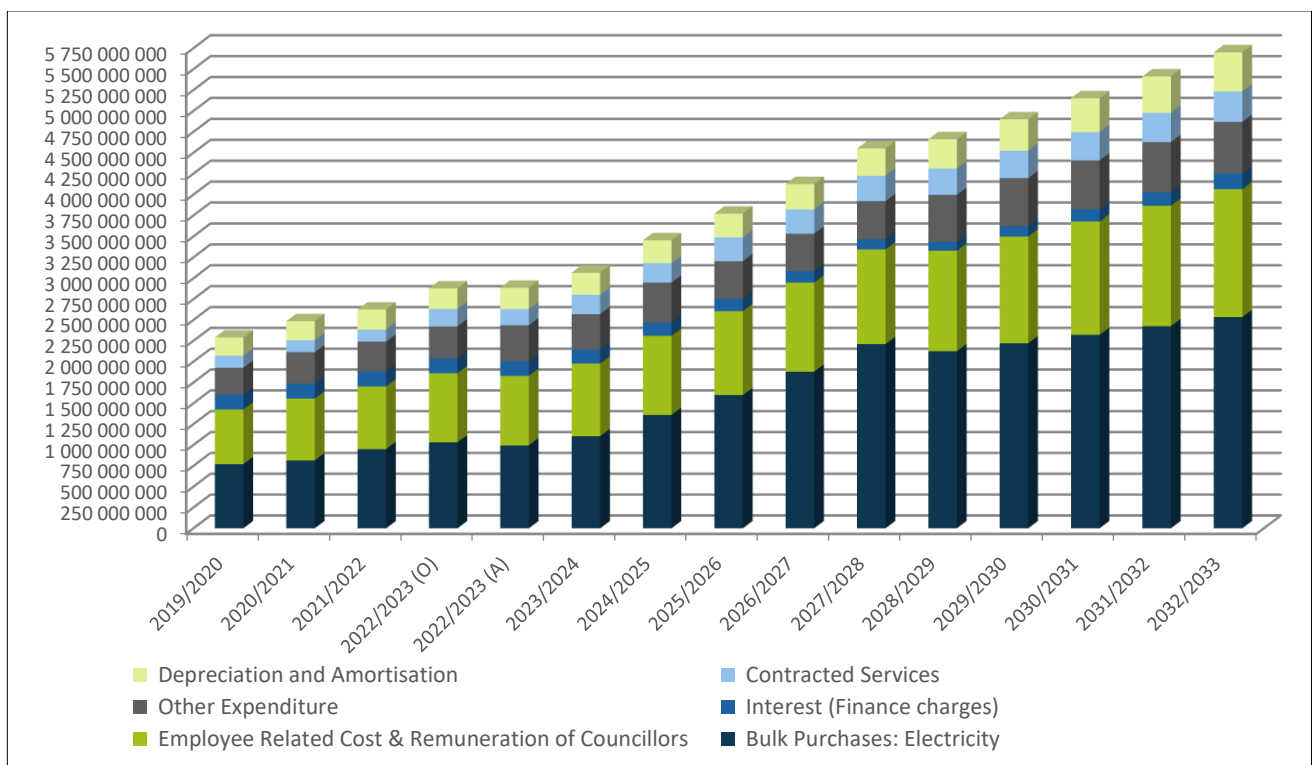
2023/2023 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY																
Serial Number	Description	2019/2020 Audited Actual R'000	2020/2021 Audited Actual R'000	2021/2022 Audited Actual R'000	2022/2023 Original Operating Budget R'000	2022/2023 Adjustment Operating Budget R'000	2023/2024 Original Operating Budget R'000	2024/2025 Indicative Operating Budget R'000	2025/2026 Indicative Operating Budget R'000	2026/2027 Indicative Operating Budget R'000	2027/2028 Indicative Operating Budget R'000	2028/2029 Indicative Operating Budget R'000	2029/2030 Indicative Operating Budget R'000	2030/2031 Indicative Operating Budget R'000	2031/2032 Indicative Operating Budget R'000	2032/2033 Indicative Operating Budget R'001
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Employee Related Cost	624,182	711,273	720,320	793,646	798,753	834,245	909,542	965,757	1,025,644	1,089,471	1,157,269	1,229,287	1,305,786	1,387,046	1,473,362
2	Remuneration of Councillors	31,027	31,101	31,293	35,255	35,255	37,159	38,943	40,812	42,771	44,824	46,975	49,230	51,593	54,070	56,665
3	Debt Impairment	153,782	175,241	118,823	146,752	183,164	159,517	180,971	183,841	168,311	171,446	272,193	279,857	287,882	296,286	305,091
4	Depreciation and Amortisation	218,662	227,947	242,076	246,074	255,000	264,180	273,690	283,543	303,391	326,146	350,607	376,902	405,170	435,558	468,224
5	Finance Charges	178,731	179,831	180,162	176,521	176,521	167,161	158,991	147,644	135,921	123,176	107,701	125,959	144,382	159,195	187,901
6	Bulk Purchases	769,607	814,164	949,764	1,030,974	994,574	1,104,485	1,360,124	1,598,510	1,879,090	2,209,333	2,124,955	2,220,578	2,320,504	2,424,927	2,534,049
7	Inventory Consumed	65,713	74,714	88,188	83,635	93,227	105,239	108,737	115,395	122,758	130,708	139,172	148,184	157,781	167,998	178,877
8	Contracted Services	143,553	143,484	142,623	209,869	195,580	231,514	231,962	285,177	291,173	302,109	313,455	325,227	337,441	350,114	363,263
9	Transfers and Subsidies	16,657	8,534	15,344	27,160	25,222	18,245	36,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910
10	Other Expenditure	87,114	109,233	121,875	128,117	128,833	143,216	153,412	144,256	150,453	146,060	141,795	137,655	133,636	129,734	125,946
11	Losses	(299)	8,900	13,934	0	0	0	0	0	0	0	0	0	0	0	0
12	Total Operating Expenditure	2,288,728	2,484,422	2,624,404	2,878,003	2,886,130	3,064,960	3,453,282	3,771,846	4,126,422	4,550,182	4,661,032	4,899,790	5,151,084	5,411,837	5,700,289

Operating expenditure trends over the years shown in the table above and are depicted in the graph hereafter.

The operating expenditure is clustered into six main expenditure types. Bulk purchases electricity (dark blue colour) is clearly the main expenditure type; employee related costs (green colour) are the second highest cluster of expenditure type, followed by depreciation and amortisation (light green colour), contracted services (light blue colour), finance charges (blue colour) and other expenditure (inventory and other (grey colour)).

It is clear from the table above that bulk purchases and employee related costs are significantly higher than the other expenditure categories and it is also clear that the significant gap between bulk purchases and employee related costs over the nine years under review are closing. The high increases well above the inflation rate over these years with regard to bulk electricity purchases from Eskom and the salary bill is skewing the picture and is certainly hurting our economy and that of the region, province and country.

Graph 11: Operating Expenditure per Category



Included in other expenditure is grant expenditure (transfers and subsidies) which fluctuates from year to year and is dependent on the grant allocations made, Drakenstein has endeavoured to reduce the provision of grants in cash and focus on the provision of grants in kind over the MTREF – in line with the Council's Cost Containment Policy.

4.9 OPERATING BUDGET RESULTS

In the table below, the operating budget forecasted for the 2023/24 financial year reflects an operating of R377.1 million. This position should change into a more balanced budget and an operating surplus in 2027/28 to the amount of R130.2 million, by year ten (2032/33) this will decrease to a deficit of R0.7 million.

The long-term aim is to generate operating surpluses and even higher cash surpluses through economic growth and development. These cash surpluses will be used to build the Capital Replacement Reserve (CRR) for the funding of future capital expenditure. The more Drakenstein fund from own funds the less Drakenstein has to borrow from the open market to finance capital expenditure.

Table 87: Operating Surplus

2023/2033 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY																
Serial Number	Description	2019/2020 Audited Actual R'000	2020/2021 Audited Actual R'000	2021/2022 Audited Actual R'000	2022/2023 Original Operating Budget R'000	2022/2023 Adjustment Operating Budget R'000	2023/2024 Original Operating Budget R'000	2024/2025 Indicative Operating Budget R'000	2025/2026 Indicative Operating Budget R'000	2026/2027 Indicative Operating Budget R'000	2027/2028 Indicative Operating Budget R'000	2028/2029 Indicative Operating Budget R'000	2029/2030 Indicative Operating Budget R'000	2030/2031 Indicative Operating Budget R'000	2031/2032 Indicative Operating Budget R'000	2032/2033 Indicative Operating Budget R'001
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Total Operating Revenue	2,411,440	2,588,114	2,762,262	2,915,815	2,923,813	3,437,023	4,072,691	4,358,290	4,245,617	4,680,381	4,865,959	5,060,179	5,263,508	5,476,455	5,699,576
2	Total Operating Expenditure	2,288,728	2,484,422	2,624,404	2,878,003	2,886,130	3,064,960	3,453,282	3,771,846	4,126,422	4,550,182	4,661,032	4,899,790	5,151,084	5,411,837	5,700,289
3	Operating Surplus/(Deficit)	122,712	103,691	137,858	37,812	37,683	372,062	619,409	586,444	119,195	130,199	204,927	160,389	112,424	64,619	(713)

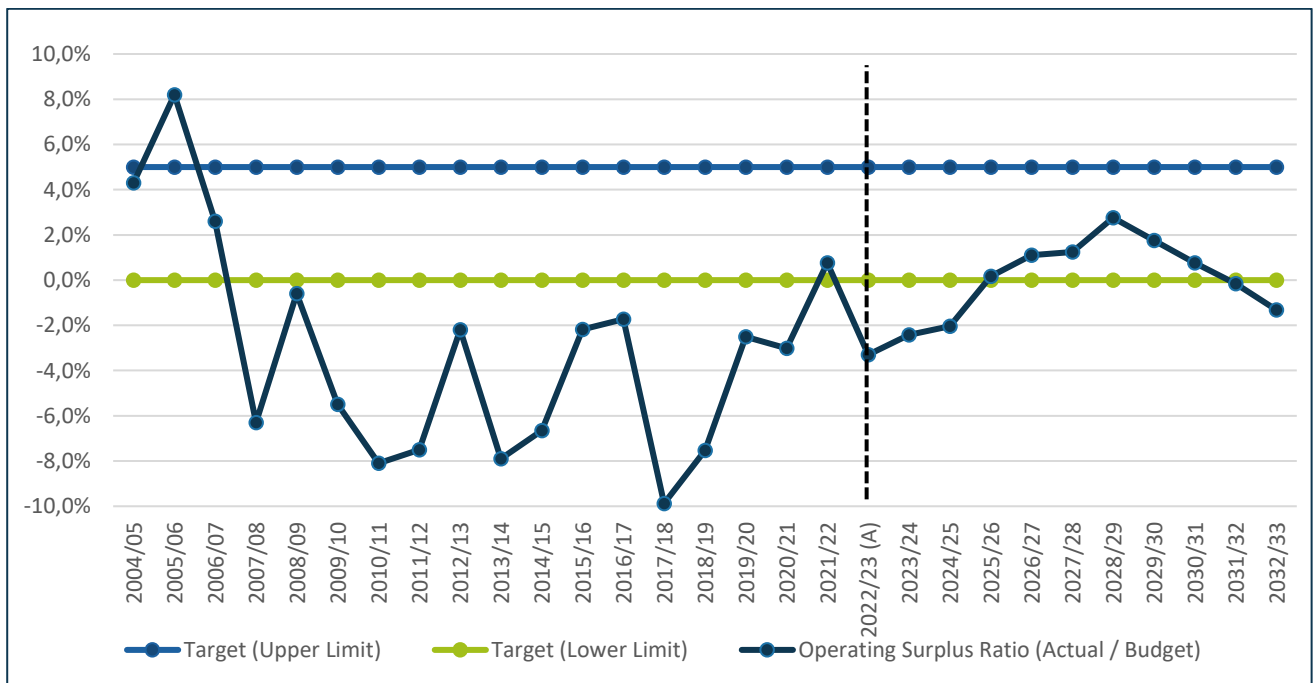
The information below has been populated in the graph below to present a picture of Drakenstein's **Operating Surplus Ratio** developed in terms of the **Long-Term Financial Sustainability Policy**. It is clear from the dark blue line that Drakenstein Municipality's operating results until the 2010/11 financial year was moving downwards towards a financial unsustainable position. The dark blue line represents the current expected trend.

The actual audited results of 2012/13 produced an operating surplus ratio moving upwards towards a more financial sustainable position. The 2013/14 audited results then suddenly moved downwards mainly due to a non-cash transactions (provision for the rehabilitation of landfill sites) due to environmental legislation municipalities operating budgets had to accommodate. The same environmental legislation affected Drakenstein Municipality in 2017/2018 due to a recalculation of the landfill sites rehabilitation costs.

The 2023/33 LTREF clearly shows that Drakenstein has absorbed these temporary setbacks of the past few years and the operating surplus ratio projects further positive movements towards long-term financial sustainability. The below graph shows an improvement in the operating surplus ratio for the 2023/24 financial year compared with the 2022/23 operating surplus ratio.

This position can significantly also change if Drakenstein's tax base increases with new middle and high-income housing developments, business and industrial developments. In the long-term planning, the timing of the implementation of the developments have been pushed out to the LTREF. A conservative provision for the increase of operating revenue through additional developments has been made in the LTREF budget, as to ensure that budgeted anticipated revenue is realistic and secure.

Graph 12: Operating Surplus Ratio



The focus will now shift to the discussion of capital expenditure trends.

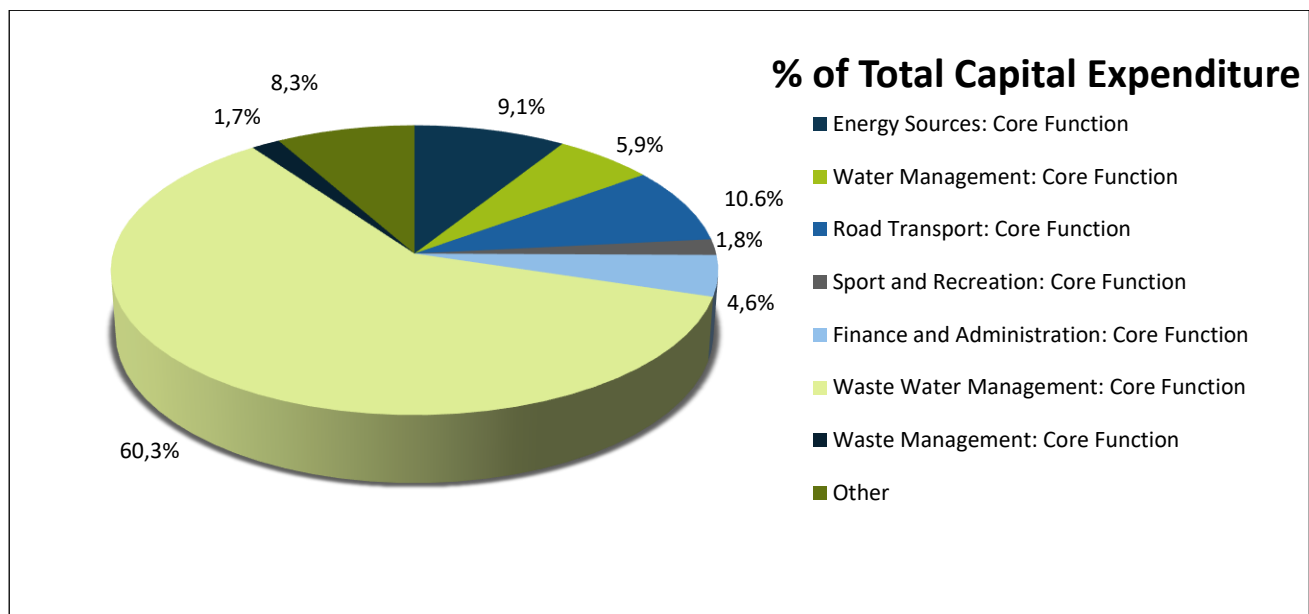
4.10 CAPITAL EXPENDITURE

4.10.1 Capital expenditure by standard classification

The table below (*Capital Expenditure Distribution per Standard Classification for the 2023/24 Financial Year*) depicts the main types of capital expenditure as per the Government Financial Statistics (GFS) standard classification. The four standard classifications are:

- Governance and administration comprising of the sub-categories of executive and council; budget and treasury office; and, corporate services (including vehicles, equipment and IT related products);
- Community and public safety comprising of the sub-categories of community and social services; sport and recreation; public safety; housing; and, health;
- Economic and environmental services comprising of the sub-categories of planning and development; road transport; and, environmental protection; and
- Trading services comprising of the sub-categories of electricity; water; wastewater management; and, waste management.

Graph 13: Capital Expenditure Distribution per Standard Classification for the 2023/24 Financial Year



The amounts in the table hereafter and the percentages in the Graph (*Capital Expenditure Distribution per Standard Classification for the 2023/24 Financial Year*) above reflect the standard classification and its sub-category allocations as a percentage of the total capital budget. Due to the developmental nature of a capital budget it only makes sense to look at what percentage of the available scarce financial resources are spent in what standard classification of capital expenditure. The focus must be on the investment in infrastructure that will improve the quality of life of Drakenstein's customer base and that will raise future economic benefits for the Municipality.

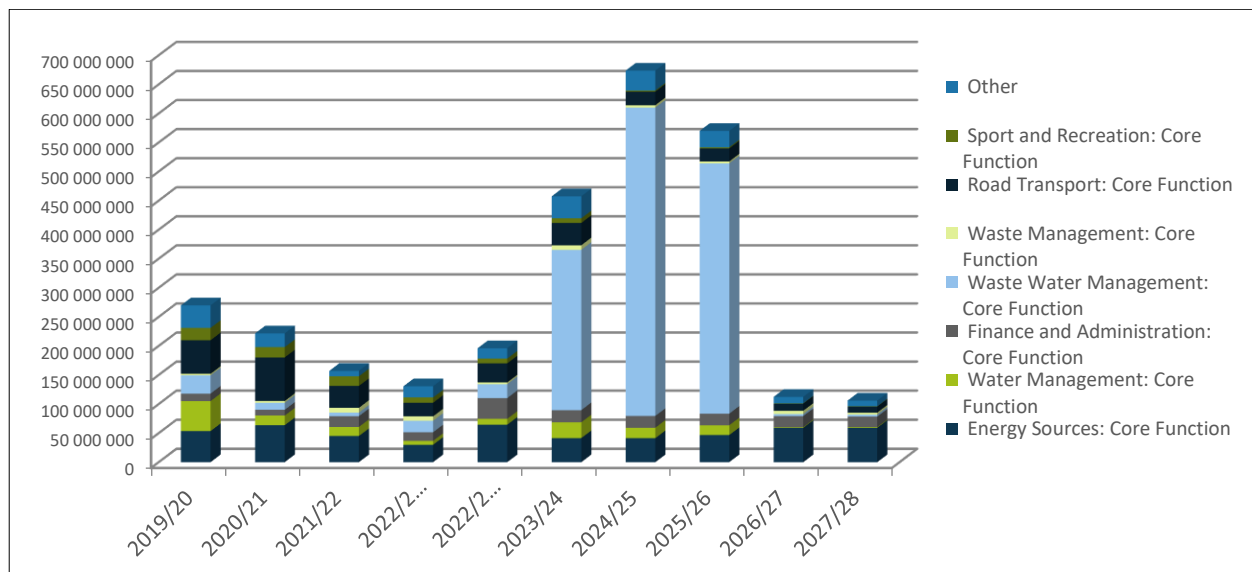
4.10.2 Analysis of the MTREF Capital Expenditure

Total capital expenditure forecasted for the 2023/24 financial year amounts to R457.4 million compared with the projected capital expenditure of R196.1 million for the 2022/23 financial year (revised budget). Capital expenditure forecasts for the outer financial years amounts to R673.7 million (2024/25), R570.0 million (2025/26), R112.4 million (2026/27) and R106.0 million in year five (2027/28).

For the 2023/24 financial year the split between the main standard classifications (GFS) as set out in the table below (**Capital Expenditure per Standard Classification**) and the graph above (**Capital Expenditure Distribution per Standard Classification for the 2023/24 Financial Year**), are as follows: Electricity receives 9.1% of the capital budget, roads receives 10.6%, water receives 5.9% and wastewater 60.3%, sport and recreation receives 1.8%, finance and administration receives 4.6%, waste receives 1.7% and other receives 8.3% (housing, community and social services, public safety and etcetera),

Capital expenditure trends over the years shown in the table below (**MTREF Capital Expenditure by Standard Classification (GFS)**) are depicted in the graph (**Capital Expenditure per Standard Classification**) below. It is clear from this graph that the majority of capital expenditure is invested in those categories previously known as trading services (water, electricity, wastewater and refuse removal infrastructure) and roads infrastructure. The investment in these infrastructure services stimulates economic growth and especially the trading services generate revenue that increases our tax base.

Graph 14: Capital Expenditure per Standard Classification



The graph below indicates the ratio for capital expenditure to operating expenditure. The National Treasury has a norm of between 10%-20%. Even in years six (2028/29) to ten (2032/33) of the LTREF, when external loans can once again be taken up, the bottom norm of 10% will barely be reached.

Graph 15: Capital Expenditure/Total Expenditure

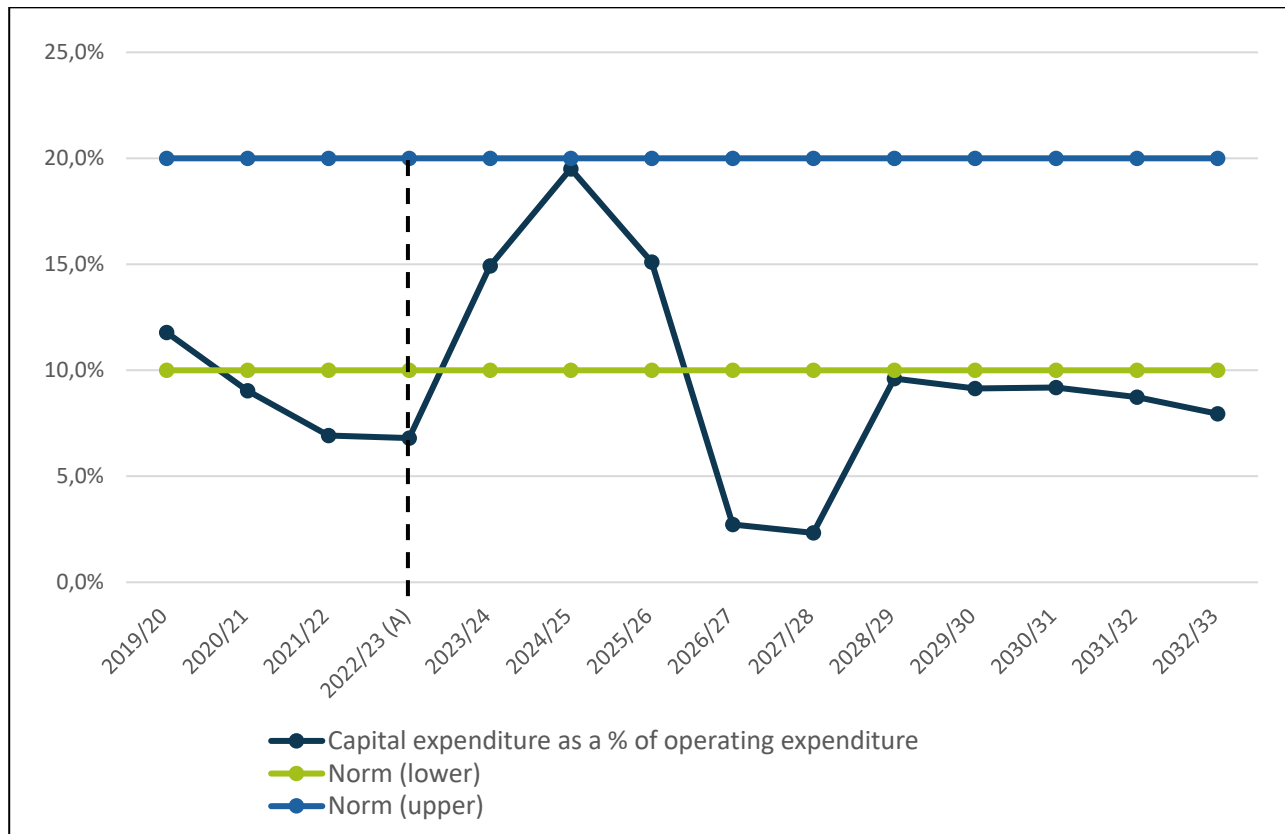


Table 88: MTREF Capital Expenditure by Standard Classification (GFS)

2023/2023 LTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER GOVERNMENT FINANCIAL STATISTICS											
Serial Number	Description	Audited Expenditure 2019/20	Audited Expenditure 2020/21	Audited Expenditure 2021/22	Original 2022/2023 Budget	2022/2023 Adjustments Budget	Original Budget 2023/2024	Indicative Budget 2024/2025	Indicative Budget 2025/2026	Indicative Budget 2026/2027	Indicative Budget 2027/2028
Column Reference	A	B	C	D	E	F	G	I	J	K	L
1	Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	1,618,168	782,344	1,046,463	-	377,834	1,325,000	1,500,000	2,000,000	1,000,000	-
2	Community and Social Services: Core Function - Community Halls and Facilities	122,797	-	1,737	600,000	858,000	-	-	-	-	-
3	Community and Social Services: Non-core Function - Cultural Matters	459,508	-	330,807	700,000	970,062	1,525,000	1,300,000	1,950,000	1,000,000	1,000,000
4	Community and Social Services: Non-core Function - Libraries and Archives	160,808	-	-	-	-	-	-	-	-	-
5	Energy Sources: Core Function - Electricity	53,542,646	63,721,887	45,041,508	29,945,652	64,529,126	41,400,797	41,339,752	46,711,125	59,056,934	59,151,891
6	Executive and Council: Core Function - Mayor and Council	2,607	-	55,050	-	95,649	-	-	-	-	-
7	Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	97,205	295,745	636,881	1,740,000	1,843,737	-	100,000	100,000	100,000	100,000
8	Finance and Administration: Core Function - Administrative and Corporate Support	3,809,203	3,573,079	11,532,534	2,293,602	3,574,595	1,139,130	50,000	-	-	-
9	Finance and Administration: Core Function - Finance	853,478	-	151,313	-	-	2,725,000	40,000	-	-	-
10	Finance and Administration: Core Function - Fleet Management	167,165	517,629	2,592,135	5,534,376	11,338,061	7,270,000	14,390,000	16,095,000	15,095,000	14,095,000
11	Finance and Administration: Core Function - Human Resources	-	-	25,160	-	-	70,250	76,775	81,103	91,563	100,119
12	Finance and Administration: Core Function - Information Technology	6,208,077	4,501,125	2,444,034	4,100,000	8,727,988	3,135,000	3,140,050	3,195,754	3,301,211	3,301,211
13	Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media Co-ordination	206,280	17,130	131,397	47,000	47,000	-	-	-	-	-
14	Finance and Administration: Core Function - Property Services	577,548	496,330	702,457	470,000	10,064,900	6,325,000	2,525,000	525,000	550,000	550,000
15	Finance and Administration: Core Function - Supply Chain Management	912,081	511,949	243,944	480,000	-	243,395	-	-	-	-
16	Finance and Administration: Non-core Function - Risk Management	30,000	1,416	-	43,000	43,000	-	-	-	-	-
17	Housing: Non-core Function - Housing	33,732,642	22,433,061	6,515,291	17,700,000	15,348,537	33,545,000	22,515,000	19,515,000	8,750,000	8,500,000
18	Internal Audit: Core Function - Governance Function	-	-	5,550	-	-	-	-	-	-	-
19	Other: Core Function - Tourism	210,000	-	-	-	-	-	-	-	-	-
20	Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	9,321	10,000	4,607	-	-	-	-	-
21	Planning and Development: Core Function - Economic Development/Planning	151,747	-	4,960	60,000	59,980	-	8,695,652	4,347,826	-	-
22	Planning and Development: Core Function - Project Management Unit	130,995	154,305	-	-	-	-	-	-	-	-
23	Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement, and City Engineer	-	-	-	-	-	-	-	-	-	-
24	Public Safety: Core Function - Fire Fighting and Protection	2,183,527	266,317	1,290,974	150,000	150,000	1,385,000	270,000	365,000	365,000	339,000
25	Public Safety: Core Function - Police Forces, Traffic and Street Parking Control	-	-	27,130	-	-	-	-	-	100,000	-
26	Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	605,211	1,267,652	1,835,978	4,530,000	5,754,617	3,750,000	1,275,000	1,100,000	1,280,000	1,464,000
27	Road Transport: Core Function - Roads	57,165,823	73,601,417	35,888,081	18,711,490	26,997,893	34,619,493	22,121,304	21,334,783	11,000,000	9,000,000
28	Sport and Recreation: Core Function - Community Parks (including Nurseries)	865,220	987,127	104,586	-	18,000	-	-	-	-	-
29	Sport and Recreation: Core Function - Recreational Facilities	4,082,520	8,475,658	4,240,903	5,300,000	2,589,616	1,775,000	900,000	-	-	-
30	Sport and Recreation: Core Function - Sports Grounds and Stadiums	16,219,397	8,323,708	12,244,943	3,950,000	5,656,988	6,325,000	1,000,000	2,000,000	500,000	500,000
31	Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	-	-	388,945	-	-	-	-	-	-	-
32	Waste Management: Core Function - Solid Waste Removal	2,539,340	3,112,861	7,681,233	1,150,000	2,894,344	2,750,000	3,960,000	3,220,000	5,220,000	3,320,000
33	Waste Management: Core Function - Street Cleaning	-	-	154,058	6,500,000	150,000	5,100,000	-	-	400,000	-
34	Waste Water Management: Core Function - Public Toilets	-	-	-	-	-	-	-	-	-	-
35	Waste Water Management: Core Function - Sewerage	2,320	-	-	-	-	-	36,000	-	-	-
36	Waste Water Management: Core Function - Waste Water Treatment	31,527,414	12,054,523	6,153,445	19,791,032	23,924,639	275,810,457	530,583,630	430,586,957	3,372,863	3,372,863
37	Water Management: Core Function - Water Distribution	51,574,113	16,551,194	15,570,633	6,803,000	10,034,749	27,204,688	17,868,043	16,842,062	1,200,000	1,200,000
38	Grand Total	269,757,843	221,646,457	157,051,452	130,609,152	196,053,922	457,423,210	673,686,206	569,969,610	112,382,571	105,994,084

4.11 LONG TERM CAPITAL EXPENDITURE FUNDING

Capital expenditure is funded through own revenue, grants and donations from outside stakeholders and external borrowings. Own revenue can only be generated through operating budget surpluses, but, this means that Drakenstein's customer base must pay for it through property rates and service charges levied.

Grants and donations through government programmes and private investors are another important funding source. Government programmes will usually give grants for bulk infrastructure services and internal infrastructure services where the investment in infrastructure is needed to provide basic services to the poor. Private investors will contribute levies to improve bulk services provision and to invest in basic infrastructure services for township development.

The capital expenditure funding trends over the past four years and forecasted five years (MTREF) under review are set out in the table hereafter (Capital Expenditure per Funding Source (MTREF Affordability Envelope) and the graphs below (Capital Expenditure per Funding Source (MTREF Affordability Envelope)). The available funding from all sources over the MTREF is referred to as the affordability envelope. In the graph below it is clear that external borrowings (blue colour) was the main source of funding of capital expenditure for the period 2016/17 till 2018/19. Due to restructuring of loans no debt will be taken up during the period 2022/23 until 2026/27, but will once again be from 2027/28 to 2032/33. It also clearly shows that own funding (green colour) is becoming the only other funding source for the MTREF. Therefore, the decision to limit capital funding from own funds to a minimum of R50 million per year until 2032/33. Grant funding (dark blue colour) fluctuates depending on the success of business plan applications for grant funding from government and funding agency programmes.

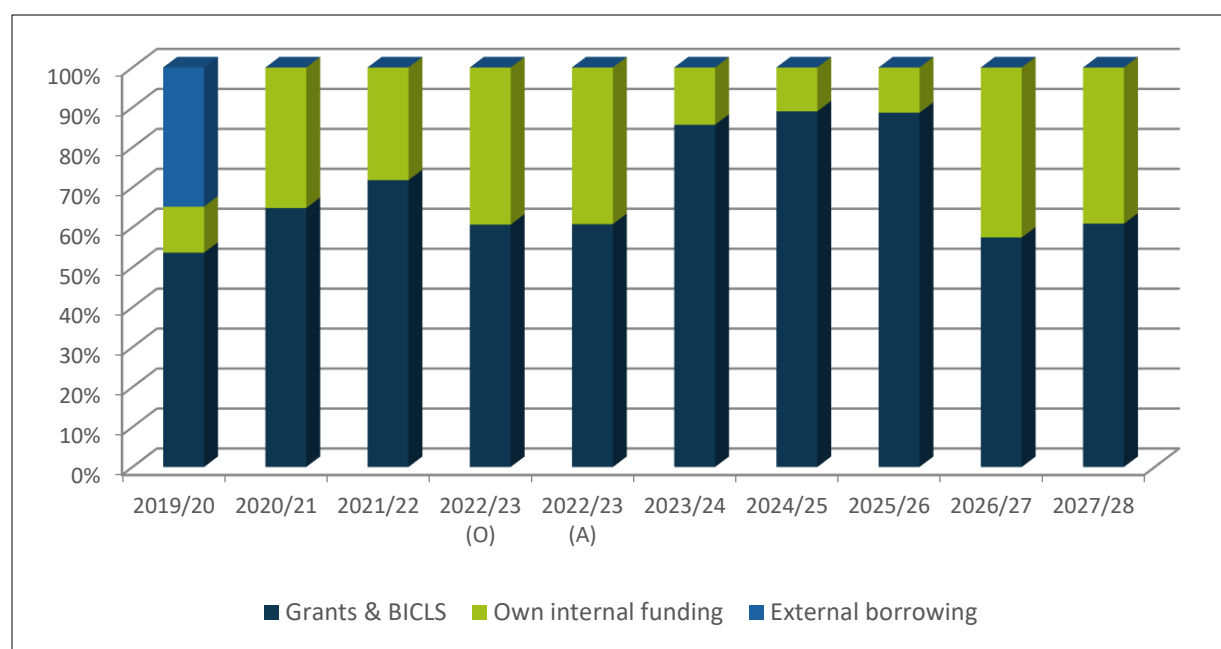
Drakenstein Municipality's capital grants allocation (IUDG, INEP, WC Transport and etcetera), due to the formulae applied, are substantially lower when compared to secondary cities of the same size. As this formula is not within the control of the Municipality, it has resolved to source vigorously for government grant funding through government grant and foreign grant programmes. The Municipality has thus set up a Grant Task Team (GTT), a sub-committee of the Revenue Management, Expenditure Management and Cost Containment Committee that is under the leadership of the Accounting Officer, to ensure the sourcing of additional grant funding is dealt with in a much more focused and strategic manner. The role of the GTT is to unlock any possible grant funding, in addition to the current conventional government grant funding streams available via the Division of Revenue Act (DoRA).

One of the major successes is that Drakenstein Municipality has been allocated R305 million in 2024/25, R593 million in 2025/26 and R481 million in 2026/27 to upgrade sanitation infrastructure, a total of R1.395 billion through the Budget Facility for Infrastructure (Regional Bulk Infrastructure Grant).

Table 89: Capital Expenditure per Funding Source (MTREF Affordability Envelope)

2023/2028 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER FUNDING SOURCE											
Serial Number	Description	2019/2020 Audited Actual	2020/2021 Audited Actual	2021/2022 Audited Actual	2022/2023 Original Budget	2022/2023 Revised Budget	2023/2024 Approved Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget	2026/2027 Indicative Budget	2027/2028 Indicative Budget
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	CRR	31,085,427	77,949,955	44,278,112	51,360,000	76,875,531	65,628,645	73,956,642	64,533,957	47,816,484	41,427,997
2	External Loan	93,963,326	-	-	-	-	-	-	-	-	-
3	Grant	144,709,089	143,696,502	97,480,816	79,249,152	90,359,828	383,294,565	591,729,564	497,435,653	56,566,087	56,566,087
4	Developers Contributions	-	-	15,292,524	-	28,818,563	8,500,000	8,000,000	8,000,000	8,000,000	8,000,000
5	Grand Total	269,757,843	221,646,457	157,051,452	130,609,152	196,053,922	457,423,210	673,686,206	569,969,610	112,382,571	105,994,084

Graph 16: Capital Expenditure per Funding Source (MTREF Affordability Envelope)



4.11.1 The Ten (10) year Capital Expenditure Framework and addressing the funding GAP

The municipality as part of the intermediate city programme receives the Integrated Urban Development Grant (IUDG). As part of having access to the grant, the Department of Cooperative Governance (DCOG) requires of intermediate city municipalities to compile an annual CEFs according to the legislative requirement stated in the Spatial Planning and Land

Use Management Act (Act No 16 of 2013) and aligned to the requirements stated in the Integrated Urban Development Framework (IUDF).

The benefit of such a Capital Expenditure Framework (CEF), is that it allows municipalities the ability to plan in an integrated manner and prioritise infrastructure investment in such a way that it will improve the distribution of investment and result in improved spatial development.

A capital expenditure framework (CEF) is a comprehensive, high-level, long-term infrastructure plan that flows from a spatial development framework. Accordingly, it estimates the level of affordable capital investment by the municipality over the long term by comparing an estimate of capital investment needs to an estimate of available capital finance sources.

The table ***(Available Funding Sources (LTREF Affordability Envelope)*** below sets out the available funding sources (also referred to as the affordability envelope). The difference between the affordability envelope and the total capital need per the CEF is referred to as the funding gap.

In the table below, it is clear that operating surpluses to the amount of R292.4 million will contribute 15.2% of the total capital budget of R1.918 billion over the 2023/28 MTREF. Grants will contribute R1.626 billion or 84.8% of the total capital budget.

No external borrowings will be entered into. Over the LTREF (years one to ten), grants will contribute 47.3% of the total capital budget, Capital Replacement Reserve 12.9% and External loans (to be taken up from years six to ten), 39.8% of the capital budget.

Table 90: Available Funding Sources (LTREF Affordability Envelope)

AVAILABLE FUNDING SOURCES TO BE USED FOR THE PRIORITISATION MODEL FOR CAPITAL ASSET INVESTMENT													
Serial Number	Financial Year	Capital Replacement reserve R'000	% of Total Capex	External Loans R'000	% of Total Capex	Prioritised Capex R'000	% of Total Capex	Total Own Funding R'000	% of Total Capex	Grants R'000	% of Total Capex	Capital Budget Totals R'000	% of Total Capex
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M
1	2023/2024	65,629	14.3%	–	0.0%	65,629	14.3%	65,629	44.2%	391,795	85.7%	457,423	100.0%
2	2024/2025	73,957	11.0%	–	0.0%	73,957	11.0%	73,957	48.3%	599,730	89.0%	673,686	100.0%
3	2025/2026	64,534	11.3%	–	0.0%	64,534	11.3%	64,534	47.8%	505,436	88.7%	569,970	100.0%
4	2026/2027	47,816	42.5%	–	0.0%	47,816	42.5%	47,816	46.6%	64,566	57.5%	112,383	100.0%
5	2027/2028	41,428	39.1%	–	0.0%	41,428	39.1%	41,428	45.9%	64,566	60.9%	105,994	100.0%
6	MTREF Totals	293,364	15.3%	–	0.0%	293,364	15.3%	293,364	15.3%	1,626,092	84.7%	1,919,456	100.0%
7	2028/2029	50,000	11.2%	325,000	72.5%	375,000	83.7%	375,000	83.7%	73,051	16.3%	448,051	100.0%
8	2029/2030	50,000	11.2%	325,000	72.5%	375,000	83.7%	375,000	83.7%	73,051	16.3%	448,051	100.0%
9	2030/2031	50,000	11.2%	325,000	72.5%	375,000	83.7%	375,000	83.7%	73,051	16.3%	448,051	100.0%
10	2031/2032	50,000	10.6%	350,000	74.0%	400,000	84.6%	400,000	84.6%	73,051	15.4%	473,051	100.0%
11	2032/2033	50,000	10.6%	350,000	74.0%	400,000	84.6%	400,000	84.6%	73,051	15.4%	473,051	100.0%
12	LTREF Grand Totals	543,364	12.9%	1,675,000	39.8%	2,218,364	52.7%	2,218,364	52.7%	1,991,347	47.3%	4,209,711	100.0%
13													
14	Capital budget (LTFP affordability envelope) for the next five (2023/2024 - 2027/2028) years to address IDP needs =											1,919,456	25.7%
15	LTFP affordability envelope for years six (2028/2029) to ten (2032/2033) to address IDP needs =											2,290,255	30.7%
16	IDP needs in capital programme that could not be addressed in years one (2023/2024) to ten (2032/2033) =											3,258,991	43.6%
17	Total capital programme based on IDP needs =											7,468,701	100.0%

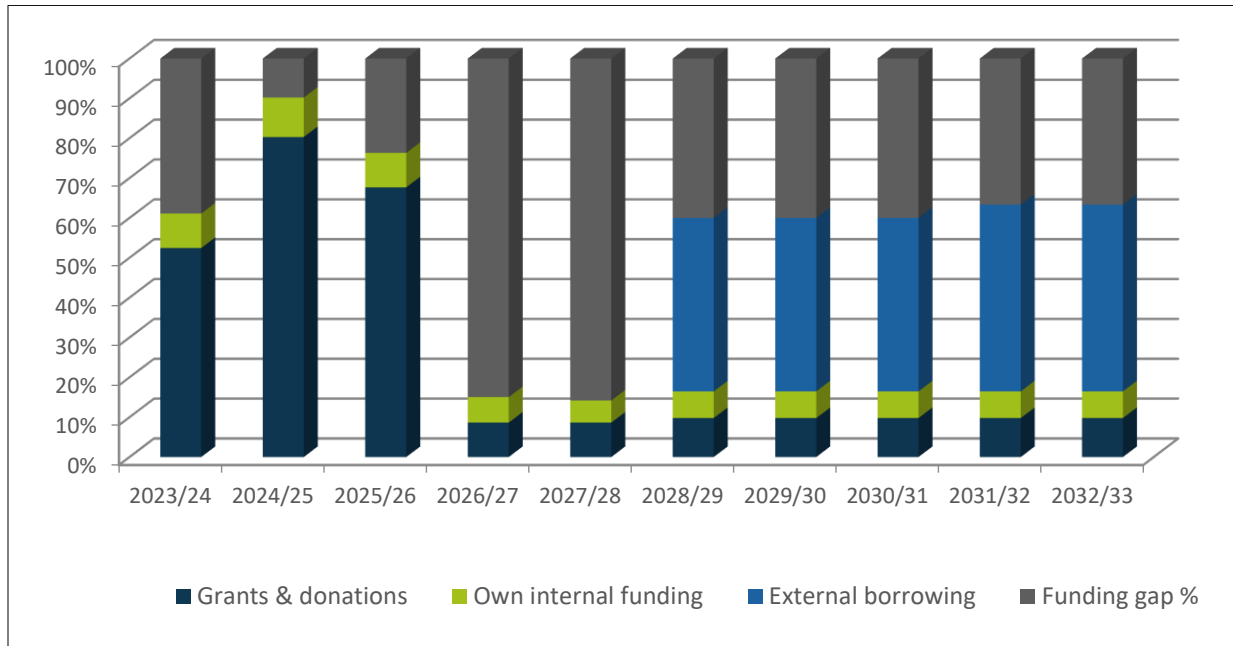
The five-year MTREF indicates that the capital programme of R1.919 billion in terms of the affordability envelope will only address 25.7% of Drakenstein's total capital programme needs of R7.468 billion over the MTREF and only 56.4% over the LTREF.

It is imperative to solve the unfunded and underfunded mandate issues to allow the operating budget to generate more operating surpluses to boost the funding of capital projects through own revenue. The funding gap will further accumulate over time, if it is not addressed, which could result in the collapse of municipality's infrastructure in the long-term.

The constraints placed on the available funding available for capital project implementation, the moratorium on the taking up of external loans during the loan restructuring period as well as the limited grants received by the Municipality, has necessitated a significant decrease in the capital expenditure over the next 5 years, as can be seen in the next graph. Although recovering in 2028/29, it is barely over the minimum spend required to remain sustainable and has left a major funding gap. From year one (2023/24) to five (2027/28), between 14%-90% of the required capital needs can be addressed, while from year six (2028/29) to ten (2032/33) between 61% to 64% of the average yearly capital needs can be addressed. The average yearly capital needs being the total capital needs as per the CEF of R7.486 billion divided by 10 years, equalling an average of R748.6 million per year.

The picture has improved significantly since the 2023/24 year after the allocation of R1.395 billion through the Budget Facility for Infrastructure over the 2023/26 MTREF.

Graph 17: Capital Expenditure per Funding Source and Capital Needs (CEF) (LTREF Affordability Envelope)



4.12 PRIORITISATION MODEL FOR CAPITAL ASSETS INVESTMENT

Drakenstein developed a Prioritisation Model for Capital Assets Investment that was implemented from the start of the 2013/14 financial year. The purpose of the policy is to allocate available revenue for capital investment through a points system based on thirteen principles. These principles are statutory requirement; service delivery; essential service; economic stimulation; community benefit; permanent job creation; labour intensive construction; revenue generating; aesthetical improvement; social upliftment; spatial development framework compliance; risk factor and time factor.

Three main categories were defined i.e. basic services infrastructure and roads, social and economic infrastructure and operational infrastructure. It needs to be noted that these categories do not concur with the GFS standard classifications. Each of these infrastructure categories will receive a percentage allocation of prioritised funds. Prioritised funds mean conditional grants, own revenue and external borrowings to be distributed amongst the prioritised capital projects on the capital programme.

Basic services and roads infrastructure comprising of electricity main supply and networks; water main supply and networks; sewer main supply and networks; solid waste infrastructure; and, roads and stormwater will receive approximately 70% of prioritised funds.

Social and economic infrastructure comprising of public safety; parks and recreation; environmental; libraries; sport and recreation facilities; arts and culture; new urban development; business development; industrial development; any development that will help grow the local economy and that will create jobs; labour intensive capital projects; and etcetera will receive approximately 20% of prioritised funds.

Operational infrastructure comprising of vehicles, plant and equipment; computer hardware and software; communication networks; office furniture and equipment; machinery, tools and equipment; municipal office buildings; and etcetera will receive approximately 10% of prioritised funds.

Albeit the constriction of the funding available for capital expenditure, the guidelines as indicated in the policy cannot be achieved in the next three financial years, as most funding is from conditional grants. As such, the table below depicts the ***allocations per infrastructure type***.

Basic services infrastructure in 2023/24 will receive 83.0% of the total capital budget. Over the MTREF basic services infrastructure will receive 94.1%; (2024/25), 93.1% (2025/26), 66.0% (2026/27) and 67.5% (2027/28) of the total capital budget. The allocation towards Basic service infrastructure is skewed, due to the special R1.395 billion allocated over the MTREF through the Budget Facility for Infrastructure

Operational infrastructure will receive 14.2% of the total capital budget. Over the MTREF operational infrastructure will receive 5.0% (2024/25), 5.6% (2025/26), 30.8% (2026/27) and 30.0% (2027/28) of the total capital budget.

Social and economic infrastructure will receive 2.8% of the total capital budget. Over the MTREF social and economic infrastructure will receive 0.9% (2024/25), 1.3% (2025/26), 3.2% (2026/27) and 2.5% (2027/28) of the total capital budget.

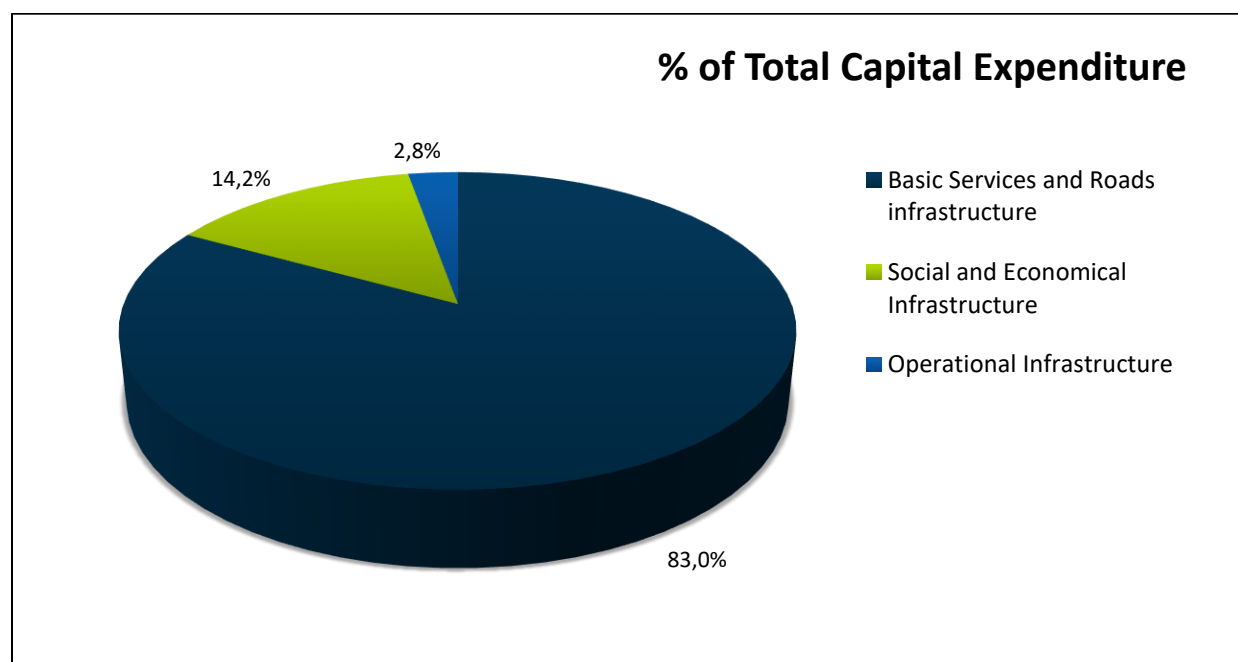
For the 2023/24 financial year, the distribution is as depicted in the following graph.

The prioritised funds used for the allocations to the above infrastructure categories reflected in Drakenstein's capital budget come from the Municipality's operating revenue surpluses (CRR), grants and external borrowings.

Table 91: Allocations per Infrastructure Type

2023/2024 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER INFRASTRUCTURE TYPE AND FUNDING											
Serial Number	Infrastructure Type / Funding Source	2023/2024 Original Capital Budget	Distribution %	2024/2025 Indicative Capital Budget	Distribution %	2025/2026 Indicative Capital Budget	Distribution %	2026/2027 Indicative Capital Budget	Distribution %	2027/2028 Indicative Capital Budget	Distribution %
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	Basic Services and Road Infrastructure	379,889,935	83.0%	634,244,781	94.1%	530,822,932	93.1%	74,170,367	66.0%	71,540,367	67.5%
2	Grants	354,845,185	77.6%	595,369,564	88.4%	501,502,932	88.0%	57,080,367	50.8%	57,080,367	53.9%
3	Prioritised Funds	25,044,750	5.5%	38,875,217	5.8%	29,320,000	5.1%	17,090,000	15.2%	14,460,000	13.6%
4	Operational Infrastructure	64,784,145	14.2%	33,496,425	5.0%	31,996,678	5.6%	34,612,204	30.8%	31,853,717	30.0%
5	Grants	35,225,250	7.7%	4,360,000	0.6%	3,932,721	0.7%	7,485,720	6.7%	7,485,720	7.1%
6	Prioritised Funds	29,558,895	6.5%	29,136,425	4.3%	28,063,957	4.9%	27,126,484	24.1%	24,367,997	23.0%
7	Social & Economical Infrastructure	12,749,130	2.8%	5,945,000	0.9%	7,150,000	1.3%	3,600,000	3.2%	2,600,000	2.5%
8	Grants	1,724,130	0.4%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
9	Prioritised Funds	11,025,000	2.4%	5,945,000	0.9%	7,150,000	1.3%	3,600,000	3.2%	2,600,000	2.5%
10	Grand Total	457,423,210	100.0%	673,686,206	100.0%	569,969,610	100.0%	112,382,571	100.0%	105,994,084	100.0%

Graph 18: Capital Expenditure Distribution for the 2023/24 Financial Year



4.13 LINKING OF THE CAPITAL BUDGET TO THE IDP

The table below (***Capital Expenditure per Pre-Determined Objectives***) depicts the main types of capital expenditure projects linked to the Pre-Determined Objectives, as set out in Chapter 3 of the IDP.

As can be seen from the table below, the majority of capital expenditure for the MTREF relates to PDO 25: Water & sanitation services and infrastructure (71.6%); PDO 22: Energy supply and infrastructure (14.1%); and, PDO 24: Transport, roads and storm water infrastructure (5.1%).

The table below that relates to ***Capital Expenditure per Pre-Determined Objectives and source of funding*** depicts the main types of capital expenditure projects linked to the Key Focus Areas, as set out in Chapter 3 of the IDP.

Table 92: Capital Expenditure per Pre-Determined Objectives

2023/2028 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER PRE DETERMINED OBJECTIVE (PDO)							
Serial Number	PDO	Description	2023/2024 Original Capital Budget	2024/2025 Indicative Capital Budget	Draft 2025/2026 Indicative Capital Budget	Draft 2026/2027 Indicative Capital Budget	Draft 2027/2028 Indicative Capital Budget
Column Referen	A	B	C	D	E	F	G
1	PDO 8	Revenue	2,725,000	90,000	50,000	50,000	50,000
2	PDO 14	Supply Chain Management	243,395	-	-	-	-
3	PDO 17	Human Capital	70,250	76,775	81,103	91,563	100,119
4	PDO 19	Systems and Technology	3,215,000	3,190,050	3,245,754	3,351,211	3,351,211
5	PDO 21	Fleet and Mechanical Worksho	6,090,000	13,060,000	10,695,000	8,695,000	7,695,000
6	PDO 22	Electricity and Energy	41,400,797	54,839,752	55,211,125	60,056,934	59,151,891
7	PDO 23	Transport, Roads and Stormwa	34,619,493	22,121,304	21,334,783	11,000,000	9,000,000
8	PDO 24	Water and Wastewater	336,515,145	556,487,673	457,429,019	11,322,863	12,072,863
9	PDO 25	Solid Waste	7,850,000	3,960,000	3,220,000	5,620,000	3,320,000
10	PDO 26	Municipal and Public Facilities	7,505,000	3,855,000	5,925,000	7,050,000	6,950,000
11	PDO 27	Tourism and Investment Promc	320,000	8,695,652	4,347,826	-	-
12	PDO 31	Human Settlements	45,000	1,015,000	1,015,000	1,000,000	1,000,000
13	PDO 32	Social Development	1,525,000	1,300,000	1,950,000	1,000,000	1,000,000
14	PDO 33	Sport and Recreation	7,125,000	1,900,000	2,000,000	500,000	500,000
15	PDO 34	Parks and Open Spaces	975,000	-	-	-	-
16	PDO 35	Cemeteries and Crematorium	1,325,000	1,500,000	2,000,000	1,000,000	-
17	PDO 36	Disaster and Emergencies	1,385,000	270,000	365,000	365,000	339,000
18	PDO 38	Safety and Security	3,750,000	1,325,000	1,100,000	1,280,000	1,464,000
19	PDO 39	Libraries	739,130	-	-	-	-
20		Total Capital Budget	457,423,210	673,686,206	569,969,610	112,382,571	105,994,084

4.14 LIQUIDITY MANAGEMENT

It must be noted that not all municipalities are the same and this should be kept in mind when assessing the financial health and financial sustainability benchmarks for a municipality. A municipality can be categorised into a developed or a developing municipality. Drakenstein can be categorised as a developing or growing municipality simply because Drakenstein is the economic hub of the Cape Winelands District.

Developing municipalities will require significant additional resources and funding to conduct the growth that is expected of them. With the demands for growth come risks that need to be managed. The priority from a financial risk perspective is the viability and sustainability of the Municipality. This financial plan and related strategies will need to address a number of Pre-Determined Objectives in order to achieve this goal. The areas which have been identified are discussed below.

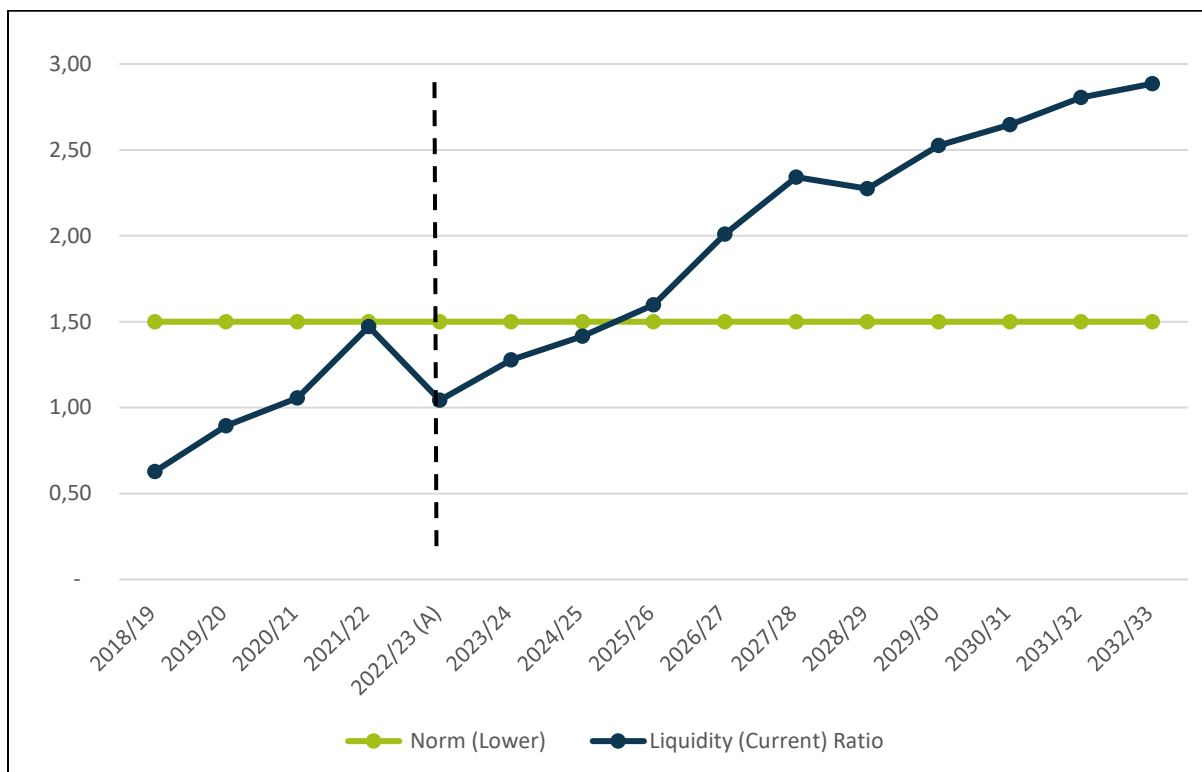
Cash/liquidity position

Cash and cash management is vital for the short-, medium- and long-term survival and good management of an organisation. This is also the case with Drakenstein Municipality. The appropriate benchmarks which can assist in assessing the financial health of the Municipality are:

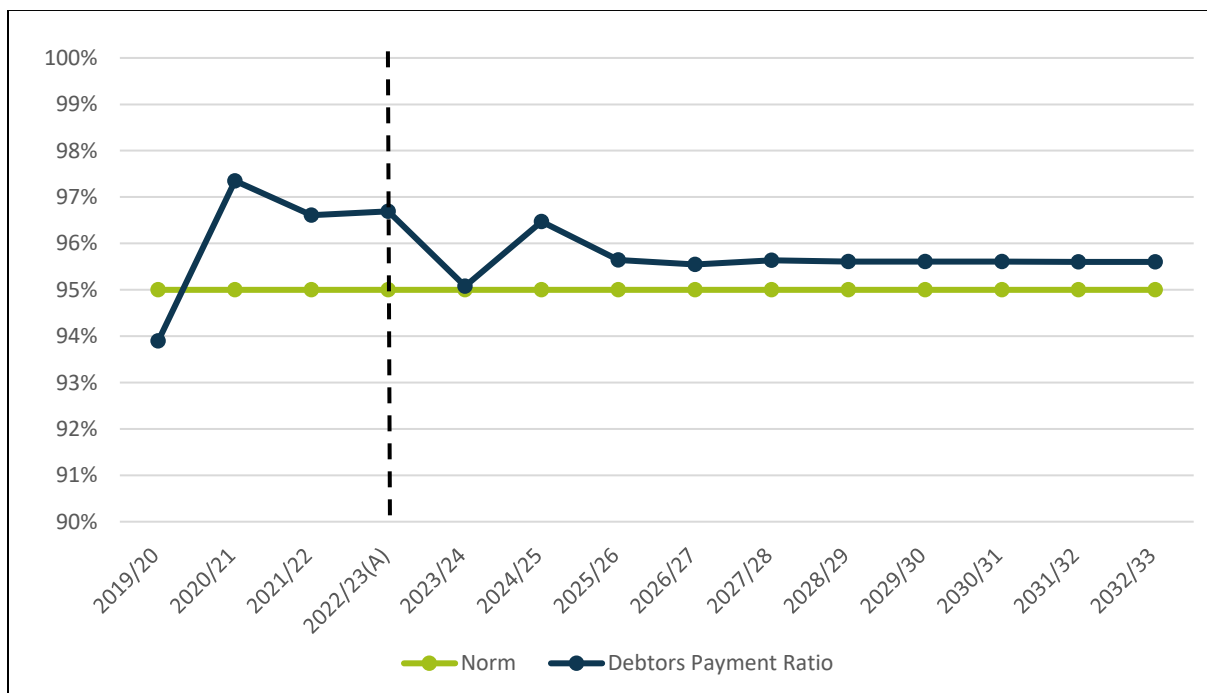
- The **current ratio (Liquidity Ratio)**, which expresses the current assets as a proportion to current liabilities. A current ratio between one point five and two to one (1.5-2:1) is acceptable and considered to be very healthy in terms of the National Treasury Guidelines. Drakenstein's current ratio as at 30 June 2020 was 0.89 and recovered to 1.06 at 30 June 2021 and further increased to 1.47 at 30 June 2022.. It is envisaged that it will be 1.3 at 30 June 2024, 2.3 by 2027/28 and lastly 2.9 by 2032/33.
- The debtors' turnover ratio, which have a great impact on the liquidity of the Municipality, decreased to 58.9 days at 30 June 2022 compared to 64.5 days at 30 June 2021 and 68.3 days at 30 June 2020. The debtors' turnover ratio (before considering the provision for impairment) at 30 April 2023 stood at 68.2 days. Over the medium- and long-term the Municipality will attempt to stabilise the debtors' turnover ratio to 59.7 days at the end of the 2023/24 financial year, and to 51.3 days by 2027/28 financial years respectively, by 2032/33 it is envisaged to be at 40.6 days.
- The debtor's turnover ratio (after provisions for bad debt impairment) decreased to 41.3 days as at 30 June 2022 compared to 41.7 days as at 30 June 2021 and 46.5 days as at 30 June 2020. At 30 April 2023 this ratio stood at 47.1 days. Over the medium- and long-term the Municipality will attempt to decrease the debtors' turnover ratio (after provisions for bad debt impairment) to 55.9 days by 2023/24, to about 42.9 days over the MTREF period ending on 30 June 2028; by 2032/33 it is envisaged to be at 37.4 days.

- The “acceptable” norm is 30 days as per MFMA Circular 71. This norm cannot be met and should be at least 45 days due to current credit control legislation requiring certain notification actions from a municipality before the electricity supply to a consumer may be disconnected to enforce reaction from a consumer in arrears. Going the legal route to recover outstanding arrears cannot be done within 30 days. It is an unreasonable norm.
- The revenue collection rate which largely determines if the Municipality remains a going concern. Drakenstein will endeavour over the short-, medium- and long-term to collect at least 95% of its billed revenue. The provision for doubtful debt has been reviewed and a provision for doubtful debt impairment of 3 % of expected billed revenue (services and property rates) had been made. By 2032/33 it is envisaged to be at 4%. The majority of debt older than 90 days has been provided for and the writing-off of irrecoverable debt of all indigent households and the incentives in the Writing-Off of Irrecoverable Debt Policy will reduce the debtor’s turnover ratio over the short- and medium-term.
- The Creditors Payment Period expresses the normal period it takes for the Municipality to pay its creditors/ accounts payable. The norm is 30 days as per the MFMA and the Municipality achieves this throughout the year. Unfortunately as to how the ratio is calculated at year-end with accruals after year it seems that the ratio is above the norm although it is not.
- The Cash Coverage Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and cash equivalents without collecting any additional revenue, during that month. At 30 April 2023 this ratio stood at 3.2. For the MTREF it is estimated at of 1.3 (2023/24), 1.5 (2024/25), 2.0 (2025/26), 2.6 (2026/27) and 3.1 (2027/28). By 2032/33 it is envisaged to be at 5.8.

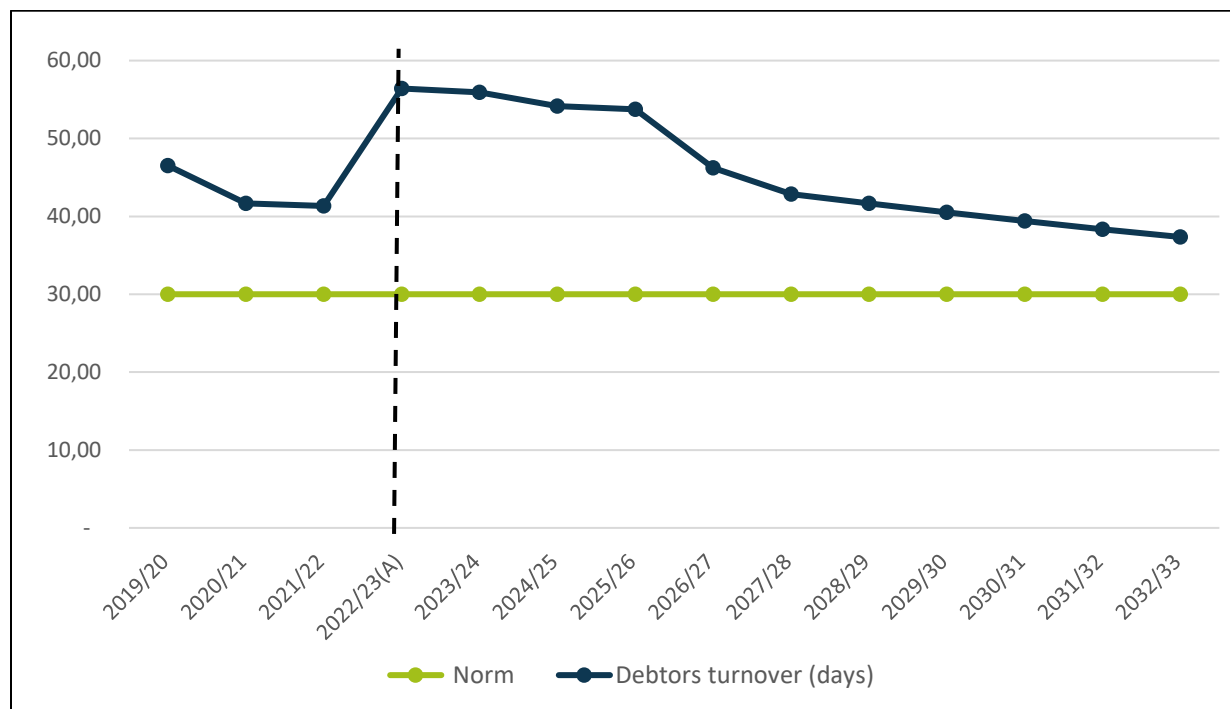
Graph 19: Liquidity (Current) ratio over the LTREF



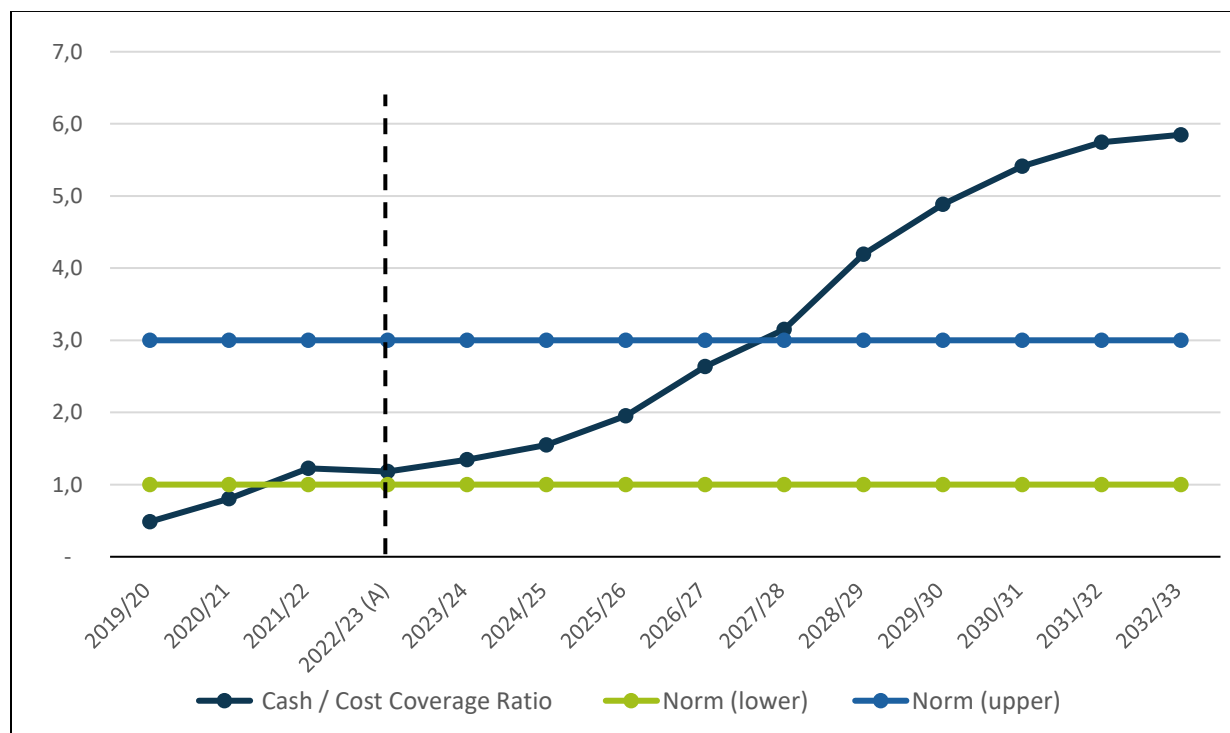
Graph 20: Debtors payment ratio over the LTREF



Graph 21: Debtors turnover ratio (debtors days) over the LTREF



Graph 22: Cash Coverage ratio over the LTREF



4.15 SOLVENCY MANAGEMENT

External Borrowing

The strong capital market in South Africa (commercial banks and other borrowing institutions like the DBSA, etcetera) provides an additional instrument to access financial resources. However, the Municipality may not borrow to balance its operating budget and to finance any operating expenditure.

The Municipality has, due to residential and business growth pressures, invested significantly in bulk and other infrastructure over the last decade, mainly funding these investments from external loans. This was done based on residential and business growth expectations and the envisaged growth in the tax base to assist with the repayment of these external loans. Due to the slowdown of the economy, residential developments are taking place at a slower rate than assumed five years ago and the interest and redemption repayments was starting to strangle the current tax base. For this reason, the Municipality decided to restructure its existing loans in 2019/20 and extend existing repayment terms of the ten-year external loans with new refinancing loan agreements for up to 17.5 years.

Safeguards needs to be put in place to ensure that the Municipality borrows in a responsible way going forward. In order to have access to this market, the Municipality will need to have more accurate and appropriate financial accounting and reporting systems. We will have to ensure that we generate enough cash reserves to honour repayment commitments.

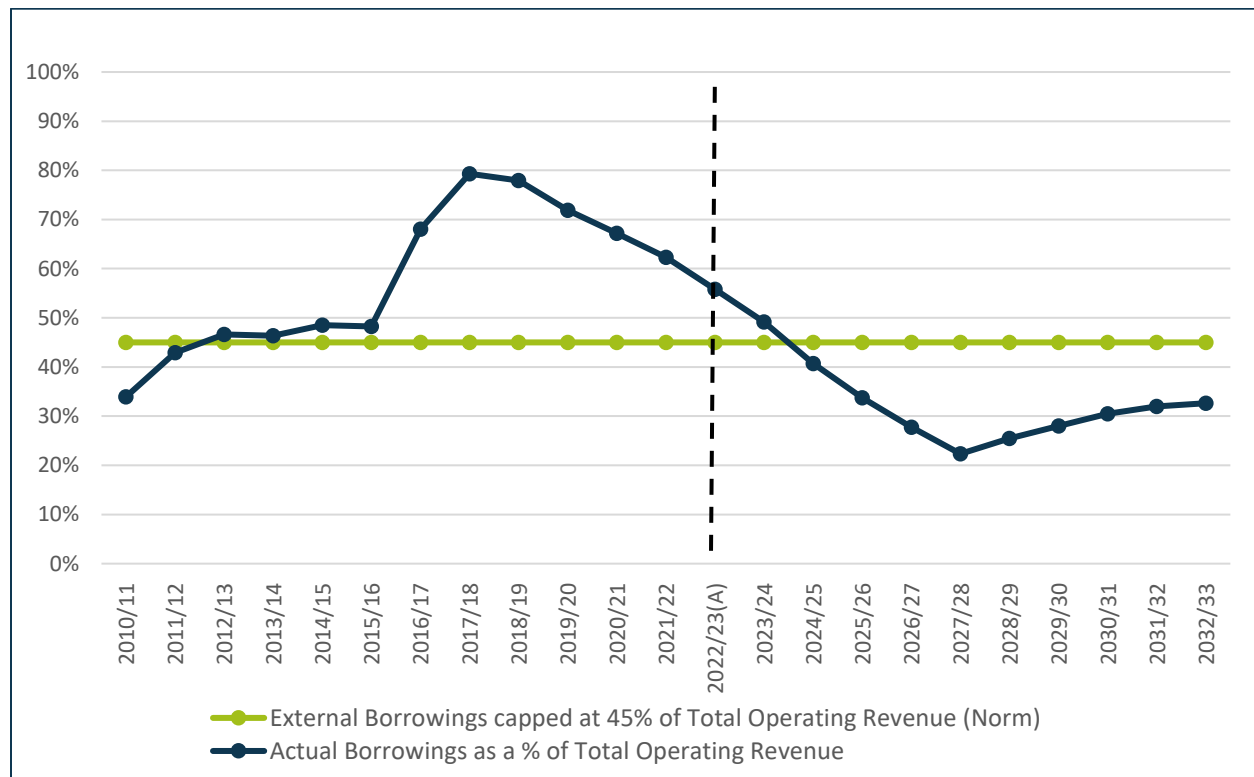
The manner in which the Municipality manages debt or takes on new debt to finance investment activities will have a significant impact on the solvency and long-term viability of the Municipality. Drakenstein aims at a maximum borrowing level of external loans that will not exceed 45% of the total operating revenue (capital grants excluded) over the medium-term. The Municipality is thus cautious not to over borrow in the medium to long term.

External borrowing as a funding source is capped at 50% of total operating revenue (excluding conditional grants) as per Council's External Borrowing Policy. Due to development opportunities and pressures, Council allowed investment in infrastructure through external borrowings that has led the capped percentage to be exceeded.

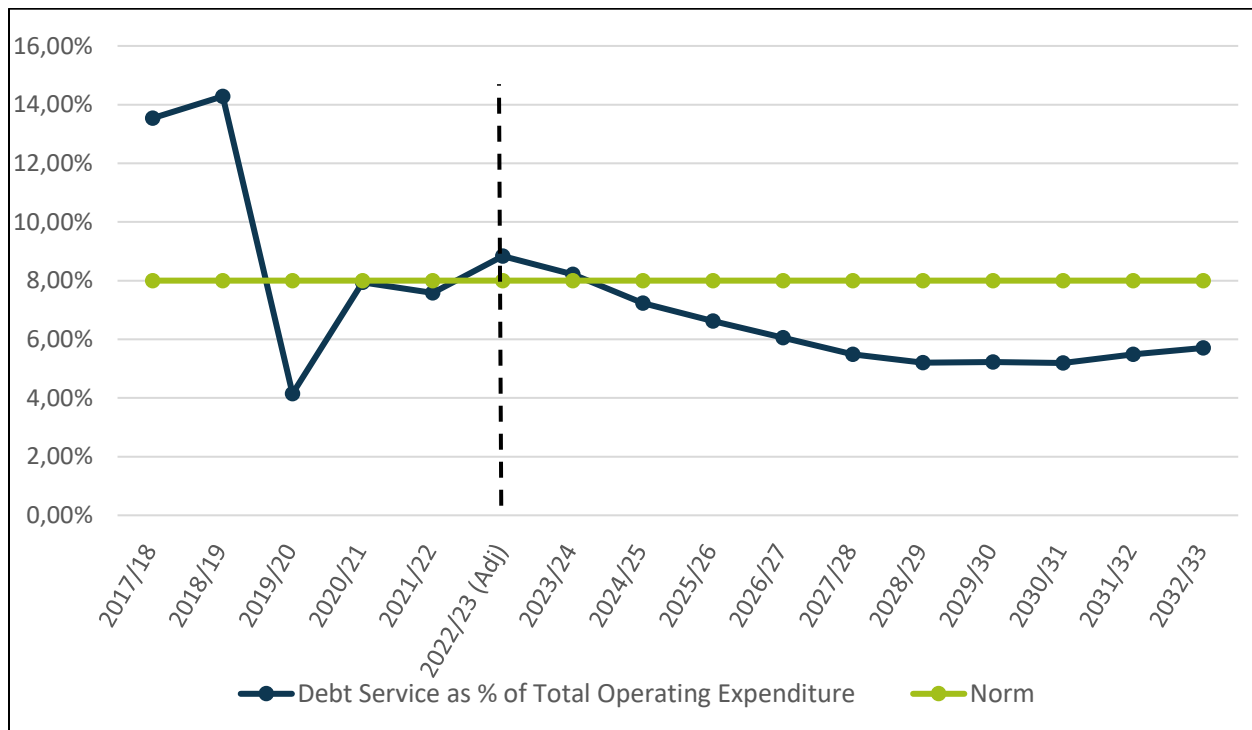
Due to the slowdown of the South African economy and in Drakenstein Municipality as well, residential developments are taking place at a slower rate than assumed five years ago. During the 2019/20 year the majority of long-term loans were restructured.

Due to the restructuring of the external loans of the Development Bank of Southern Africa, Standard Bank and Nedbank, no further external loans will be taken up over the next four financial years. This will assist in decreasing the gearing ratio to 55.8% at the end of the 2022/23 financial year, before decreasing to 49.2% (2023/24), 40.7% (2024/25), 33.7% (2025/26), 27.7% (2026/27) and 22.3% (2027/28) as depicted in the graph on External Borrowings as a Percentage of Total Operating Revenue below. This will result that the gearing ratio decrease to below the National Treasury norm of 45% and within the 50% norm of Council's External Borrowing Policy. From 2024/25 the debt service and gearing ratios will have decreased below the Nation Treasury Norms and from 2028/29 onwards the municipality will once again have to take up loan funding, as capital investment demand already exceeds the capital investment affordability, which indicates the need for financially sustainable accelerated capital investment. These loans will be taken up whilst ensuring that the Gearing and Debt servicing ratios norms as set out by NT is not exceeded.

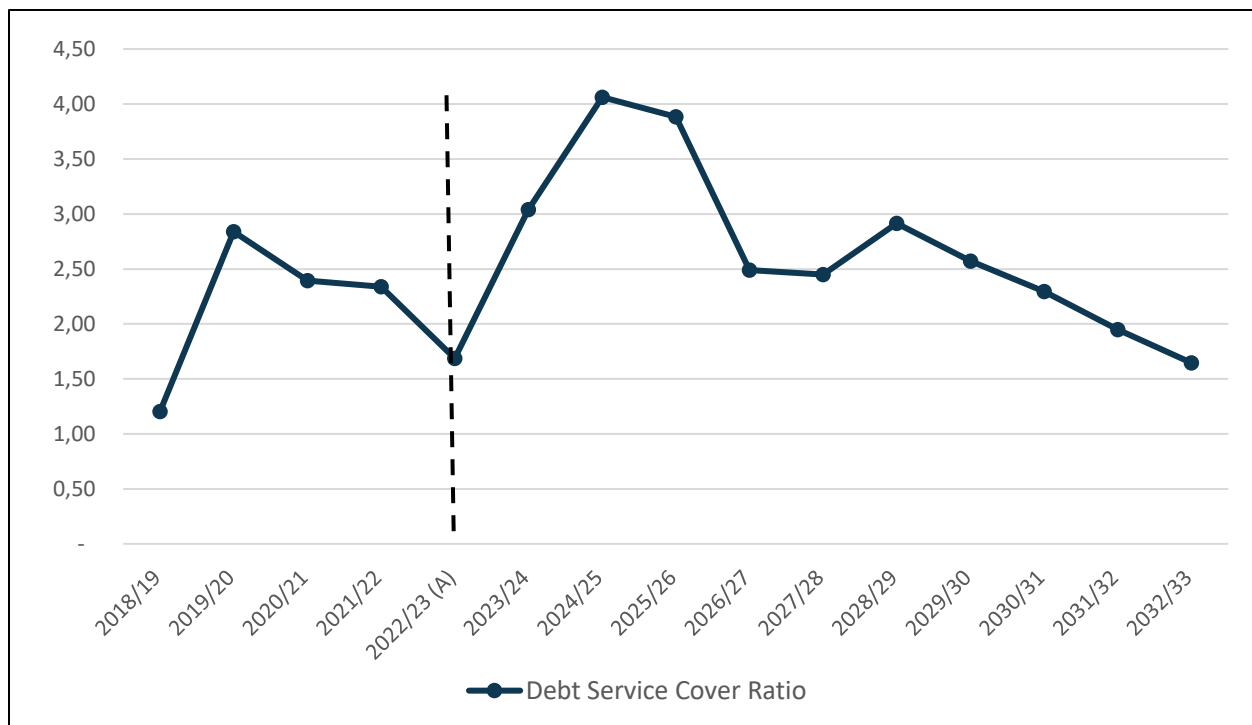
Graph 23: External Borrowings as a Percentage of Total Operating Revenue (Gearing Ratio)



Graph 24: Debt service (Interest and Redemption) as a percentage of Operating expenditure



Graph 25: Debt Service Cover Ratio (Cash Generated by Operations/Debt Service)



4.16 FINANCIAL RATIOS OVER THE LONG TERM

Table 93: Long-Term Financial Ratios Summary

LONG-TERM FINANCIAL RATIOS SUMMARY								
SERIAL NUMBER	DESCRIPTION	Norm	2023/2024 Original Budget	2025/2026 Indicative Budget	2027/2028 Indicative Budget	2029/2030 Indicative Budget	2031/2032 Indicative Budget	COMMENTS
COLUMN REFERENCE	A	B	C	D	E	F	G	H
1	FINANCIAL PERFORMANCE							
2	ASSET MANAGEMENT							
3	Capital Expenditure / Total Expenditure	10% - 20%	14.9%	15.1%	2.3%	9.1%	8.7%	CAPEX as a % of Total Expenditure remains below the lower limit of the recommended expenditure.
4	DEBTORS MANAGEMENT							
5	Gross Consumer Debtors Growth		5.3%	10.4%	3.8%	1.6%	1.7%	
6	Payment Ratio / Collection Rate	95%	95.1%	95.6%	95.6%	95.6%	95.6%	
7	LIQUIDITY MANAGEMENT							
8	Cash Coverage Ratio (excl Working Capital)	1 - 3	1.34	1.95	3.15	4.88	5.74	The cash surplus is forecast to improve over the planning period due to the optimised funding mix that reduces cash utilisation to fund capital expenditure..
9	Liquidity Ratio (Current Assets: Current Liabilities)	1.5 – 2	1.28	1.6	2.34	2.53	2.81	
10	LIABILITY MANAGEMENT							
11	Debt Service as % of Total Operating expenditure	6% - 8%	8.8%	7.2%	6.1%	5.2%	5.2%	The external financing is well within the recommended limits over the LTREF
12	Total Debt (Borrowings) / Operating Revenue (Gearing Ratio)	45%	49.2%	33.7%	22.3%	28.0%	32.0%	
13	Debt Service Cover Ratio (Cash Generated by Operations / Debt Service)		3.04	3.88	2.45	2.57	1.95	

LONG-TERM FINANCIAL RATIOS SUMMARY								
SERIAL NUMBER	DESCRIPTION	Norm	2023/2024 Original Budget	2025/2026 Indicative Budget	2027/2028 Indicative Budget	2029/2030 Indicative Budget	2031/2032 Indicative Budget	COMMENTS
COLUMN REFERENCE	A	B	C	D	E	F	G	H
14	SUSTAINABILITY							
15	Net Financial Liabilities Ratio	< 60%	61.2%	38.3%	16.5%	11.3%	9.1%	Net Financial Liabilities are within the benchmark over the LTREF.
16	Operating Surplus Ratio	0% - 10%	-2.4%	0.2%	1.2%	1.8%	-0.2%	Operating Surplus Ratio remains at the lower end of the recommended lower benchmark throughout the 10-year period.
17	Asset Sustainability Ratio	> 90%	115.6%	187.3%	20.0%	74.9%	63.0%	The Asset Sustainability ratio remains below the lower ratio over the MTREF, mainly due to the moratorium on the taking up of long term borrowings, but improves over years six to ten.
18	FINANCIAL PERFORMANCE							
19	REVENUE MANAGEMENT							
20	Operating Revenue Growth %	CPI	17.6%	7.0%	10.2%	4.0%	4.0%	Operating Revenue Growth is above CPI throughout the planning period. Cash generation from operations projected to improve steadily over the planning period.
21	Cash Generated by Operations / Own Revenue		22.0%	24.0%	11.4%	12.6%	10.9%	
22	Cash Generated by Operations / Total Operating Revenue		17.4%	18.9%	10.4%	11.5%	10.1%	

LONG-TERM FINANCIAL RATIOS SUMMARY								
SERIAL NUMBER	DESCRIPTION	Norm	2023/2024 Original Budget	2025/2026 Indicative Budget	2027/2028 Indicative Budget	2029/2030 Indicative Budget	2031/2032 Indicative Budget	COMMENTS
COLUMN REFERENCE	A	B	C	D	E	F	G	H
23	EXPENDITURE MANAGEMENT							
24	Creditors Payment Period	30	30	30	30	30	30	The Municipalty has an average Creditors payment period of less than 30 days
25	Contribution per Expenditure Item: Staff Cost (Salaries, Wages and Allowances)	25% - 40%	28.4%	26.7%	24.9%	26.1%	26.6%	Employee costs as a percentage of OPEX remains below the NT maximum benchmark of 40%.
26	Contribution per expenditure item: Contracted Services	2% - 5%	7.6%	7.6%	6.6%	6.6%	6.5%	Contracted Services as a percentage of total expenditure are forecasted to decreasebut remain above the NT benchmark of 5%, due to the inclusion of housing expenditure included in contracted services
27	GRANT DEPENDENCY							
28	Total Grants / Total Revenue		21.0%	21.3%	8.9%	8.2%	7.6%	The municipality generates funds from its own sources and is not overly reliant on grants. This is positive but also negative. Positive as the tightening of the national fiscus will result in a declining reliance on transfers from other spheres of government. It is also negative as it shows that Drakenstein is not receiving it fair share of allocated grants.

4.17 LONG-TERM FINANCIAL SUSTAINABILITY RATIOS

The Long-Term Financial Sustainability Policy of Council refers to three key financial indicators or ratios that influence long-term financial sustainability planning and budgeting. They are:

- An **operating surplus ratio** to influence financial performance planning and budgeting;
- A **net financial liabilities ratio** to influence financial position planning and budgeting; and
- An **asset sustainability ratio** to influence asset management performance planning and budgeting.

4.17.1 Operating surplus ratio

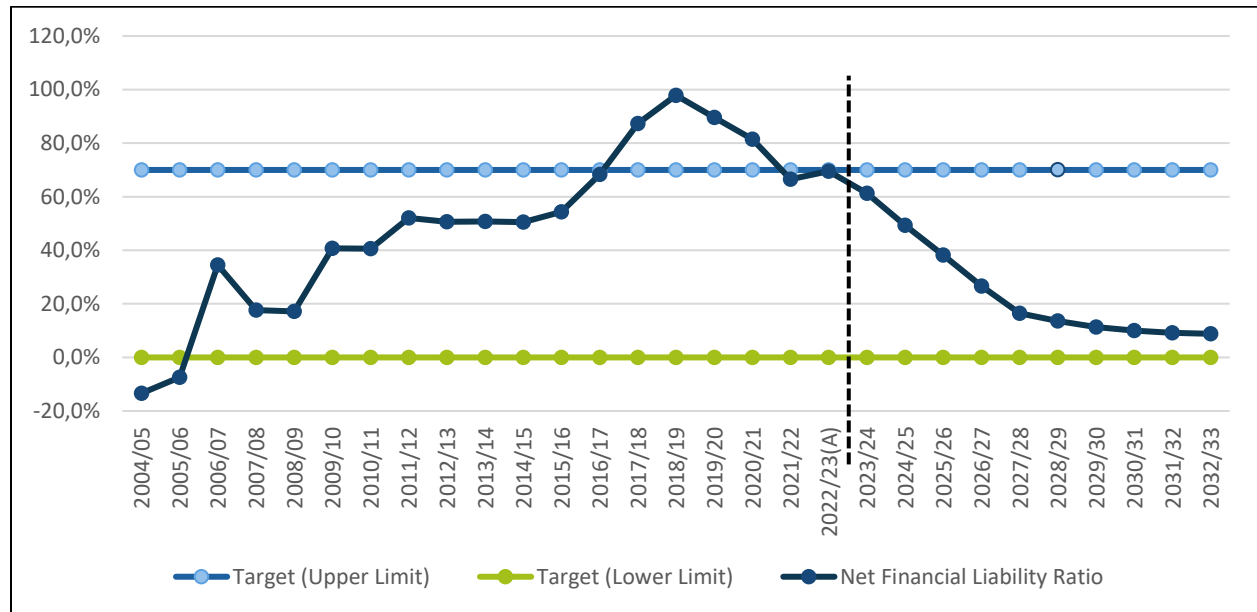
In the above the operating surplus ratio was discussed in detail. The discussions included envisaged actions to get closer to a balanced budgeted and an operating surplus above 0% by 2025/26. The operating surplus decreases to about -1.3% in 2032/33.

4.17.2 Net financial liability ratio

The net financial liability ratio is calculated by dividing total liabilities fewer current assets by the total operating revenue (excluding capital grants). This would be an indicator to ensure that net financial liabilities exceed current assets and must be served using available operating revenues to ensure that Drakenstein remains within recommended levels for sustainability. Drakenstein's Policy refers to an upper limit target of 70% and a lower limit target of 0% to ensure a reasonable financial sustainability range to operate within.

The graph below sketches the net financial liability ratio picture. The depletion of reserves and the taking up of external loans is the main reasons why the ratio drastically increased from 2004/2005 to 2011/12. Drakenstein went over the sustainability limit of 70% in 2017/2018 and this will continue until 2022/23 due to the extensive investment in revenue generating infrastructure (electricity, water and wastewater) as discussed in detail in the paragraph above. During 2023/24 till 2027/28 it will decrease significantly due to the moratorium on the taking up of long-term borrowings.

Graph 26: Net Financial Liability Ratio



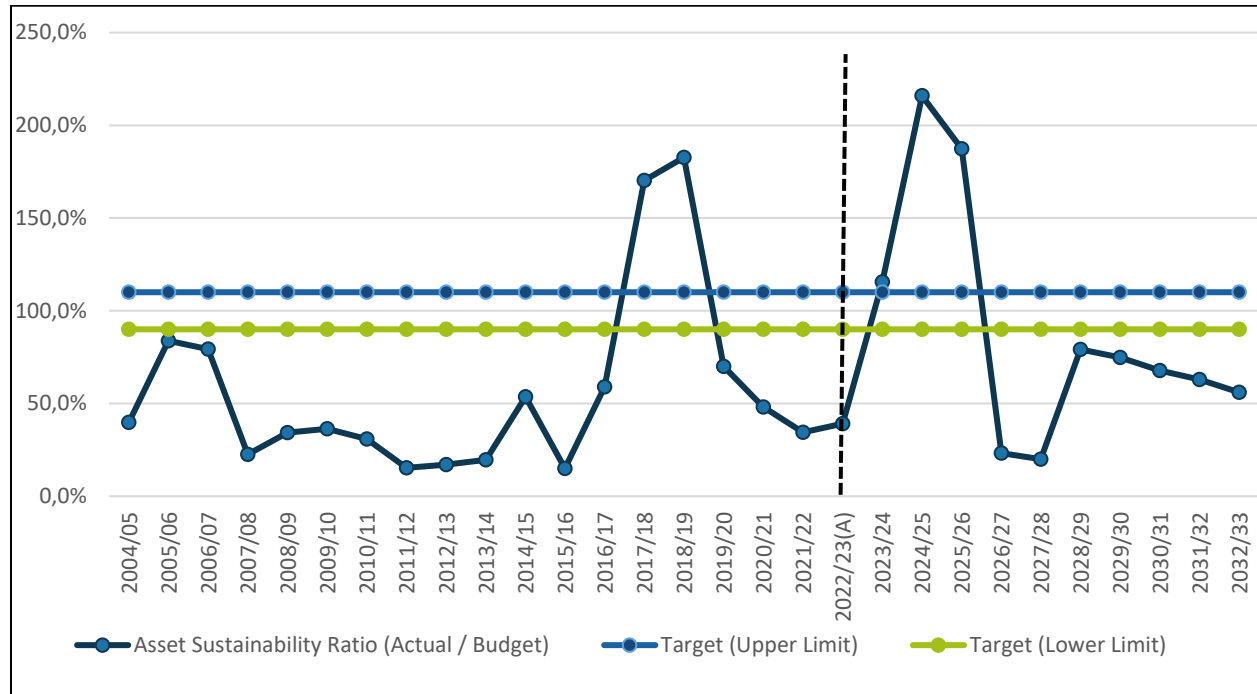
The only way to reduce the net financial liability ratio is to reduce the gearing ratio to below 50% over the long-term as depicted in the Graph (**External borrowings as a percentage of total operating revenue**) above. This however goes together with the assumption that the operating budget must yield higher operating surpluses as depicted in the Graph (**Operating surplus ratio**) above.

4.17.3 Asset sustainability ratio

The asset sustainability ratio is calculated by dividing the capital expenditure amount spent on the renewal/replacement of asset infrastructure by the depreciation expenditure. This would be an indicator to ensure that existing infrastructure is sufficiently replaced or renewed when they reach their useful life.

Based on the 2023/2028 MTREF capital budget 66.7% (2023/24), 87.7% (2024/25), 93.2% (2025/26), 63.0% (2026/27) and 61.5% (2027/28) of the capital budget expenditure are related to the renewal, replacement and upgrading of existing infrastructure. National Treasury's norm is 40%, thus the current spending models for the outer years are higher than this norm.

Graph 27: Asset Sustainability Ratio



The graph above, illustrates the effect of the reduction of the capital budget over the MTREF. Current capital expenditure spending trends project that existing infrastructure are not being renewed/replaced sufficiently or maintained efficiently to prevent future renewal “backlogs”. If future renewal “backlogs” are not addressed, it will result in a reduction of service levels and will likely create a burden on future ratepayers; who will either have to incur substantial financial costs to restore the assets or it will result in a convenience cost from not being able to utilise the assets. Examples are the closure of roads due to excessive pot holes, unacceptable blue drop and green drop statuses due to quality standards not maintained and etcetera. The decrease in the capital budget is an attempt by Drakenstein to decrease its gearing ratio over the MTREF. The increase in the ratio during the MTREF is because the municipality has been allocated R305 million in 2024/25, R593 million in 2025/26 and R481 million in 2026/27 to upgrade sanitation infrastructure, through the Budget Facility for Infrastructure.

Table 94: Ten (10) Year Forecasted Financial Information

2023/2033 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY											
Serial Number	Description	2023/2024 Original Operating Budget R'000	2024/2025 Indicative Operating Budget R'000	2025/2026 Indicative Operating Budget R'000	2026/2027 Indicative Operating Budget R'000	2027/2028 Indicative Operating Budget R'000	2028/2029 Indicative Operating Budget R'000	2029/2030 Indicative Operating Budget R'000	2030/2031 Indicative Operating Budget R'000	2031/2032 Indicative Operating Budget R'000	2032/2033 Indicative Operating Budget R'001
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	Property rates	455,372	472,701	490,532	510,891	532,065	554,116	577,081	600,998	625,906	651,847
2	Service Charges - Electricity	1,510,137	1,866,827	2,145,311	2,478,840	2,864,014	2,992,895	3,127,575	3,268,316	3,415,390	3,569,083
3	Service Charges - Water	215,254	222,074	231,265	243,260	234,207	244,746	255,760	267,269	279,296	291,864
4	Service Charges - Sanitation	151,600	160,293	169,349	182,741	197,003	205,869	215,133	224,814	234,930	245,502
5	Service Charges - Waste	165,183	174,833	184,592	201,805	220,198	230,107	240,461	251,282	262,590	274,406
6	Rental from Fixed Assets	5,587	4,799	4,025	4,959	6,192	7,730	9,650	12,048	15,041	18,778
7	Interest earned - external investments	35,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
8	Interest earned - outstanding debtors	11,375	12,306	13,322	14,431	15,641	16,953	18,375	19,917	21,588	23,399
9	Fines, Penalties and Forfeits	120,113	120,113	120,113	120,113	120,113	120,113	120,113	120,113	120,113	120,113
10	Licences or Permits	3,447	3,616	3,786	3,964	4,150	4,346	4,550	4,764	4,987	5,222
11	Agency Services	19,282	20,150	21,056	22,004	23,038	24,121	25,254	26,441	27,684	28,985
12	Transfers and Subsidies	278,722	281,141	348,496	342,076	342,076	342,076	342,076	342,076	342,076	342,076
13	Other Revenue	21,309	22,350	23,392	24,482	25,633	26,838	28,099	29,420	30,802	32,250
14	Gains	0	0	0	0	0	0	0	0	0	0
15	Transfers and subsidies: Capital	444,641	688,489	580,051	73,051	73,051	73,051	73,051	73,051	73,051	73,051
16	Total Operating Revenue	3,437,023	4,072,691	4,358,290	4,245,617	4,680,381	4,865,959	5,060,179	5,263,508	5,476,455	5,699,576
17	Employee Related Cost	834,245	909,542	965,757	1,025,644	1,089,471	1,157,269	1,229,287	1,305,786	1,387,046	1,473,362
18	Remuneration of Councillors	37,159	38,943	40,812	42,771	44,824	46,975	49,230	51,593	54,070	56,665
19	Debt Impairment	159,517	180,971	183,841	168,311	171,446	272,193	279,857	287,882	296,286	305,091
20	Depreciation and Amortisation	264,180	273,690	283,543	303,391	326,146	350,607	376,902	405,170	435,558	468,224
21	Finance Charges	167,161	158,991	147,644	135,921	123,176	107,701	125,959	144,382	159,195	187,901
22	Bulk Purchases	1,104,485	1,360,124	1,598,510	1,879,090	2,209,333	2,124,955	2,220,578	2,320,504	2,424,927	2,534,049
23	Inventory Consumed	105,239	108,737	115,395	122,758	130,708	139,172	148,184	157,781	167,998	178,877
24	Contracted Services	231,514	231,962	285,177	291,173	302,109	313,455	325,227	337,441	350,114	363,263
25	Transfers and Subsidies	18,245	36,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910
26	Other Expenditure	143,216	153,412	144,256	150,453	146,060	141,795	137,655	133,636	129,734	125,946
27	Losses	0	0	0	0	0	0	0	0	0	0
28	Total Operating Expenditure	3,064,960	3,453,282	3,771,846	4,126,422	4,550,182	4,661,032	4,899,790	5,151,084	5,411,837	5,700,289
29	Operating Surplus/(Deficit)	372,062	619,409	586,444	119,195	130,199	204,927	160,389	112,424	64,619	(713)

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2023/2024 REVIEW

2023/2023 BUDGETED LONG TERM STATEMENT OF FINANCIAL POSITION												
Serial Number	Description	2022/2023 Original Budget R'000	2023/2024 Indicative Budget R'000	2024/2025 Indicative Budget R'000	2025/2026 Indicative Budget R'000	2026/2027 Indicative Budget R'000	2027/2028 Indicative Budget R'000	2028/2029 Indicative Budget R'000	2029/2030 Indicative Budget R'000	2030/2031 Indicative Budget R'000	2031/2032 Indicative Budget R'000	2032/2033 Indicative Budget R'000
Column Reference	A	B	B	C	D	E	F	G	H	I	J	K
1	ASSETS											
2	Current assets											
3	Cash	240,572	295,951	387,216	537,360	264,921	261,018	347,254	316,329	284,007	228,885	161,728
4	Call investment deposits					537,360	802,281	1,063,299	1,410,553	1,726,882	2,010,890	2,239,775
5	Consumer debtors	264,928	384,379	431,636	476,338	459,895	477,191	484,515	492,180	500,204	508,608	517,414
6	Other debtors	47,428	49,278	51,200	53,197	53,197	53,197	53,197	53,197	53,197	53,197	53,197
7	Current portion of long-term receivables	15				–	–	–	–	–	–	–
8	Inventory	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451
9	Other current assets	56,656	74,637	85,832	98,707							
10	Total current assets	638,050	832,696	984,336	1,194,053	1,343,825	1,622,138	1,976,716	2,300,710	2,592,741	2,830,031	3,000,564
11												
12	Non current assets											
13	Long-term receivables	24	19	19	19	–	–	–	–	–	–	–
14	Investments	–	–	–	–	–	–	–	–	–	–	–
15	Investment property	51,201	58,493	58,493	58,493	55,647	55,647	55,647	55,647	55,647	55,647	55,647
16	Investment in Associate											
17	Property, plant and equipment	6,329,153	6,878,413	7,550,836	8,120,291	7,929,282	7,709,130	7,806,575	7,877,723	7,945,605	7,983,098	7,967,925
18	Heritage assets	40,374	52,397	57,637	63,400	71,500	71,500	71,500	71,500	71,500	71,500	71,500
19	Intangible assets	3,442	3,912	5,250	5,775	40,374	40,374	40,374	40,374	40,374	40,374	40,374
20	Total non current assets	6,424,194	6,993,235	7,672,235	8,247,978	8,096,803	7,876,651	7,974,096	8,045,244	8,113,126	8,150,619	8,135,446
21	TOTAL ASSETS	7,062,244	7,825,931	8,656,570	9,442,031	9,440,628	9,498,789	9,950,812	10,345,954	10,705,867	10,980,650	11,136,010
22												
23	LIABILITIES											
24	Current liabilities											
25	Bank overdraft											
26	Borrowing	78,688	84,460	90,825	102,172	–	–	150,101	165,180	205,450	205,450	205,450
27	Consumer deposits	69,536	81,691	93,945	108,036	113,114	118,430	123,997	129,824	135,926	142,315	149,004
28	Trade and other payables	367,667	375,200	384,450	391,500	409,901	429,166	449,337	470,455	492,567	515,717	539,956
29	Trade and other payables from non-exchange transactions		–	–	–							
30	Provisions	95,576	109,913	126,400	145,360	145,360	145,360	145,360	145,360	145,360	145,360	145,360
31	Total current liabilities	611,467	651,264	695,619	747,068	668,374	692,956	868,794	910,820	979,303	1,008,842	1,039,770
32												
33	Non current liabilities											
34	Borrowing	1,537,026	1,458,338	1,373,878	1,283,053	1,148,361	1,021,721	1,061,546	1,221,366	1,365,916	1,510,466	1,617,841
35	Provisions	431,925	555,459	582,677	610,063	638,736	668,756	700,188	733,097	767,552	803,627	841,398
36	Total non current liabilities	1,968,952	2,013,797	1,956,555	1,893,116	1,787,096	1,690,477	1,761,734	1,954,462	2,133,468	2,314,093	2,459,238
37	TOTAL LIABILITIES	2,580,419	2,665,062	2,652,174	2,640,184	2,455,471	2,383,433	2,630,528	2,865,282	3,112,771	3,322,935	3,499,008
38												
39	NET ASSETS	4,481,825	5,160,869	6,004,396	6,801,847	6,985,157	7,115,356	7,320,284	7,480,672	7,593,096	7,657,715	7,637,002
40												
41	COMMUNITY WEALTH/EQUITY											
42	Accumulated Surplus/(Deficit)	2,987,426	3,339,873	4,185,726	4,985,271	5,092,853	5,223,052	5,427,980	5,588,368	5,700,792	5,765,411	5,744,698
43	Reserves	1,494,399	1,820,997	1,818,670	1,816,576	1,892,304	1,892,304	1,892,304	1,892,304	1,892,304	1,892,304	1,892,304
44	TOTAL COMMUNITY WEALTH/EQUITY	4,481,825	5,160,869	6,004,396	6,801,847	6,985,157	7,115,356	7,320,284	7,480,672	7,593,096	7,657,715	7,637,002

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2023/2024 REVIEW

2023/2033 LONG TERM BUDGETED CASH FLOW STATEMENT											
Serial Number	Description	2023/2024 Original Budget R'000	2024/2025 Indicative Budget R'000	2025/2026 Indicative Budget R'000	2026/2027 Indicative Budget R'000	2027/2028 Indicative Budget R'000	2028/2029 Indicative Budget R'000	2029/2030 Indicative Budget R'000	2030/2031 Indicative Budget R'000	2031/2032 Indicative Budget R'000	2032/2033 Indicative Budget R'001
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	CASH FLOW FROM OPERATING ACTIVITIES										
2	Receipts										
3	Property rates	438,779	455,494	472,696	490,455	510,782	531,951	553,998	576,958	600,870	625,773
4	Service charges	1,970,240	2,325,216	2,619,639	3,085,855	3,378,469	3,543,043	3,704,611	3,873,875	4,051,278	4,237,305
5	Other revenue	71,246	81,056	82,865	79,312	164,261	73,321	75,920	78,642	81,491	84,474
6	Transfers and Subsidies - Operational	278,722	281,141	348,496	342,076	342,076	342,076	342,076	342,076	342,076	342,076
7	Transfers and Subsidies - Capital	444,641	688,489	580,051	73,051	73,051	73,051	73,051	73,051	73,051	73,051
8	Interest	35,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
9	Dividends	–	–	–	–	–	–	–	–	–	–
10	Payments										
11	Suppliers and employees	(2,455,858)	(2,802,720)	(3,149,907)	(3,464,816)	(3,873,218)	(3,872,019)	(4,056,134)	(4,250,174)	(4,454,663)	(4,670,153)
12	Finance charges	(167,161)	(158,991)	(147,644)	(135,921)	(123,176)	(107,701)	(125,959)	(144,382)	(159,195)	(187,901)
13	Transfers and Grants	(18,245)	(36,910)	(6,910)	(6,910)	(6,910)	(6,910)	(6,910)	(6,910)	(6,910)	(6,910)
14	NET CASH FROM/(USED) OPERATING ACTIVITIES	597,365	855,776	822,285	486,103	488,335	599,813	583,654	566,137	550,998	520,715
15											
14	CASH FLOWS FROM INVESTING ACTIVITIES										
16	Receipts										
17	Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–
18	Decrease (increase) in non-current receivables	5	–	–	19	–	–	–	–	–	–
19	Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–
20	Payments										
21	Capital assets	(457,530)	(673,686)	(569,970)	(112,383)	(105,994)	(448,051)	(448,051)	(473,051)	(473,051)	(453,051)
22	NET CASH FROM/(USED) INVESTING ACTIVITIES	(457,525)	(673,686)	(569,970)	(112,364)	(105,994)	(448,051)	(448,051)	(473,051)	(473,051)	(453,051)
23											
24	CASH FLOWS FROM FINANCING ACTIVITIES										
25	Receipts										
26	Borrowing long term/refinancing	–	–	–	–	–	325,000	325,000	350,000	350,000	330,000
27	Increase (decrease) in consumer deposits	–	–	–	5,078	5,316	5,566	5,828	6,102	6,389	6,689
28	Payments										
29	Repayment of borrowing	(84,460)	(90,825)	(102,172)	(113,895)	(126,640)	(135,074)	(150,101)	(165,180)	(205,450)	(242,625)
30	NET CASH FROM/(USED) FINANCING ACTIVITIES	(84,460)	(90,825)	(102,172)	(108,818)	(121,323)	195,493	180,727	190,922	150,939	94,064
31											
32	NET INCREASE/ (DECREASE) IN CASH HELD	55,380	91,265	150,144	264,921	261,018	347,254	316,329	284,007	228,885	161,728
33	Cash/cash equivalents at the year begin:	240,572	295,951	387,216	537,360	802,281	1,063,299	1,410,553	1,726,882	2,010,890	2,239,775
34	Cash/cash equivalents at the year end:	295,951	387,216	537,360	802,281	1,063,299	1,410,553	1,726,882	2,010,890	2,239,775	2,401,503

4.18 CONCLUSION

The current financial challenges faced by Drakenstein Municipality, in addition to the uncertainty and financial risk caused by Covid-19, makes it critical for the municipality to manage its finances with the utmost prudence and care.

The most recent MTREF budget of Drakenstein indicates the municipality's commitment to address its financial challenges by budgeting for significant decreases in operational expenditure and capital investment in the coming financial years. The municipality is also not budgeting to access any external borrowing in the MTREF period, in an attempt to improve its highly geared financial position and lower its debt service obligations. The aggregated result of these adjustments is evidenced in sharp improvements in operational surpluses and liquidity levels.

To address the high debt service ratio that exists over the long-term:

- Notwithstanding sharp decreases in gearing levels, annual debt service obligations remain high. Drakenstein Municipality will, therefore, benefit from longer loan tenors, on average, in excess of 13 years; and
- In light of the size of the municipality and its financial capacity, a maximum gearing ratio of 40% and a maximum debt service to total expense ratio of 8% are recommended.

To support the municipality in its efforts to improve liquidity in the short-term:

- A healthy liquidity position is critical for long-term financial sustainability and to provide a buffer for the municipality to absorb financial shocks. The municipality's ability to generate cash from its operations is reliant on the maintenance of a collection rate of at least 95%; and
- To improve liquidity in the short-term the municipality should follow, as far as practically possible, a combined approach of decreasing cash funded capital investment and improving operational profits, by either increasing revenue or decreasing operational expenditure.

To support the municipality in its efforts to improve profitability in the short-term to enhance longer-term financial sustainability:

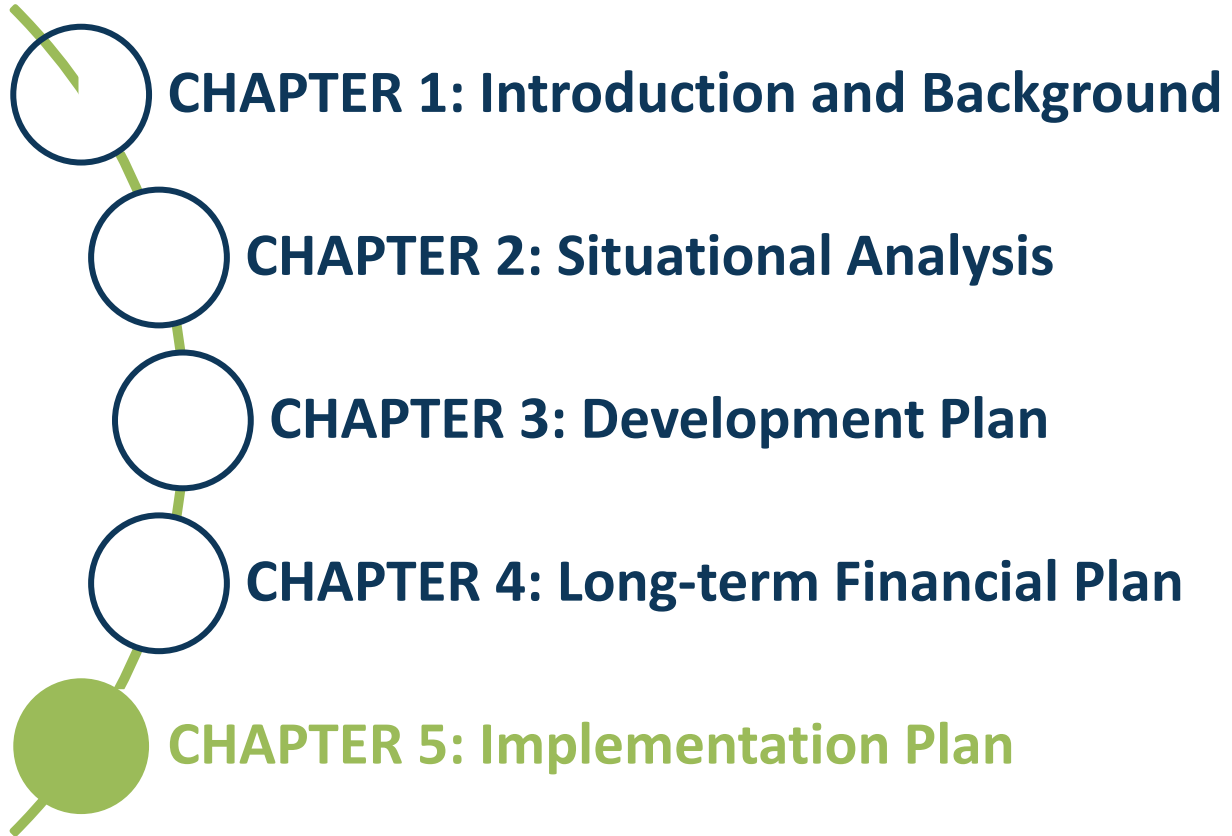
In light of the low economic growth and declining GVA per capita, it will be challenging for the municipality generate additional revenue from its shrinking economic base or by means of exorbitant increases in tariffs. Following significant reductions in operational expenditure, one can reasonably expect that opportunities for operational cost saving are also limited. Against this backdrop, however, the municipality provides generous benefits to its indigent households, well in excess of the National Government guidelines and benefits provided by comparable municipalities. Any reduction in these benefits will significantly improve the financial performance and financial health of Drakenstein Municipality.

In addition to the strategies above the municipality should:

- Maintain its relatively low levels of technical losses throughout the entire forecast period;
- Maintain its surplus margins on main municipal services (i.e. electricity and water); and
- Maintain strong financial governance and prudent financial management.

Updates to the long-term financial plan annually will enable the municipality to retain its relevance as well as serve as an input to the strategic decision making of the municipality to support long-term financial sustainability:

- The MTREF budget for capital expenditure might prove to be too low and all attempts should be made to increase the amount available for productive capital investment as soon as possible;
- The liquidity levels of the municipality need to be further increased to a level above 1.5:1; and
- It is recommended that the financial impact of any policy choices made be quantified and modelled before approval for implementation.



5. CHAPTER 5: PERFORMANCE MANAGEMENT

5.1 INTRODUCTION

The Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) mandates South African municipalities to formulate a five-year Integrated Development Plan (IDP) to inform the municipal budget and guide all development within the municipal area. The IDP is considered the Municipality's principal strategic plan and addresses the most critical development needs within the municipal area as well as the most critical governance needs of the organisation.

As the principal planning instrument that guides and informs the municipal budget, the planning process has to offer a medium for identifying, unpacking and resolving the real issues regarding service delivery to the Drakenstein ratepayers. Clearly identifying these issues in consultation with communities, makes it possible for the Municipality to propose realistic and workable solutions that can be budgeted for, implemented and monitored in a controlled environment. These issues may be over-arching issues that affect the whole municipality or may only specific wards within the municipal area. Thus, it is of outmost importance that the IDP be developed after the completion of a public participation process in which all community stakeholders were thoroughly consulted. This plan is also developed in partnership with the provincial and national government.

Core to the IDP is the improvement in the provision of basic municipal services and expanding livelihood and economic growth of the people of within Municipality.

The municipality's Performance Management System (PMS) aims to monitor, review and improve the implementation of its Integrated Development Plan (IDP) and to measure the progress made in achieving the objectives as set out in the IDP. Performance Management (PM) is complemented by the Performance Management Development Framework (PMDS), as outlined in the amended Municipal Systems Act, 32 of 2000, in terms of Human Resources (HR) Staffing Regulations, which comes into effect on 01 July 2022. Furthermore, the municipality also has a Monitoring and Evaluation Function (M&E), which focuses on the implementation of day-to-day service delivery issues.

Implementation of the Service Delivery and Budget Implementation Plan (SDBIP) in the IDP ensures that the municipality implements programmes and projects based on the IDP targets and the approved budget. The performance of the municipality is reported on in the Quarterly and Mid-yearly Performance Assessment Reports as well as in the Annual Performance Report.

Two key internal combined assurance tools are internal performance audit and risk management. This ensure that all activities undertaken adequately address significant risks and put in place control mechanisms to mitigate said risks in order to attain set performance targets.

In addition to performance management legislation and regulations, the Performance Management Policy seeks to promote a culture of performance management within Drakenstein Municipality. A conducive performance management culture will ensure that the developmental objectives as construed in the IDP gets relevance in the performance agreements of senior managers as well as the consequence implementation thereof. The purpose of the Performance Management Policy is to streamline performance management processes and to ensure that the five-year IDP (2022-2027) is implemented.

5.1.1 Service Delivery Budget Implementations Plan (SDBIP)

Parallel with the completion IDP revision, work has commenced to prepare the SDBIPs for the 2023/2024 financial year for the various functional areas and directorates of the Municipality. The SDBIP will unpack the IDP strategic focus areas and predetermined objectives into more detailed programmes, projects, budgets, and performance targets and measurement criteria. Section 1 of the Municipal Finance Management Act 2003 (Act 56 of 2003) (MFMA) defines the SDBIP 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:

- (a) projections for each month of-*
 - (i) revenue to be collected, by source; and*
 - (ii) operational and capital expenditure, by vote;*
- (b) service delivery targets and performance indicators for each quarter”.*

The Service Delivery and Budget Implementation Plan (SDBIP) is an implementation plan of the approved Integrated Development Plan (IDP) and Medium-Term Revenue and Expenditure Framework. Therefore, only projects that are budgeted for are implemented. The SDBIP serves to address the development objectives as derived from the approved IDP.

The format of the SDBIP is prescribed by MFMA Circular Number 13 issued by National Treasury. In terms of the said Circular Number 13 the SDBIP must provide a picture of service delivery areas, budget allocations and enable monitoring and evaluation. It specifically requires the SDBIP to include, inter alia, the following:

- 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; and
- Detailed capital works plan broken down by ward over three years.

5.1.2 MFMA Circular No. 13

The Circular stipulates that the SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by council as quantifiable outcomes that can be implemented by the administration over the next twelve months. The SDBIP provides the vital link between the mayor, council (executive) and the administration and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community.

In accordance with Section 53 of the MFMA, the mayor of a municipality must take all reasonable steps to ensure that the municipality’s service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget. It also indicates that the annual performance agreements as required in terms of Section 57(1)(b) of the MSA for the municipal manager and all senior managers are linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan.

5.2 HIGH LEVEL SDBIP TARGETS AND INDICATORS

Quarterly projections of service delivery targets and performance indicators for each vote, is one of the five components of the Top Layer (TL) SDBIP that must be made public as detailed in MFMA Circular 13. The TL SDBIP includes measurable performance objectives in the form of service delivery targets and performance indicators that are provided to the community, that is, what impacts it seeks to achieve. These are drawn from the IDP programmes, services and activities that are relevant to each specific directorate as well as the statutory plans that the department is responsible for. The SDBIPs therefore are the key mechanisms for monitoring the different responsibilities and targets that each Directorate must fulfil in meeting service delivery needs provided to the community

5.3 REPORTING ON THE SDBIP

Various reporting requirements are outlined in the MFMA, both the mayor and the accounting officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent

basis for generating the reports required by the MFMA. The report then allows the Council to monitor the implementation of service delivery programs and initiatives across the municipality's boundaries.

5.3.1 Monthly Reporting

Section 71 of the MFMA stipulates that reporting on actual revenue targets and spending against the budget should occur on a monthly basis. This reporting must be conducted by the accounting officer of a municipality no later than 10 working days, after the end of each month.

This report includes:

- Actual revenue per source;
- Actual borrowing;
- Actual expenditure per votes;
- Actual capital expenditure per vote; and
- Any allocations received

5.3.2 Quarterly Reporting

Performance monitoring is an ongoing process by which a manager accountable for a specific indicator and target as set out in the SDBIP continuously monitors current performance against pre-determined objectives (PDOs). The aim of the monitoring process is to take appropriate and immediate interim (or preliminary) action where the indication is that a target is not going to be met by the time that the formal process of performance measurement, analysis, reporting and review is due. Section 52(d) of the MFMA compels the mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the mayor's quarterly report.

Schedule for Performance Reviews

The performance of the employee in relation to his/her performance agreement is reviewed in accordance with the following schedule. Quarterly performance evaluations are conducted for all contracted employees no later than one month following the quarter for which the evaluation is being done.

Table 95: Departmental Quarterly Evaluation

Serial No.	Quarters	Time Frames	Departmental Quarterly Evaluation
1.	First Quarter	July to September	Before or on 10 - 21 October
2.	Second Quarter	October to December	Before or on 10 - 25 January
3.	Third Quarter	January to March	Before or on 10 - 21 April
4.	Fourth Quarter	April to June	Before or on 10 - 21 July

5.3.3 Mid-Year Reporting

Section 72 of the Local Government: Municipal Finance Management Act, Act No. 5 of 2003, determines that by 25 January of each year the accounting officer must assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

The section 72 report must include the following:

- The monthly statements submitted in terms of section 71 for the first half of the financial year;
- The municipality's service delivery performance, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan; and
- The past year's annual report, and progress on resolving problems identified in the annual report (s72);
- Performance of service providers;
- Make recommendations as to whether an adjustments budget is necessary (s72); and
- Recommend revised projections for revenue and expenditure to the extent that this may be necessary (s72).

(a) Monitoring and Adjustments Budget Process

The section 71 and 72 budget monitoring reports are required under the MFMA and should provide a consolidated analysis of the Municipality's financial position including year-end projections. The Executive Mayor must consider these reports under s54 of the MFMA and then decide as to whether the SDBIP should be amended. The Adjustments Budget concept is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the municipality's finances.

Meaning, funds can be transferred within a vote but any movements between votes can only be agreed by an adjustments budget.

In accordance with the Municipality's approved Performance Management Policy, key performance indicators (KPIs) can only be adjusted after the mid-year assessment and/or after the adjustments budget has been approved. KPIs should be adjusted to be aligned with the adjustment estimate and the reason for the change in KPIs should be documented in a report to the Executive Mayor for approval.

Additional KPIs can be added during the year with the approval of the municipal manager. The approval documents should be safeguarded for audit purposes. This policy is supported by MFMA Circular No. 13: Service Delivery and Budget Implementation Plan which stipulates that being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by the council – it is however tabled before council and made public for information and for purposes of monitoring. The SDBIP should be seen as a dynamic document that may (at lower layers of the plan) be continually revised by the municipal manager and senior management as actual performance after each month or quarter is taken into account.

(b) Internal Auditing of Performance Reports

The MFMA requires that the Municipality must establish an Internal Audit section, which service could be outsourced, depending on its resources and specific requirements. Section 45 of the MSA stipulates that the results of the Municipality's performance measures/indicators must be audited by the said Internal Audit section as part of the Internal Auditing process and annually by the Auditor-General.

The Municipal Planning and Performance Management Regulations stipulate that the Internal Audit section must on a continuous basis audit all performance and the auditing must include an assessment of the following:

- The functionality of the municipality's PMS;
- Whether the municipality's PMS complies with the Act; and
- The extent to which the municipality's performance measurements are reliable in measuring the performance of municipalities by making use of indicators.

The Municipality's internal audit function will need to be continuously involved in auditing the performance reports based on the organisational and directorate/departmental scorecards. As required by Regulation, they will be required to produce an audit report on a quarterly basis, to be submitted to the Municipal Manager and Performance Audit Committee. The MFMA and the Municipal Planning and Performance Management

Regulations require that the municipal council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a member of an audit committee. Council shall also appoint a chairperson who is not an employee.

5.4 MFMA CIRCULAR NO. 88 OF 2017

The MFMA Circular No. 88 of 2017, its accompanying annexures and subsequent addendums provides guidance to municipalities on the adoption and internalisation of a common set of performance indicators. The implementation of the original circular has shown that the on-going planning, budgeting and reporting reforms process is complex and requires sufficient time and change management for incremental roll-out, growth and institutionalisation.

For immediate implementation purposes, the municipality have identified the indicators in Appendix A to Addendum 2 that are listed as Tier 1 or Tier 2 for our category municipality and started establishing baselines for those measurements (if they are not already being tracked) along with getting to grips with understanding the standard definitions explained in the technical indicator descriptions (TID).

Importantly, please note that intermediate cities, districts and local municipalities are still not yet required for 2023/24 to incorporate these indicators in their IDPs and SDBIPs. Instead, the relevant indicators are included as an annexure to the IDP and SDBIP. Please do note that the roll-out process currently remains a pilot project. Reporting against these indicators will as such not be audited for 2023/24.

Due to the pilot process, intermediate cities, district and local municipalities will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators will find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 with indicators applicable to the municipality at Tier 1 and 2 levels of readiness.

Practically, piloting for all categories of municipalities (except metros) means the following as it relates to municipal planning:

- Tier 1 and Tier 2 outcome, output and compliance indicators applicable to the municipality to be included in a dedicated Annexure to the IDP and SDBIP which clearly indicates the indicator;
- Baselines should be established for Tier 1 and Tier 2 outcome, output and compliance indicators and reflected in the IDP;
- Targets for outcome indicators should be set with a five-year horizon for local government (2025/26);
- Targets for output indicators should be set on an annual basis; and

- NO targets should be set for compliance indicators as these are tracked for monitoring purposes only.

5.5 PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

The municipality will adopt a performance management and development system that complies with the provision of Chapter 4 of the Municipal Staff Regulations.

The performance management and development system applies to all staff members of a municipality excluding a staff member that, is appointed on a fixed-term contract with a duration of less than 12 months, service notice-of termination of his or her contract of employment, or in terms of retire on reaching the statutory retirement age, appointed on an internship programme or participating in the national public works programme or any similar scheme, and appointed in terms of sections 54A and 56 of the Municipal Systems Act.

The performance management and development system are collaborative, transparent, and fair. The municipality shall apply the performance management and development system in a consultative, supportive and non-discriminatory manner in order to enhance organizational efficiency, effectiveness, and accountability. The performance management and development system are underpinned by an open, constructive and ongoing communication between the supervisor and the staff member.

The performance management and development system are, where reasonably practicable, linked to- the municipality's strategic objectives, Integrated Development Plan, and the SDBIP of the relevant municipal department and the senior manager's performance plan and the performance plan of the staff members within that senior manager's division. The performance management and development system are developmental while allowing for an effective response and relevant measures to manage substandard performance, and recognition and reinforcement of fully effective performance significantly above expectations and outstanding performance.

The performance management and development system will be integrated with other human resource policies and practices contemplated in section 67 of the Municipal Systems Act as well as any other organizational development initiatives of the municipality.

5.6 THE PERFORMANCE MANAGEMENT POLICY INCLUDES THE FOLLOWING OBJECTIVES THAT THE MUNICIPALITY'S PMS SHOULD FULFIL:

- The PMS should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal Council and the municipal management team;
- The PMS should facilitate learning in order to enable the municipality to improve service delivery;

- It is important that the PMS ensures decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, if necessary; and
- The PMS should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The Performance Management Policy clarifies the roles and responsibilities of each of the stakeholders involved in the PMS of the municipality. This negates any confusion that might arise in the municipality's pursuit to speed up delivery and to enhance the quality of services to its local constituents.

The SDBIP is an implementation plan of the approved Integrated Development Plan (IDP) and Medium-Term Revenue and Expenditure Framework. Therefore, only projects that are budgeted for are implemented. The SDBIP serves to address the development objectives as derived from the approved IDP. The format of the SDBIP is prescribed by MFMA Circular Number 13 issued by National Treasury. In terms of Circular 13, the SDBIP provides a picture of service delivery priorities, budget provision and the monitoring of performance.

5.7 MONITORING AND EVALUATION (M&E)

Performance Management is the legislated and formal process to monitor and measure performance. Key performance indicators (KPIs) and targets are measured in terms of monthly, quarterly and annual targets and are captured in a performance contract and signed by the City Manager, Chief Financial Officer and Executive Directors at the start of each financial year (30 June). The performance contract cannot immediately be amended when new priorities and risks arise that requires urgent attention. This led to the development and implementation of the Monitoring and Evaluation (M&E) approach.

M&E focuses on the strategic, tactical and operational unforeseen challenges/risks that arise on a daily, weekly and monthly basis. These identified challenges/risks normally stem from service delivery and/or thematic meetings. The decisions of meetings are captured as action orientated outputs with clear indication of the due dates and responsible person (manager).

At strategic level, the COVID-19 pandemic, electricity load shedding and the 2017 drought are examples of unforeseen challenges that required immediate action and could not be delayed. M&E proved to be the practical solution to immediately respond to the situation. This approach allows for flexibility and improved effectiveness of performance management in Drakenstein.

M&E is further complemented by the following initiatives:

- The “management by walking about” (MBWA) approach where senior management physically visit municipal facilities, service delivery hotspots, infrastructure, etc.;
- The utilisation of technology in the provision of portfolio of evidence when reporting back on items actioned. This includes the use of drone footage, photos, video clips in assessing different situations;
- The creation of action and accountability orientated minute keeping; and
- The establishment of practical working committees that focused on cost containment, service delivery enhancement and other to assist in the provision of localised services.

Compliance with M&E due dates are monitored on a weekly basis and feedback is provided to the Strategic Management Team (SMT) in the form of a dashboard. The dashboard reflects percentage adherence to due dates and the actual implementation of action items. The adherence and compliance with M&E is quantified and linked to the formal performance management process with quarterly targets.

Table 96: The five-year performance scorecard of the municipality

KEY PERFORMANCE AREA (KPA) 1: Governance and Compliance																		
Strategic Objective:			To ensure good governance and the active participation of all relevant stakeholders.															
IDP/ Ref No.	Pre- determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 01. Governance Structures	Submission of Audit Committee reports to Council	Programme	Internal Audit	Number of quarterly Audit Committee reports submitted to Council	4	4	4	4	4	4	All	4	NKPA 2	NDP 11	PSO 5	CWDM 3	Outcome
TBC	PDO 02. Risk and Assurance	Investigation of all formally reported fraud, theft and corruption cases	Programme	Risk Management	Percentage of formally reported fraud, theft and corruption investigations initiated within 30 days after receipt	100%	100%	100%	100%	100%	100%	All	100%	NKPA 2	NDP 12	PSO 5	CWDM 3	Output
TBC	PDO 03. Stakeholder Participation	IDP and Budget annual stakeholder consultation	Programme	IDP and Performance Management	IDP / Budget / SDF time schedule (process plan) submitted to Council by 31 August	1	1	1	1	1	1	All	1	NKPA 2	NDP 11	PSO 5	CWDM 3	Output
TBC	PDO 07: Customer relations	Implement Customer Service Charter	Activity	IDP and Performance Management	Number of Customer Service Charters implemented by 1 August	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 5	NDP 11	PSO 5	CWDM 3	Output
TBC	PDO 06. Marketing (Branding and Website)	Launch new intranet webpage	Key Initiative	Communication and Marketing	Number of new intranet webpages launched by 31 July	New KPI	1	N/A	N/A	N/A	N/A	N/A	N/A	NKPA 4	NDP 5	PSO 5	CWDM 2	Output

KEY PERFORMANCE AREA (KPA) 1: Governance and Compliance																		
Strategic Objective:			To ensure good governance and the active participation of all relevant stakeholders.															
IDP/ Ref No.	Pre- determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 01. Governance Structures	Conclude Memorandum of Agreement with the Department of Justice for the Municipal Court	Key Initiative	Corporate Services	Number of Memorandum of Agreements concluded with the Department of Justice by 31 April	New KPI	1	N/A	N/A	N/A	N/A	All	1	NKPA 5	NDP 11	PSO5	CWDM 1	Output
TBC	PDO 01. Governance Structures	Launch Municipal Court	Key Initiative	Corporate Services	Number of Municipal Courts launched by 31 August	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 5	NDP 11	PSO5	CWDM 1	Outcome

KEY PERFORMANCE AREA (KPA) 2: Finance																		
Strategic Objective:			To ensure financial sustainability in order to meet the statutory requirements.															
IDP/ Ref No.	Pre- determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 08. Revenue	Raise operating budget revenue as per approved budget	Input	Financial Services	Percentage of total Annual Operating Budget revenue raised by 30 June	98.87%	95%	95%	95%	95%	95%	All	98%	NKPA 4	NDP 11	PSO 5	CWDM 3	Input
TBC	PDO 10. Budgeting / Funding	Submission of the MTREF (aligned to the IDP) to Council for 31 May	Input	Financial Services	Number of MTREFs submitted for approval to Council by 31 May	1	1	1	1	1	1	All	1	NKPA 4	NDP 11	PSO 5	CWDM 3	Input
TBC	PDO 11. Capital Expenditure	Actual expenditure on the approved Capital Budget for the municipality by 30 June (MFMA, S10(c))	Output	Financial Services	Percentage of approved Capital Budget actually spent by 30 June	92.72%	90%	90%	90%	90%	90%	All	90%	NKPA 4	NDP 11	PSO 5	CWDM 3	Outcome
TBC	PDO 13. Financial Viability	Ratio in respect of Debtor Payment Days (Collect all billed revenue to ensure that sufficient cash is generated to meet Drakenstein’s debt and operating commitments)	Outcome	Financial Services	Net Debtors Days Ratio ((Gross Debtors – Bad Debt Provision) / Billed Revenue)) x 365 (Target Number of days), measured quarterly	41.66	≤45	≤45	≤45	≤45	≤45	All	≤45	NKPA 4	NDP 11	PSO 5	CWDM 3	Outcome
TBC	PDO 15: Financial Reporting	Submit the Annual Financial Statements by 31 August to the Office of the Auditor-General	Output	Financial Services	Number of Annual Financial Statements submitted to the Auditor General by 31 August	1	1	1	1	1	1	All	1	NKPA 4	NDP 11	PSO 5	CWDM 3	Output

KEY PERFORMANCE AREA (KPA) 2: Finance																		
Strategic Objective:			To ensure financial sustainability in order to meet the statutory requirements.															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 15: Financial Reporting	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MFMA, Reg. S10(g)(iii))	Outcome	Financial Services	Cost coverage ratio (Available cash + investments) / Monthly fixed operating expenditure, measured annually	1.59	>1.0	>1.0	>1.0	>1.0	>1.0	All	>3.0	NKPA 4	NDP 11	PSO 5	CWDM 3	Output
TBC	PDO 15. Financial Reporting	Financial viability measured in terms of the municipality's ability to meet its service debt obligations (NKPI Proxy - MFMA, Reg. S10(g)(i))	Outcome	Financial Services	Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments due within the year)) measured annually	11.62	>6.7	>6.7	>6.7	>6.7	>6.7	All	>6.7	NKPA 4	NDP 11	PSO 5	CWDM 3	Outcome
TBC	PDO 15. Financial Reporting	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MFMA, Reg. S10(g)(ii))	Outcome	Financial Services	Service debtors to revenue ratio – (Total outstanding service debtors / revenue received for services) measured annually	0.18	<0.25	<0.25	<0.25	<0.25	<0.25	All	<0.25	NKPA 4	NDP 11	PSO 5	CWDM 3	Outcome

KEY PERFORMANCE AREA (KPA) 2: Finance																		
Strategic Objective:			To ensure financial sustainability in order to meet the statutory requirements.															
IDP/ Ref No.	Pre- determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 13: Financial Viability	Updated Indigent Register (NKPI Proxy - MFMA, Reg. S10(b a))	Output	Financial Services	Percentage of all qualifying indigent applications processed quarterly	100%	100%	100%	100%	100%	100%	All	100%	NKPA 3	NDP 11	PSO 5	CWDM 1	Output
TBC	PDO 14: Supply Chain Management	Implement electronic contract management system	Key Initiative	Financial Services	Percentage of electronic contract management system implemented by 31 July	New KPI	100%	N/A	N/A	N/A	N/A	All	100%	NKPA 4	NDP 2	PSO0 1	CWDM 3	Output
TBC	PDO 14: Supply Chain Management	Implement the stores security plan	Key Initiative	Financial Services	Percentage of stores security plan by 31 March	New KPI	100%	N/A	N/A	N/A	N/A	All	N/A	NKPA 4	NDP 2	PSO 1	CWDM 3	Outcome

KEY PRFORMANCE AREA (KPA) 3: Organisation and Human Capital																		
Strategic Objective:			To ensure an efficient and effective organisation supported by a competent and skilled workforce															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 17. Human Capital	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a Municipality's approved employment equity plan (NKPI Proxy - MFMA, Reg. S10(e))	Programme	Corporate Services	Number of reports on the number of people from employment equity groups employed in the three highest levels of management submitted to the City Manager by 30 November and 30 June	2	2	2	2	2	2	N/A	2	NKPA 5	NDP 1	PSO 1	CWDM 1	Output
TBC	PDO 17. Human Capital	Submit to Council a Succession Planning Policy	Key Initiative	Corporate Services	Number of Succession Planning Policies submitted to Council by 31 July	New KPI	N/A	1	N/A	N/A	N/A	N/A	N/A	NKPA	NDP 7	PSO 2	CWDM 1	Output
TBC	PDO 16. Organisational Structure	Implementation Performance Management Development System (PMDS Organisational Efficiency)	Programme	Corporate Services	Conduct information and Training sessions to user departments by 31 July	New KPI	100%	N/A	N/A	N/A	N/A	N/A	100%	NKPA 5	NDP 7	PSO 2	CWDM 1	Output
TBC	PDO 16. Organisational Structure	Finalisation of the Municipal Organogram (funded positions)	Key Initiative	Corporate Services	Number of Finalised Municipal Organograms submitted to Council 31 July	New KPI	1	N/A	N/A	N/A	N/A	N/A	1	NKPA	NDP 7	PSO 2	CWDM 1	Outcome

KEY PRFORMANCE AREA (KPA) 3: Organisation and Human Capital																		
Strategic Objective:			To ensure an efficient and effective organisation supported by a competent and skilled workforce															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 17: Human Capital	Submission of Performance Management Development System (PMDS Organisational Efficiency)	Programme	Corporate Services	Number of PMDS regulations submitted to Council by 31 July	New KPI	1	N/A	N/A	N/A	N/A	N/A	1	NKPA 5	NDP 7	PSO 2		Output
TBC	PDO 20: Processes and Procedures	Monitor and review implementation of new staffing regulations in relation to skills development and recruitment	Programme	Corporate Services	Number of Performance Management Development System (PMDS Organisational Efficiency) SOPs implemented by 31 July	New KPI	1	N/A	N/A	N/A	N/A	N/A	1	NKPA 5	NDP 7	PSO 2		Outcome
TBC	PDO 20: Processes and Procedures	Implement Performance Management Development System (PMDS Organisational Efficiency) to all departments	Programme	Corporate Services	Percentage of Performance Management Development System (PMDS Organisational Efficiency) to all departments implemented	New KPI	100%	100%	100%	100%	100%	N/A	100%	NKPA 5	NDP 7	PSO 2		Outcome
TBC	PDO 20: Processes and Procedures	Develop Job Optimization SOP	Key Initiative	Corporate Services	Number Job Optimization SOP developed by 31 April	New KPI	1	N/A	N/A	N/A	N/A	N/A	1	NKPA 5	NDP 7	PSO 2		Outcome
TBC	PDO 17. Human Capital	The percentage of the municipality's budget actually spent on implementing its workplace skills plan (NKPI Proxy - MFMA, Reg. S10(f))	Programme	Corporate Services	Percentage of the municipality's approved budget actually spent on implementing its workplace skills plan by 30 June	98%	98%	98%	98%	98%	98%	N/A	98%	NKPA 5	NDP 7	PSO 5	CWDM 3	Output

KEY PRFORMANCE AREA (KPA) 3: Organisation and Human Capital																		
Strategic Objective:			To ensure an efficient and effective organisation supported by a competent and skilled workforce															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 21. Fleet Management and Mechanical Workshop	Submit a Project Management Policy to MayCo for approval	Key Initiative	Engineering Services	Number of Project Management policies submitted to MayCo by 30 September	New KPI	1	N/A	N/A	N/A	N/A	N/A	N/A	NKPA 5	NDP 11	PSO 5	CWDM 3	Outcome
TBC	PDO 19. Systems and Technology	Upgrade Archive Management System	Capital Project	Corporate Services	Percentage of document storage areas upgraded (physical and electronic) by 31 March	New KPI	65%	70%	80%	90%	100%	N/A	100%	NKPA 5	NDP 11	PSO 4	CWDM 3	Outcome
TBC	PDO 19. Systems and Technology	Review Collaborator Processing (new and existing)	Capital Project	Corporate Services	Percentage of reviewed collaborator processing submitted quarterly	New KPI	100%	100%	100%	100%	100%	N/A	100%	NKPA 5	NDP 2	PSO 4	CWDM 3	Outcome
TBC	PDO 19. Systems and Technology	Upload (Vital Documents) to the Collaborator system	Capital Project	Corporate Services	Percentage of Vital Document uploaded on Collaborator quarterly	New KPI	100%	100%	100%	100%	100%	N/A	100%	NKPA 5	NDP 11	PSO 5	CWDM 3	Output
TBC	PDO 19. Systems and Technology	Replacement of Host Servers for Virtual Server Environment	Outcome	Corporate Services	Number of Host Replacement of Host Servers for Virtual Server Environment by 31 March	New KPI	<u>1</u>	<u>1</u>	1	1	1	N/A	1	NKPA 5	NDP 11	PSO 5	CWDM 3	Outcome

KEY PRFORMANCE AREA (KPA) 3: Organisation and Human Capital																		
Strategic Objective:			To ensure an efficient and effective organisation supported by a competent and skilled workforce															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 19. Systems and Technology	Automation of Human Resources Processes	Outcome	Corporate Services	Percentage of automation of two (2) Human Resources Processes (Benefits and Gift Registry) by 30 June	New KPI	<u>1</u>	<u>1</u>	1	1	1	N/A	1	NKPA 5	NDP 2	PSO 4	CWDM 3	Outcome
TBC	PDO 19. Systems and Technology	Telephone headsets replaced and newly provided	Activity	Corporate Services	Percentage of telephone headsets replaced by 30 June	New	100%	100%	100%	100%	100%	N/A	100%	NKPA 5	NDP 11	PSO 4	CWDM 3	Activity
TBC	PDO 19. Systems and Technology	Replacement and additional software licenses for Microsoft	Outcome	Corporate Services	Percentage of Microsoft software licenses replaced or added by 30 April	New KPI	100%	100%	100%	100%	100%	N/A	100%	NKPA 5	NDP 11	PSO 4	CWDM 3	Outcome
TBC	PDO 19. Systems and Technology	Implementation of ICT infrastructure plan	Outcome	Corporate Services	Percentage of ICT Infrastructure plan implemented by 30 April	New KPI	<u>65%</u>	<u>70%</u>	80%	90%	100%	N/A	100%	NKPA 5	NDP 2	PSO 5	CWDM 3	Outcome
TBC	PDO 19. Systems and Technology	Migrate virtual environment from VMWare to Microsoft Hyper-V	Outcome	Corporate Services	Percentage of virtual Environment migrated from VMWare to Microsoft Hyper-V by 30 April	New KPI	<u>N/A</u>	<u>100%</u>	N/A	N/A	N/A	N/A	100%	NKPA 5	NDP 2	PSO 5	CWDM 3	Outcome

KEY PRFORMANCE AREA (KPA) 3: Organisation and Human Capital																		
Strategic Objective:			To ensure an efficient and effective organisation supported by a competent and skilled workforce															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 19. Systems and Technology	Expand Fibre-Optic network	Output	Corporate Services	Percentage of Fibre-optic network expanded across Drakenstein Buildings by 31 March	New KPI	N/A	N/A	100%	N/A	N/A	N/A	100%	NKPA 5	NDP 2	PSO 4	CWDM 3	Output
TBC	PDO 19. Systems and Technology	Implement Microsoft E365	Outcome	Corporate Services	Percentage of Microsoft E365 implemented 30 September	New KPI	100%	N/A	N/A	N/A	N/A	N/A	100%	NKPA 5	NDP 2	PSO 4	CWDM 3	Outcome
TBC	PDO 19. Systems and Technology	Move Wellington Disaster Recovery site to MS Azure Cloud	Output	Corporate Services	Percentage of Wellington Disaster Recovery site moved to MS Azure Cloud	New KPI	N/A	100%	N/A	N/A	N/A	N/A	100%	NKPA 5	NDP 11	PSO 4	CWDM 3	Output
TBC	PDO 18. Performance Management	Submit the Mid-year MFMA S72 report to the Mayor	Output	IDP and Performance Management	Number of Mid-Year MFMA S72 Reports submitted to the Mayor by 25 January	1	1	1	1	1	1	N/A	1	NKPA 2	NDP 11	PSO 5	CWDM 3	Output

KEY PERFORMANCE AREA (KPA) 4: Infrastructure and Services																		
Strategic Objective:			To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services.															
IDP/ Ref No.	Pre- determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 22. Electricity and Energy	Limit the electricity losses to less than 10% annually (Average energy purchased to date - Average energy sold to date) / (Average energy purchased to date) X 100 = Average energy losses for reporting period	Outcome	Engineering Services	Percentage average electricity losses by 30 June	7.53%	<10%	<10%	<10%	<10%	<10%	All	<10%	NKPA 4	NDP 2	PSO 4	CWDM 1	Outcome
TBC	PDO 22. Electricity and Energy	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a))	Outcome	Engineering Services	Percentage of formal households with access to basic level of electricity by 30 June	100%	100%	100%	100%	100%	100%	All	100%	NKPA4	NDP5	PSO4	CWDM 3	Outcome
TBC	PDO 24. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a))	Outcome	Engineering Services	Percentage of formal households with access to basic level of sanitation by 30 June	100%	100%	100%	100%	100%	100%	All	100%	NKPA4	NDP5	PSO4	CWDM 3	Outcome
TBC	PDO 24. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy indicator - S10(a))	Outcome	Engineering Services	Percentage of formal households with access to basic level of water by 30 June	100%	100%	100%	100%	100%	100%	All	100%	NKPA4	NDP5	PSO4	CWDM 3	Outcome
TBC	PDO 25. Solid Waste	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy indicator - S10 (a))	Outcome	Engineering Services	Percentage of formal households with access to basic level solid waste removal by 30 June	100%	100%	100%	100%	100%	100%	All	100%	NKPA4	NDP5	PSO4	CWDM 3	Outcome
TBC	PDO 22. Electricity and Energy	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a))	Key Initiative	Engineering Services	Number of new electricity connections installed in the registered informal settlements	180	10	12	14	16	18	1,5,6,8,9,12,14,16,21,24,25,27,31,32	20	NKPA4	NDP5	PSO4	CWDM 3	Output

KEY PERFORMANCE AREA (KPA) 4: Infrastructure and Services																		
Strategic Objective:			To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services.															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 24. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a))	Key Initiative	Engineering Services	Number of new/upgraded sanitation service points (toilets) provided to registered informal settlements	20	10	10	10	10	10	1,5,6,8,9,12,14,16,21,24,25,27,31,32	10	NKPA4	NDP5	PSO4	CWDM 3	Output
TBC	PDO 24. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a))	Key Initiative	Engineering Services	Number of new/upgraded water service points (taps) provided to registered informal settlements	4	10	10	10	10	10	1,5,6,8,9,12,14,16,21,24,25,27,31,32	10	NKPA4	NDP5	PSO4	CWDM 3	Output
TBC	PDO 25. Solid Waste	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a))	Key Initiative	Engineering Services	Number of registered informal settlements receiving a refuse collection service	41	41	41	41	41	41	1,5,6,8,9,12,14,16,21,24,25,27,31,32	41	NKPA4	NDP5	PSO4	CWDM 3	Output
TBC	PDO 24. Water and Wastewater	Water quality managed and measured quarterly i.t.o the SANS 241 physical and micro parameters	Outcome	Engineering Services	Percentage water quality level as per analysis certificate measured quarterly	98.43%	95%	95%	95%	95%	95%	All	95%	NKPA 3	NDP 2	PSO 3	CWDM 1	Outcome
TBC	PDO 24. Water and Wastewater	Wastewater quality managed and measured quarterly i.t.o the SANS Accreditation physical and micro parameters	Outcome	Engineering Services	Percentage wastewater quality compliance as per analysis certificate measured quarterly	81.63%	80%	80%	80%	80%	80%	All	80%	NKPA 3	NDP 2	PSO 3	CWDM 1	Outcome
TBC	PDO 25. Solid Waste	Submission of a Solid Waste Available Air Space Report to the Mayoral Committee (Mayco)	Output	Engineering Services	Number of Solid Waste Available Air Space Reports submitted to the Mayoral Committee (Mayco) by 30 June	1	1	1	1	1	1	All	1	NKPA 3	NDP 2	PSO 3	CWDM 1	Output

KEY PERFORMANCE AREA (KPA) 4: Infrastructure and Services																		
Strategic Objective:			To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services.															
IDP/ Ref No.	Pre- determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 24. Water and Wastewater	Limit water network losses to less than 19% measured annually (Difference between water units supplied and water units billed as percentage of water supplied)	Output	Engineering Services	Average percentage water losses by 30 June	14.3%	<19%	<19%	<19%	<19%	<19%	All	<19%	NKPA 3	NDP 10	PSO 4	CWDM 2	Output
TBC	PDO 25. Solid Waste	Construct mini drop-offs at waste hotspots	Output	Community Services	Number of mini drop-offs constructed at waste hot spots by 30 September	New KPI	5	5	5	5	5	All	5	NKPA 3	NDP 10	PSO 4	CWDM 2	Output
TBC	PDO 25. Solid Waste	Implement 3m³ skip project in high density/informal areas	Output	Community Services	Number of 3m³ skips projects implemented in high density/informal areas	New KPI	1	1	1	1	1	1,5,6,8,9,12,13,14,16,21,22,24,25,27,31,32,33	N/A	NKPA 3	NDP 10	PSO 5	CWDM 2	Output
TBC	PDO 26. Municipal and Public Facilities	Upgrading of Aged infrastructure	Capital Project	Engineering Services	Percentage of Gouda Community Hall painted by 30 June	New KPI	N/A	50%	50%	N/A	N/A	31		NKPA 3	NDP 2	PSO 5	CWDM 2	Outcome
TBC	PDO 26. Municipal and Public Facilities	Upgrading of Aged infrastructure	Capital Project	Engineering Services	Percentage of Saron Community Hall painted by 30 June	New KPI	N/A	50%	N/A	50%	N/A	30		NKPA 3	NDP 2	PSO 5	CWDM 2	Outcome
TBC	PDO 26. Municipal and Public Facilities	Upgrading of Aged infrastructure	Capital Project	Engineering Services	Percentage of Wellington Town Hall painted by 30 June	New KPI	N/A	50%	50%	N/A	N/A	2,7,10,11,18,29		NKPA 3	NDP 2	PSO 4	CWDM 2	Outcome
TBC	PDO 24. Water and Wastewater	Upgrade & refurbish sewer pumps station (Pentz, Edison & Newton)	Capital Project	Engineering Services	Percentage of sewer pump stations (Pentz, Edison and Newtown) upgraded and refurbished by 30 June	New KPI	100%	N/A	N/A	N/A	N/A	All	N/A	NKPA 3	NDP 10	PSO 4	CWDM 2	Outcome

KEY PERFORMANCE AREA (KPA) 4: Infrastructure and Services																		
Strategic Objective:			To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services.															
IDP/ Ref No.	Pre- determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 24. Water and Wastewater	Procure and install 1,000kVA generator at Paarl WWTW	Capital Project	Engineering Services	Number of 1,000kVA generators procured and installed at Paarl WWTW by 30 June	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 3	NDP 3	PSO 4	CWDM 2	Output
TBC	PDO 24. Water and Wastewater	Replacement of WWTW inlet screens	Capital Project	Engineering Services	Number WWTW inlet screens refurbished at Paarl WWTW by 30 April	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 3	NDP 11	PSO 4	CWDM 2	Output
TBC	PDO 24. Water and Wastewater	Refurbishment of Bulk Water systems (Drommedaris street)	Capital Project	Engineering Services	Percentage of Bulk Water systems (Drommedaris street) replaced by 30 June	New KPI	100%	10%	15%	20%	25%	16	25%	NKPA 3	NDP 10	PSO 4	CWDM 2	Outcome
TBC	PDO 23. Transport, Roads and Stormwater	Upgrading of signalised intersections	Capital Project	Engineering Services	Number of signalized intersections upgraded by 30 April	New KPI	N/A	3	N/A	N/A	N/A	All	N/A	NKPA 3	NDP 2	PSO 4	CWDM 2	Output
TBC	PDO 23. Transport, Roads and Stormwater	Installing UPS's for signalised intersections	Capital Project	Engineering Services	Number of UPSs installed for signalized intersections	New KPI	10	N/A	N/A	N/A	N/A	All	N/A	NKPA 3	NDP 2	PSO 5	CWDM 2	Outcome

KEY PERFORMANCE AREA (KPA) 5: Planning and Development																		
Strategic Objective:			To plan, promote investment and facilitate economic growth															
IDP / Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 17. Human Capital	The number of jobs created through the Municipality's local economic development initiatives including capital projects (NKPI Proxy - MFMA, Reg. S10(d))	Outcome	Engineering Services	Number of jobs opportunities created by 30 June	1,600	1,400	1,400	1,400	1,400	1,400	All	1,400	NKPA 1	NDP 1	PSO 1	CWDM 1	Outcome
TBC	PDO 27. Economic Development and Tourism	Submit to the Portfolio Committee (Planning Services)/ MayCo an Sports Tourism Strategies	Key Initiative	Planning and Development	Number of Sports Tourism Strategy submitted to the Portfolio Committee (Planning Services)/ MayCo by 31 December	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 1	PSO 1	CWDM 1	Output
TBC	PDO 27. Economic Development and Tourism	Implementation of the Sports Tourism Strategies initiatives	Programme	Planning and Development	Number of Sports Tourism strategies initiatives implemented by 30 June	New KPI	N/A	1	1	1	1	All	1	NKPA 1	NDP 1	PSO 1	CWDM 1	Output
TBC	PDO 27. Economic Development and Tourism	Develop Investment Prospectus	Key Initiative	Planning and Development	Number of Investment Prospectuses developed by 30 April	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 1	PSO4	CWDM 1	Outcome
TBC	PDO 27. Economic Development and Tourism	Establish a one stop business support centres	Programme	Planning and Development	Number of one stop business support centres developed by 30 June	New KPI	N/A	1	1	N/A	N/A	All	N/A	NKPA 1	NDP 1	PSO4	CWDM 1	Output
TBC	PDO 27. Economic Development and Tourism	Publish online developers guide	Key initiative	Planning and Development	Number of online developers guides published by 30 April	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 1	PSO4	CWDM 1	Outcome

KEY PERFORMANCE AREA (KPA) 5: Planning and Development																		
Strategic Objective:			To plan, promote investment and facilitate economic growth															
IDP / Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 27. Economic Development and Tourism	Conduct business confidence survey	Capita; Project	Planning and Development	Number of business confidence surveys conducted by 30 April	New KPI	1	1	1	1	1	All	1	NKPA 1	NDP 1	PSO 5	CWDM 1	Output
TBC	PDO 29. Spatial Planning	Apply for delegations in terms of the National Heritage Resources Act for the management of heritage resources.	Key Initiative	Planning and Development	Number delegation applications made in terms of National Heritage Resources Act for management of Heritage Resources by 30 June	New KPI	N/A	1	1	1	1	All	1	NKPA 1	NDP 1	PSO 4	CWDM 1	Outcome
TBC	PDO 29. Spatial Planning	Review Spatial Development Framework	Outcome	Planning and Development	Number of Spatial Development Frameworks Developed by 30 June	New KPI	N/A	1	1	1	1	All	1	NKPA 1	NDP 11	PSO 4	CWDM 1	Outcome
TBC	PDO 28. Land Use and Properties	Conduct Municipal Land Audit	Key Initiative	Planning and Development	Number of Municipal Land Audits conducted by 30 June	New KPI	1	1	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 11	PSO 5	CWDM 1	Output
TBC	PDO 28. Land Use and Properties	Formulate Boland Park Local Spatial Development Framework	Output	Planning and Development	Number of Boland Park Local Spatial Development Framework formulated by 30 April	New KPI	1	1	1	N/A	N/A	All	N/A	NKPA 1	NDP 13	PSO 5	CWDM 1	Output
TBC	PDO 28. Land Use and Properties	Formulate New Town, Roggeland and Vlakkeland Local Spatial Development Framework	Output	Planning and Development	Number of New Town, Roggeland and Vlakkeland Local Spatial Development Framework formulated by 30 June	New KPI	N/A	1	1	N/A	N/A	All	N/A	NKPA 1	NDP 13	PSO 4	CWDM 1	Output

KEY PERFORMANCE AREA (KPA) 5: Planning and Development																		
Strategic Objective:			To plan, promote investment and facilitate economic growth															
IDP / Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 28. Land Use and Properties	Formulate Simondium Local Spatial Development Framework	Output	Planning and Development	Number of Simondium Local Spatial Development Framework formulated by 30 November	New KPI	N/A	1	1	N/A	N/A	All	N/A	NKPA 1	NDP 13	PSO 4	CWDM 1	Output
TBC	PDO 28. Land Use and Properties	Formulate Ben Bernard Precinct Plan	Output	Planning and Development	Number of Ben Bernard Precinct Plans formulated by 30 April	New KPI	N/A	1	1	N/A	N/A	All	N/A	NKPA 1	NDP 13	PSO 4	CWDM 1	Output
TBC	PDO 29. Spatial Planning	Submit to the Portfolio Committee (Planning Services)/ MayCo an Heritage Area Policy	Output	Planning and Development	Number of Heritage Area Policies submitted to the Portfolio Committee (Planning Services)/ MayCo by 31 December	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 3	PSO 4	CWDM 1	Output
TBC	PDO 30. Environment and Natural Resources	Submit to the Portfolio Committee (Planning Services)/ MayCo an Environmental Education and Awareness Strategy	Output	Planning and Development	Number of Environmental Education and Awareness Strategy submitted to the Portfolio Committee (Planning Services)/ MayCo by 31 December	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 3	PSO 4	CWDM 1	Output
TBC	PDO 30. Environment and Natural Resources	Implement Environmental Education and Awareness Strategy initiatives	Programme	Planning and Development	Number of Environmental Education and Awareness Strategy initiatives implemented by 30 April	New KPI	N/A	1	1	1	1	All	N/A	NKPA 1	NDP 3	PSO 4	CWDM 1	Output

KEY PERFORMANCE AREA (KPA) 5: Planning and Development																		
Strategic Objective:			To plan, promote investment and facilitate economic growth															
IDP / Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 27. Economic Development and Tourism	Submit to the Portfolio Committee (Planning Services)/ MayCo the Investment Incentive Policy	Key Initiative	Planning and Development	Number of Investment Incentive Policies submitted to the Portfolio Committee (Planning Services)/ MayCo by 31 December	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 1	PSO 1	CWDM 1	Outcome
TBC	PDO 27. Economic Development and Tourism	Develop a Small Business Entrepreneurs Capacity Building Programme	Programme	Planning and Development	Number of Small Business Entrepreneurs Capacity Building Programmes developed by 31 March	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 1	PSO 1	CWDM 2	Outcome
TBC	PDO 27. Economic Development and Tourism	Upgrade existing informal trading structures and business hives (Arendsnes, Paarl CBD & rest of Drakenstein)	Programme	Planning and Development	Number of upgrades to existing informal trading structures and business hives (Arendsnes, Paarl CBD & rest of Drakenstein) by 31 March	New KPI	1	1	1	1	1	All	N/A	NKPA 1	NDP 1	PSO 5	CWDM 2	Outcome
TBC	PDO 31. Urbanisation and Human Settlements	Submit to the Portfolio Committee (Planning Services)/ MayCo Rental Stock Policy	Key Initiative	Planning and Development	Number of Rental Stock Policies submitted to the Portfolio Committee (Planning Services)/ MayCo by 31 December	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 6	PSO 5	CWDM 2	Output
TBC	PDO 31. Urbanisation and Human Settlements)	Submit to the Portfolio Committee (Planning Services)/ MayCo Employee assisted housing policy	Key Initiative	Planning and Development	Number of Employee assisted housing policies submitted to Committee (Planning Services)/ MayCo by 31 March	New KPI	N/A	1	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 6	PSO 5	CWDM 2	Output

KEY PERFORMANCE AREA (KPA) 5: Planning and Development																		
Strategic Objective:			To plan, promote investment and facilitate economic growth															
IDP / Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 31. Urbanisation and Human Settlements	Submit to the Portfolio Committee (Planning Services)/ MayCo Emergency Housing Policy	Key Initiative	Planning and Development	Number of Emergency Housing Policies submitted to Committee (Planning Services)/ MayCo by 31 March	New KPI	1	N/A	N/A	N/A	N/A	All	N/A	NKPA 1	NDP 6	PSO 5	CWDM 2	Outcome
TBC	PDO 31. Urbanisation and Human Settlements	Provide housing opportunities in terms of the Integrated Human Settlement Plan and in accordance with the Human Settlements Grant	Output	Planning and Development	Number of housing opportunities provided by 30 June	99	46	300	300	400	350	All	400	NKPA 3	NDP 6	PSO 3	CWDM 1	Output

KEY PERFORMANCE AREA (KPA) 6: Community Development																		
Strategic Objective:			To facilitate, support and promote social and community development															
IDP/ Ref No.	Pre-determined Objective (PDO)	Indicator	Indicator type	Department	Unit of Measurement	IDP TARGETS 2022-2027						Wards	Outer years	Link to NKPA	Link to NDP	Link PSO	Link CWDM	Delivery Indicator
						Baseline Actual 2020/2021	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27		2027/28					
TBC	PDO 34. Sport and Recreation	Implement the De Kraal Sport Capital Project measured quarterly in terms of the approved Capital Budget spent	Capital Project	Community Services	Percentage of approved De Kraal Sport Capital Budget spent by 30 June	New KPI	90%	90%	90%	90%	90%	All	90%	NKPA 3	NDP 6	PSO 3	CWDM 2	Output
TBC	PDO 37. Disaster and Emergencies	Submit Disaster Management Plan to MayCo	Programme	Community Services	Number of Disaster Management Plans submitted to MayCo by 31 March	1	1	1	1	1	1	All	1	NKPA 3	NDP 10	PSO 3	CWDM 2	Outcome
TBC	PDO 33. Social Development	Upgrade Soup Kitchens	Programme	Community Services	Number of Soup Kitchens Upgraded by 30 September	New KPI	2	2	2	2	2	All	2	NKPA 5	NDP 10	PSO 4	CWDM 1	Output
TBC	PDO 33. Social Development	Upgrade containerized night shelters	Programme	Community Services	Number of containerized night shelters upgraded by 30 June	New KPI	1	N/A	N/A	N/A	All	N/A	N/A	NKPA 5	NDP 10	PSO 5	CWDM 2	Output
TBC	PDO 40. Traffic Law Enforcement	Establishment of electronic driving license system	Key Initiative	Community Services	Number of electronic driving license system established by 30 December	New KPI	<u>1</u>	N/A	N/A	N/A	All	N/A	N/A	NKPA 5	NDP 11	PSO 4	CWDM 2	Output

5.8 IMPLEMENTATION MONITORING AND REVIEW

The Municipal Finance Management Act No 56 of 2003 (MFMA) requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their strategic planning tool, the Integrated Development Plan (IDP). The SDBIP is a contract between Council, administration and the community. It gives effect to the IDP and budget of the municipality.

The municipal budget shall give effect to the Strategic Focus Areas as contained in the IDP. The Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) shall contain details on the execution of the budget and information on programmes and projects. Quarterly, half yearly and annual performance reports must also be submitted to Council as a means to monitor the implementation of the predetermined objectives is contained in the IDP.

The SDBIP is a one – year detailed implementation plan which gives effect to the IDP and Budget of the municipality. It is a contract between the administration, Council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis of measuring the performance in service delivery against end year targets and implementing budget.

Indicators developed for the Drakenstein Municipality addresses the Strategic Focus Areas of the municipality. The municipality utilises the one-year TL SDBIP to ensure that it delivers of its service delivery mandate by indicating clear indicators and targets.

Note: The TL SDBIP 2023/24 contained on this IDP is merely a draft, as legislation dictates that a TL SDBIP must be approved by the Executive Mayor within 28 days after the adoption of the Municipal Budget to be tabled in Council in May 2023.

The Circular 88 Indicators will also be added to both the IDP and TL SDBIP 2023/2024 as an annexure.

Table 97: Draft Top Layer (TL) Service Delivery Budget Implementation Plan (SDBIP) 2023/2024

KEY PERFORMANCE AREA (KPA) 01: Governance and Compliance												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 01. Governance and Compliance> PDO 01. Governance Structure	Submission of Audit Committee reports to Council	Output	Number of quarterly Audit Committee reports submitted to Council	4	4 per annum	4 quarterly Audit Committee reports submitted to Council	DM	1 (1)	1 (2)	1 (3)	1 (4)
TBC	KPA 01. Governance and Compliance > PDO 02: Risk and Assurance	Investigation of all formally reported fraud, theft and corruption cases initiated	Output	Percentage of formally reported fraud, theft and corruption cases initiated within 30 days of receipt	100%	100% per annum	100% of formally reported fraud, theft and corruption cases investigated within 30 days of receipt	DM	100%	100%	100%	100%
TBC	KPA 01. Governance and Compliance > PDO 03: Stakeholder Participation	IDP/Budget/SDF time schedule (process plan) submitted to Mayco/Council	Output	Number of IDP/Budget/SDF time schedules (process plan) submitted to Mayco/Council by 31 August	1	1 per annum	1 IDP/Budget/SDF time schedule (process plan) submitted to Mayco/Council by 31 August	DM	1	N/A	N/A	N/A

KEY PERFORMANCE AREA (KPA) 02: Finance

IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 02. Finance> PDO 08. Revenue	Raise/collect Operating Budget revenue as per approved budget	Output	Percentage of Total Annual Operating Budget revenue raised/collected by 30 June	97.24%	95% per annum	95% of Total Annual Operating Budget revenue raised/collected by 30 June	DM	N/A	N/A	95%	95%
TBC	KPA 02. Finance> PDO 10. Budgeting/Funding	Submission of the MTREF (aligned to the IDP) to Council for approval by 31 May	Output	Number of MTREFs submitted for approval to Council by 31 May	1 Approved MTREF	1 per annum	1 MTREF submitted for approval to Council by 31 May	DM	N/A	N/A	N/A	1
TBC	KPA 02. Finance> PDO 11. Capital Expenditure	Actual expenditure on the approved Capital Budget for the municipality by 30 June (NKPI - MFMA, Reg. S10(c))	Output	Percentage of approved Capital Budget actually spent by 30 June	82.72%	90% per annum	90% of approved Capital Budget actually spent by 30 June	DM	90%	90%	90%	90%
TBC	KPA 02. Finance> PDO 13. Financial Viability	Ratio in respect of Debtor Payment Days (Collect all billed revenue to ensure that sufficient cash is generated to meet Drakenstein's debt and operating commitments)	Output	Net Debtors Days Ratio ((Gross Debtors – Bad Debt Provision)/Billed Revenue)) x 365 (Target Number of days), measured quarterly	41.66 days	<45 days per annum (less than)	≤45 days (less than or equal to)	DM	≤45	≤45	≤45	≤45
TBC	KPA 02. Finance> PDO 15. Financial Reporting	Submission of the Annual Financial Statement (AFS) to the Auditor-General of South Africa	Output	Number of Annual Financial Statements (AFS) submitted to the Auditor-General of South Africa by 31 August	1	1 per annum	1 Annual Financial Statement (AFS) submitted to the Auditor-General of South Africa by 31 August	DM	1	N/A	N/A	N/A
TBC	KPA 02. Finance> PDO 15. Financial Reporting	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MFMA, Reg. S10(g)(iii))	Output	Cost coverage ratio (Available cash + investments)/Monthly fixed operating expenditure, measured annually	1.59	>1.0 per annum (more than)	>1.0 (more than)	DM	>1.0	>1.0	>1.0	>1.0
TBC	KPA 02. Finance> PDO 15. Financial Reporting	Financial viability measured in terms of the Municipality's ability to meet its service debt obligations (NKPI Proxy - MFMA, Reg. S10(g)(i))	Output	Debt coverage ratio ((Total operating revenue - operating grants received)/(Debt service payments due within the year)) measured annually	14.58	>6.7 per annum (more than)	>6.7 (more than)	DM	>6.7	>6.7	>6.7	>6.7

KEY PERFORMANCE AREA (KPA) 02: Finance												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 02. Finance> PDO 15. Financial Reporting	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MFMA, Reg. S10(g)(iii))	Output	Service debtors to revenue ratio – (Total outstanding service debtors/revenue received for services) measured annually	0.19	<0.25 per annum (Less than)	<0.25 (Less than)	DM	<0.25	<0.25	<0.25	<0.25

KEY PERFORMANCE AREA (KPA) 03: Organisational and Human Capital												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 03. Organisation and Human Capital > PDO 16. Organisational Structure	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a Municipality’s approved employment equity plan reports (NKPI Proxy - MFMA, Reg. S10(e))	Output	Number of reports on the number of people from employment equity groups employed in the three highest levels of management submitted to the City Manager by 30 November and 30 June	2	2 per annum	2 reports submitted to the City Manager (30 November and 30 June)	DM	N/A	1 (1)	N/A	1 (2)
TBC	KPA 03. Organisation and Human Capital > PDO 17. Human Capital	The percentage of the municipality’s budget actually spent on implementing its workplace skills plan (NKPI Proxy - MFMA, Reg. S10(f))	Output	Percentage of the Municipality’s approved workplace skills budget actually spent on implementing its Workplace Skills Plan by 30 June	100%	98% per annum	98% of the Municipality’s approved Workplace skills budget actually spent on implementing its Workplace Skills Plan by 30 June	DM	N/A	N/A	N/A	98%
TBC	KPA 03. Organisation and Human Capital > PDO 18. Performance Management	Submission of the Mid- Year MFMA S72 Performance Report to the Mayor	Output	Number of the Mid-Year MFMA S72 Performance Reports submitted to the Mayor by 25 January	1	1 per annum	1 Mid-Year MFMA S72 Performance Report submitted to the Mayor by 25 January	DM	N/A	N/A	1	N/A

KEY PERFORMANCE AREA (KPA) 04: INFRASTRUCTURE AND SERVICES												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 04. Physical Infrastructure and Services> PDO 24. Water and Wastewater	Water quality managed and measured quarterly i.e. the SANS 241 physical and micro parameters	Output	Percentage water quality level as per analysis certificate measured quarterly	98.43%	90% per annum	90%-water quality level as per analysis certificate measured quarterly	DM	90%	90%	90%	90%
TBC	KPA 04. Physical Infrastructure and Services> PDO 254 Water and Wastewater	Wastewater quality managed and measured quarterly i.e. the SANS Accreditation physical and micro parameters	Output	Percentage wastewater quality compliance as per analysis certificate measured quarterly	81.63%	75% per annum	75% wastewater quality compliance as per analysis certificate measured quarterly	DM	75%	75%	75%	75%
TBC	KPA 04. Physical Infrastructure and Services> PDO 25. Solid Waste	Submission of a Solid Waste Available Air Space Report to the Mayoral Committee	Output	Number of Solid Waste Available Air Space Reports submitted to the Mayoral Committee by 30 June	1	1 per annum	1 Solid Waste Available Air Space Report submitted to the Mayoral Committee by 30 June	DM	N/A	N/A	N/A	1
TBC	KPA 04. Physical Infrastructure and Services> PDO 22. Electricity and Energy	Limit the electricity losses to less than 10% annually (Average energy purchased to date – Average energy sold to date)/ (Average energy purchased to date) X 100 = Average energy losses for reporting period	Output	Percentage average electricity losses by 30 June	7.53%	<10% per annum (less than)	<10% average electricity losses by 30 June	DM	<10 %	<10 %	<10 %	<10%
TBC	KPA 04. Physical Infrastructure and Services> PDO 22. Electricity and Energy	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MFMA, Reg. S10(a))	Outcome	Percentage of formal households with access to basic level of electricity measured quarterly	100%	100% per annum	100 % of formal households with access to basic level of electricity measured quarterly	DM	100 %	100 %	100 %	100%
TBC	KPA 04. Physical Infrastructure and Services> PDO 24. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MFMA, Reg. S10(a))	Outcome	Percentage of formal households with access to basic level of sanitation measured quarterly	100%	100% per annum	100 % of formal households with access to basic level of sanitation measured quarterly	DM	100 %	100 %	100 %	100%
TBC	KPA 04. Physical Infrastructure and Services> PDO 25. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy indicator – S10(a))	Outcome	Percentage of formal households with access to basic level of water measured quarterly	100%	100% per annum	100 % of formal households with access to basic level of water measured quarterly	DM	100 %	100 %	100 %	100%

KEY PERFORMANCE AREA (KPA) 04: INFRASTRUCTURE AND SERVICES												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 04. Physical Infrastructure and Services > PDO 25. Solid Waste	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy indicator – S10 (a))	Outcome	Percentage of formal households with access to basic level solid waste removal measured quarterly	100%	100% per annum	100 % of formal households with access to basic level solid waste removal measured quarterly	DM	100 %	100 %	100 %	100%
TBC	KPA 04. Physical Infrastructure and Services> PDO 22. Electricity and Energy	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MFMA, Reg. S10(a))	Output	Number of new electricity connections installed in the registered informal settlements	180	30 per annum	Number of new electricity connections installed in the registered informal settlements by 30 June	DM	N/A	N/A	10	20
TBC	KPA 04. Physical Infrastructure and Services > PDO 24. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MFMA, Reg. S10(a))	Output	Number of new/upgraded sanitation service points (toilets) provided to registered informal settlements by 30 June	20	20 per annum	Number of new/upgraded sanitation service points (toilets) provided to registered informal settlements by 30 June	DM	0	0	5	15
TBC	KPA 04 Physical Infrastructure and Services. > PDO 24. Water and Wastewater	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MFMA, Reg. S10(a))	Output	Number of new/upgraded water service points (taps) provided to registered informal settlements by 30 June	4	6 per annum	Number of new water service points (taps) provided to registered informal settlements by 30 June	DM	0	0	3	3
TBC	KPA 04. Physical Infrastructure and Services > PDO 25. Solid Waste	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MFMA, Reg. S10(a))	Output	Number of registered informal settlements receiving a refuse collection service	41	41 per annum	Number of registered informal settlements receiving a refuse collection service	DM	41	41	41	41
TBC	KPA 04. Physical Infrastructure and Services> KFA 24 Water and Wastewater	Limit water network losses to less than 19% measured annually (Difference between water units supplied and water units billed as percentage of water supplied)	Outcome	Average percentage water losses by 30 June	14.3%	<19% average water losses per annum	<19% average percentage water losses by 30 June	DM	N/A	N/A	N/A	<19%

KEY PERFORMANCE AREA (KPA) 05: PLANNING AND DEVELOPMENT

IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 05. Planning and Development> PDO 28. Tourism and Investment Promotion	Job creation through the municipality's local economic development initiatives including capital projects (NKPI Proxy – MFMA, Reg. S10(d))	Output	Number of EPWP job opportunities created by 30 June	2,487	1400 per annum	1,400 job opportunities created by 30 June	DM	200 (200)	500 (700)	500 (1200)	200 (1400)
TBC	KPA 5. Planning and Development> PDO 31. Urbanisation and Human Settlements	Provision of housing opportunities in terms of the Integrated Human Settlement Plan and in accordance with the Human Settlements Grant	Output	Number of housing opportunities provided in terms of the Integrated Human Settlement Plan and in accordance with the Human Settlements Grant by 30 June	357	350 per annum	350 Housing opportunities provided in terms of the Integrated Human Settlement Plan and in accordance with the Human Settlements Grant by 30 June	DM	N/A	100 (100)	100 (200)	150 (350)

KEY PERFORMANCE AREA (KPA) 06: COMMUNITY DEVELOPMENT

IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2023/2024	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 6. Community Development >PDO 36. Disaster and Emergencies	Submit Disaster Management Plan to Portfolio Committee (Community Services)/Mayco	Output	Number of Disaster Management Plans submitted to Portfolio Committee (Community Services)/Mayco by 31 March	1	1 per annum	1 Management Plan to Portfolio Committee (Community Services)/Mayco by 31 March	DM	N/A	N/A	1	N/A