



DRAKENSTEIN

MUNISIPALITEIT • MUNICIPALITY • UMASIPALA

Paarl | Wellington | Gouda | Saron | Simondium

Five-Year Integrated Development Plan (IDP)

2021/26

**A review of the IDP
31 May 2021**

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A city of excellence

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Detailed information regarding the above mentioned Sector Plans are available on the municipal website under the following link:

[http://www.drakenstein.gov.za/statutory-disclosures/integrated-development-plan-\(idp\)](http://www.drakenstein.gov.za/statutory-disclosures/integrated-development-plan-(idp))

GLOSSARY OF ACRONYMS

| | | | |
|----------|--|----------|---|
| AC: | Audit Committee | LUMS: | Land Use Management System |
| ACDP: | African Christian Democratic Party | MAYCO: | Mayoral Committee |
| AFS: | Annual Financial Statements | mSCOA: | Municipal Standard Chart of Accounts |
| AG: | Auditor-General | MERO: | Municipal Economic Review and Outlook |
| AIDS: | Acquired Immune Deficiency Syndrome | MPAC: | Municipal Public Accounts Committee |
| ANC: | African National Congress | MFMA: | Municipal Finance Management Act |
| ART: | Anti-Retroviral Treatment | MSA: | Municipal Systems Act |
| CA: | Combined Assurance | MTSF: | Medium Term Strategic Framework |
| CAE: | Chief Audit Executive | MTREF: | Medium Term Revenue and Expenditure Framework |
| CAPEX: | Capital Expenditure | NDP: | National Development Plan |
| CBD: | Central Business District | NKPA: | National Key Performance Area |
| CBP: | Community Based Planning | NO: | National Outcomes |
| CEF: | Capital Expenditure Framework | NPA: | National Prosecuting Authority |
| CFO: | Chief Financial Officer | NPP: | National People's Party |
| CJC: | Criminal Justice System | NSDP: | National Spatial Development Framework |
| CM: | City Manager | OPEX: | Operational Expenditure |
| CRO: | Chief Risk Officer | PAC: | Performance Audit Committee |
| CRP: | Current Replacement Cost | PDO: | Pre-determined Objectives |
| CRR: | Capital Replacement Reserves | PDM: | People's Democratic Movement |
| COGTA: | Cooperative Governance and Traditional Affairs | PERO: | Provincial Economic Review and Outlook |
| COPE: | Congress of the People | PGWC: | Provincial Government of the Western Cape |
| CWDM: | Cape Winelands District Municipality | PHC: | Primary Health Care |
| DA: | Democratic Alliance | PMS: | Performance Management System |
| DCF: | District Coordinating Forum | PR: | Party Representative |
| DIF: | Development and Investment Forum | PSO: | Provincial Strategic Objective |
| DM: | Drakenstein Municipality | SANS: | South African National Standards |
| DSSN: | Drakenstein Smart Safety Network | SAPS: | South African Police Services |
| ECD: | Early Childhood Development | SCM: | Supply Chain Management |
| EMS: | Emergency Medical Services | SDBIP: | Service Delivery and Budget Implementation Plan |
| EPWP: | Expanded Public Works Programme | SDF: | Spatial Development Framework |
| FARMCO: | Fraud and Risk Management Committee | SDG: | Sustainable Development Goals |
| FET: | Further Education and Training | SIHSP: | Sustainable Integrated Human Settlement Plan |
| GPRS: | General Packet Radio Service | SMME: | Small, Medium and Micro Enterprise |
| HDI: | Historically Disadvantaged Individuals | SO: | Strategic Objectives |
| HIV: | Human Immuno-deficiency Virus | STATSSA: | Statistics South Africa |
| IA: | Internal Audit | TB: | Tuberculosis |
| ICT: | Information and Communication Technology | VIP: | Vision Inspired Priorities |
| IDP: | Integrated Development Plan | WC: | Ward Committee |
| LED: | Local Economic Development | WC-PGDS: | Western Cape Provincial Growth and Development Strategy |
| IEGS: | Integrated Economic Growth Strategy | WDP: | Ward Development Plan |
| IGR: | Inter-Governmental Relations | WSDP: | Water Services Development Plan |
| IHSP: | Integrated Human Settlements Plan | WWTW: | Waste Water Treatment Works |
| IRDP: | Integrated Residential Development Projects | | |
| IWMP: | Integrated Waste Management Plan | | |
| IT: | Information Technology | | |
| JPI: | Joint Planning Initiative | | |
| KPA: | Key Performance Area | | |
| KPI: | Key Performance Indicator | | |
| LED: | Local Economic Development | | |
| LG-MTEC: | Local Government Medium Term Expenditure Committee | | |
| DLTA: | Drakenstein Local Tourism Association | | |

Table 1: Table of Definitions

| DESCRIPTION | DEFINITION |
|---------------------------------|--|
| Key Performance Area | Key Performance Areas are the areas within the business unit, for which an individual or group is logically responsible. |
| Pre-determined Objective | 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 and actions which will produce a desired end result with significant impact and benefits. They are enthused by a deep understanding of both the internal and external environment within which the organisation functions and are steered collectively with the focus to unlock the area's potential in the interest of the wellbeing of all stakeholders and residents. Big moves are purposefully driven by the Administration through the implementation of carefully selected key initiatives, programs and projects and form the foundation of the Integrated Development Plan, Budget and Performance Management System which are reviewed annually. |
| Key Initiatives | Key Initiatives may include the development of policies, Bylaws, strategies and plans which will act as strategic enablers for the attainment of Big Moves. |
| Programs | Programs are structured and regulated activities that will provide the environment for the meeting of key objectives in support of the big moves and may include campaigns, maintenance and upgrade programs and 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 Integrated Development Plan for the period 2021-2026 signals the end of the current Fourth Generation of Integrated Development Plans. The past five years have seen Drakenstein Municipality achieve its objections, despite the many challenges that this country and even the world, faced. The drought that the municipality faced as well as the outbreak of the COVID-19 pandemic, has required that the municipality develop initiatives and mechanisms to respond to the needs of our community, while mitigating and managing the economic and social risks associated with these crisis. With a renewed sense of urgency, focus and energy under very difficult circumstances, Council has and will ensure that the needs of the Drakenstein community and the associated challenges are being addressed at an accelerated pace.

While government can create an enabling and well-functioning environment, it is ultimately up to people, including investors, innovators, skilled craftsmen, labourers, caregivers, law enforcers and teachers to provide the products, services and skills for the our economy to grow and provide jobs; and for our community to prosper and be healthy. We all need to work together to ensure that Drakenstein prevails.

The Integrated Development Plan (IDP) is a strategic tool that guides all the activities of local government in consultation with residents and stakeholders. Its focus is on development in the broader sense and it is a structured plan that informs decision making. The plan has a number of key objectives and deliverables: firstly, it guides all public and private development planning within the Drakenstein municipal area; secondly, it is the basis for municipal budgeting and resource allocation; and thirdly, it is the articulation of the needs and wishes of our community.



The Plan remains true to Vision 2032, which was developed in anticipation of the 2017-2022 IDP, and proves that the Vision is an on-going legacy which Council can be proud of and our community can have faith in. It is my firm belief that the implementation of Vision 2032 and this IDP will deliver much needed jobs, housing opportunities, improved physical and economic infrastructure, and address service delivery backlogs. The vision of this municipality will be ongoing, even when the new cycle and the subsequent development of the new five- year IDP takes place. The current fourth generation IDP can be seen as a launching pad that put in motion enhanced service delivery with an emphasis on unlocking economic opportunities and investment in Drakenstein.

In closing, I would like to thank the Deputy Mayor, Cllr Gert Combrink; the members of the Mayoral Committee; all our Councillors; and the City Manager who, with his Administration, has drafted this updated roadmap for the future. We are, as always, committed to undertake the route as described in this IDP to be a **city of excellence**.

Ald. CJ Poole

EXECUTIVE MAYOR

OVERVIEW BY THE CITY MANAGER

The 2021/26 IDP concludes the current fourth generation IDP cycle and also marks the end of a very challenging and transformational period for the Drakenstein Municipality.

We amended our vision from a “place of excellence” to a “city of excellence”, embracing our secondary city status. Altering the vision made way for an entire brand overhaul to suit the progressive and innovative direction in which the city is moving.

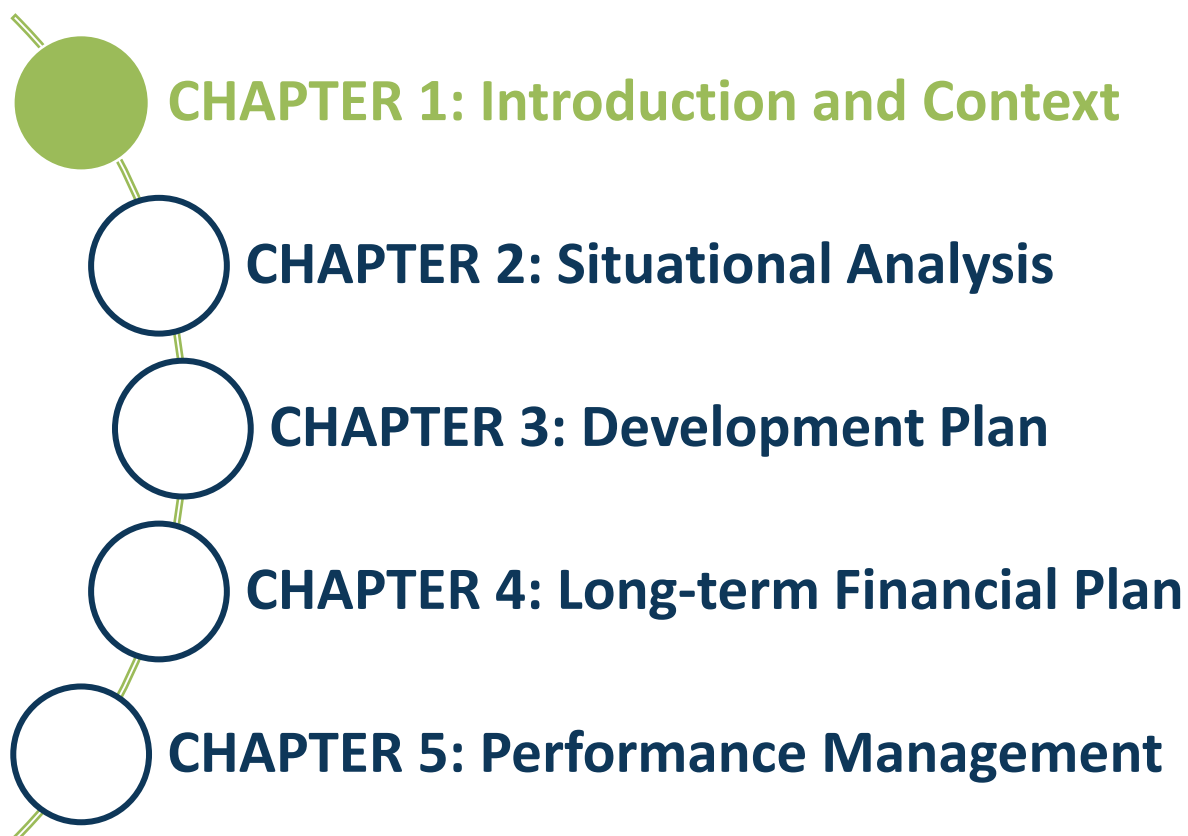
Excellent service delivery remains the focus throughout and bold decisions were made to ensure efficiency. It is our mandate to, provide potable water, sanitation, electricity and waste removal service, but during the past five years and going forward, Drakenstein goes beyond what is expected, with the improved quality of life of our residents as the constant focus. Service delivery achievements included, a consistent low of water and electricity distribution losses (below the national norm) the electrification of informal settlements, beautification of our rental stock, aggressive waste management initiatives etc.



Drakenstein Municipality again received a clean audit opinion for the financial year 2019/20 and is constantly commended for the way in which we have managed to address our financial challenges amidst various external factors which in recent years included a drought and international pandemic. The Municipality has introduced a revenue management, expenditure management and cost containment programme 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; prioritising infrastructure repairs and maintenance; budgeting expenditure is to be funded by realistically anticipated cash backed revenues; and we are instituting a wide range of operational efficiencies to result in operating surpluses which will be used to finance capital. The organisational structure of Drakenstein was also reviewed to ensure that it is ready to respond to the service delivery challenges.

The fiscal discipline, operational restraint and sound corporate governance has positioned the municipality to weather the on-going storms. The 2021/26 IDP stands firm on the building blocks of the past five years and aims to address the needs of our community for the next five years in the same innovative manner with the provision of high-quality services and utilities. The projects, programmes and initiatives outlined in this document will be executed with 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 (Systems Act or MSA) requires that municipalities prepare five-year Integrated Development Plans (IDPs). The IDP serves as a tool for the facilitation and management of development within the area of jurisdiction. In order to meet the requirements of the Systems Act, Drakenstein Council has delegated the responsibility to prepare the IDP to the City Manager.

The municipality's commitment to be "A City of Excellence" is a focal point of the 2021/2022 IDP, with specific emphasis on translating the municipality's strategy into firm action. In order to do so it is important to link, integrate and co-ordinate all strategic and implementation plans for the municipality, as well as align them with national, provincial and district and neighbouring municipal development plans and planning requirements. Developmental local government is enhanced through focused and robust interaction with other spheres of government.

1.2 BACKGROUND

Stakeholder and community engagements to determine and undertake development priorities, form the cornerstone of the IDP. Community needs are dynamic and ever-changing; thus, they have to be reviewed frequently. Engagements with our communities assist with enhancement of service delivery targets, outputs and outcomes and through the Performance Management System, which is implemented by the municipality. These engagements ensure that the DM remains accountable to the local community, the various sectors and business alike.

The Municipal Council ensures that its oversight role is sufficiently mandated by the populace voice of its local community, through fully embracing the principles of participatory democracy. This is achieved through a well-functioning Ward Committee System; robust public participation through various development planning processes; and regular communication with the community using public meetings, community newsletters, open day stakeholder participation engagements, radio and various other print media and electronic media including the Municipal Website.

Drakenstein Municipality takes particular pride in its efforts to ensure that members of the community participate in the planning and development of their wards as well as the broader community. This truly fosters a culture of partnership in development and is enabling the Drakenstein Municipality to deliver comprehensively on the priorities as identified in the IDP.

1.3 STRUCTURE OF THE IDP 2021/2022

This IDP 2021/ 2022 consists of 5 chapters, including the Foreword by the Mayor and Overview by the City Manager. The five chapters comprise of the following:

Chapter 1: Introduction and Context of IDP 2021/2026

Chapter 1 is the introduction and provides the legislative foundation of the IDP 2021/2026, including the South African Constitution, the Sustainable Development Goals, the Integrated Urban Development Framework, the National Development Plan, the Provincial Strategic Plan and Cape Winelands District Municipal Plan. This chapter elaborates on the planning and implementation process of the IDP, as well as the strategic alignment between the local, provincial and national planning objectives.

Chapter 2: Situation Analysis

Chapter 2 deals with the status quo of Drakenstein Municipality in relation to its demographic trends. An analysis of the DM within the context of the 7 (seven) KPAs gives a structured overview and indication of the current state of the municipality.

Chapter 3: Development Plan

Chapter 3 presents the programme of action to be followed by the DM which is informed by the vision. The strategic framework is drawn out with a focus on the city's Catalytic Zones and the Big Moves. Followed by a programme of action addressing the issues and challenges identified in Chapter 2.

Chapter 4: Financial Plan

Chapter 4 deals with the medium- and long-term financial plan. It elaborates on financial planning, funding, expenditure, budget projections and long-term sustainability of the municipality. The chapter provides detail into how the strategic plans of the DM will be funded.

Chapter 5: Performance Management

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

1.4 THE LEGISLATIVE CONTEXT

The drafting of an IDP is guided by several pieces of legislation. These include:

1.4.1 The South African Constitution, 1996

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 2020/2021 is drawn up. It is meant to give 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.

1.4.2 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.

1.4.3 Section 153 of the Constitution sets out the following as the key developmental duties of the municipality

- (a) structure and manage its administration and 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) participate in national and provincial development programs.

1.4.4 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) that the process must be in accordance with a predetermined programme specifying timeframes for the different steps.

1.4.5 Municipal Finance Management Act , No 56 of 2003 (MFMA)

Chapter 4 and Section 21(1) of the Municipal Finance Management Act, No 56 of 2003 (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 34 of the Municipal Systems Act. The elected Council is the ultimate IDP decision-making authority.

1.5 ALIGNMENT OF PLANS

1.5.1 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 inter-governmental 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);
- Provincial Strategic Plan; and
- Cape Winelands District Integrated Development Plan.

1.5.2 Sustainable Development Goals (SDGs)

The 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 seventeen 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 tackling issues more commonly associated with another. The 17 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 industrialization 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 impacts;
- 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 halt 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; and

- Strengthen the means of implementation and revitalize the global partnership for sustainable development.

1.5.3 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.

1.6 IDP PROCESS PLAN

1.6.1 Five-Year Cycle of the IDP

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 the DM 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 key performance areas 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.

1.6.2 IDP Annual Planning & Drafting Process

Annually the IDP Process Plan must be adopted by Council in August, in accordance with the Systems Act and the MFMA. It must be noted that the 2021/2022 review process is not a replacement of the 5-year IDP and is not a deviation from the long-term strategic direction of the DM.

To prepare a credible IDP, several stakeholders have to be engaged to provide inputs and guide the final IDP. Key stakeholder interventions (timeframes, resources, etc.) are outlined in Table 1 below:

Table 2: IDP Process Plan

| | | |
|------------------------|---|--|
| June 2020 | Analysis Phase: Determine local issues, problems, relevant stakeholders, potential and priorities | <ul style="list-style-type: none"> Internal IDP preparation meetings with Budget Office, Strategic Management Team and City Manager |
| July 2020 | Strategy Phase: Determine vision objectives, strategies, and participate in IGR Structures | <ul style="list-style-type: none"> Draft 2021/2022 IDP/Budget/PMS Time Schedule and present to the Strategic Management Team |
| August 2020 | Analysis Phase: Determine local issues, problems, relevant stakeholders, potentials and priorities | <ul style="list-style-type: none"> Table 2021/2022 IDP/Budget/PMS Time Schedule for Council's approval |
| September 2020 | Strategy Phase: Determine vision objectives, strategies, and participate in IGR Structures | <ul style="list-style-type: none"> Submission of the 2021/2022 IDP/Budget/PMS Time Schedule to the Department of Local Government and Cape Winelands District Municipality Publish advertisements informing local residents and stakeholders about the 2021/22 IDP/Budget/PMS Time Schedule IDP Consultative Engagements with Ward Committees and key stakeholders as per approved schedule |
| October 2020 | Strategy Phase: Determine vision objectives, strategies, and participate in IGR Structures. | <ul style="list-style-type: none"> Finalization of the IDP consultative engagements with all stakeholders |
| November/December 2020 | Integration Phase: Agree on project proposals and compilation of integrated programmes | <ul style="list-style-type: none"> Integration of plans and projects with Draft Capital Budget for 2020/2023 MTREF |
| January 2021 | | <ul style="list-style-type: none"> 2020/2021 SDBIP review sessions per department and submission of Mid-Year Performance Report 2020/2021 and Annual Report 2019/2020 |

| | | |
|---------------|--|---|
| February 2021 | Integration Phase: Alignment processes with Provincial Government and Cape Winelands District Municipality | <ul style="list-style-type: none"> • Council consider and adopt the revised 2020/21 Top Layer SDBIP and related Adjustments Budget based upon the Mid-year Performance Report • Compilation of input from internal departments on the IDP Implementation Matrix Review; responses to the IDP Community Priorities and updates on the content of the 2017/2022 IDP applicable to the 2021/2022 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 2021 | Integration Phase: Approval by Council of draft IDP and undertake consultation process | <ul style="list-style-type: none"> • Publish advertisements to notify local residents and stakeholders on the draft budget and draft IDP review as well as the public participation programme • Submit draft IDP and budget to provincial government |
| April 2021 | Integration Phase: Provide opportunity to communities and stakeholders to propose amendments to Draft IDP, Budget and SDBIP. | <ul style="list-style-type: none"> • IDP Consultative Engagements with communities and other stakeholders, including the IDP Representative Forum. |
| May 2021 | Integration Phase: Provide opportunity to stakeholders to propose amendments to Draft IDP, Budget and SDBIP. | <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. |
| May 2021 | Approval Phase: Adoption by Council | <ul style="list-style-type: none"> • Council considers community and stakeholder inputs and adopts Draft (Revised) IDP, Draft Budget and Draft SDBIP |
| June 2021 | Post-Approval Phase: Regulated action to notify the public and other stakeholders, other spheres of government of adoption of IDP and Budget | <ul style="list-style-type: none"> • Notice in local media to inform local residents, stakeholders on the adopted amended/reviewed IDP, Budget • Submission to MEC for Local Government and Provincial Treasury • Preparation and approval of SDBIP by Executive Mayor |

1.6.3 IDP Public Participation Process

The continuous COVID-19 pandemic has inspired the municipality to look at alternative methods of soliciting input into the draft IDP and draft Budget. This year, it took place in the form of Open Day sessions, which in addition, aimed at allowing the community the opportunity to receive feedback on ward-specific priorities from their Ward Councillors; to engage the Housing Division in respect of housing-related issues; and to engage all

municipal service delivery departments on any service delivery related issues. This approach ensured a bigger turn out of community members who will have the opportunity to directly engage the municipality on issues in their wards. The municipality also utilized additional online platforms to allow for input. It must be noted that all COVID-19 related safety protocols were strictly adhered to at all Open Day Sessions. These platforms include:

- Notices for comments on various platforms (Advertisement in newspaper, SMS's, Facebook and the municipal website);
- A video clip providing information on the IDP and Budget that will be displayed at municipal venues frequented by the community and will also 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.

1.6.4 Implementation of the IDP

The Service Delivery and Budget Implementation Plan (SDBIP) ensures that the DM 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 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 the IDP.

The Drakenstein Municipal vision is “A City of Excellence”. To achieve this vision and to realize the long-term vision of “Vision 2032” as discussed above, the DM has identified seven (7) Key Performance Areas (KPA's) and fifty-four (54) Pre-determined Objectives (PDOs). From these 54 PDOs, projects, programmes and key initiatives have been developed. These will be discussed in further detail in Chapters 2 and 3 of the IDP. The table below provides details in respect of the Drakenstein Municipality's Strategic Framework.

Table 3: Drakenstein Municipality's Strategic Framework

| KEY PERFORMANCE AREA (KPA) 01: Good Governance |
|--|
| STRATEGIC OBJECTIVE: To ensure good governance and the active participation of all relevant stakeholders. |
| 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 Management and Assurance |
| PDO 03: Stakeholder Participation |
| PDO 04: Policies and Bylaws |
| PDO 05: Intergovernmental Relations (IGR) |
| PDO 06: Communications (Internal and External) |
| PDO 07: Marketing (Branding and Website) |
| PDO 08: Customer Relations Management |
| KEY PERFORMANCE AREA (KPA) 02: Financial Sustainability |
| 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 09: Revenue Management |
| PDO 10: Expenditure and Cost Management |
| PDO 11: Budgeting/Funding |
| PDO 12: Capital Expenditure |
| PDO 13: Asset Management |
| PDO 14: Financial Viability |
| PDO 15: Supply Chain Management |
| PDO 16: Financial Reporting |
| KEY PERFORMANCE AREA (KPA) 03: Institutional Transformation |
| STRATEGIC OBJECTIVE: To transform the municipality into an effective and efficient organization. |
| 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 17: Organisational Structure |
| PDO 18: Human Capital and Skills Development |
| PDO 19: Project and Programme Management |
| PDO 20: Performance Management and Monitoring and Evaluation |
| PDO 21: Systems and Technology |
| PDO 22: Processes and Procedures |
| PDO 23: Equipment and Fleet Management |

KEY PERFORMANCE AREA (KPA) 04: Physical Infrastructure & 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 24: Energy Supply Efficiency and Infrastructure

PDO 25: Transport, Roads and Storm water Infrastructure

PDO 26: Water and Wastewater Services

PDO 27: Solid Waste Management and Infrastructure

PDO 28: Municipal and Public Facilities

KEY PERFORMANCE AREA (KPA) 05: Planning and Economic Development

STRATEGIC OBJECTIVE: To plan and facilitate sustainable and inclusive economic growth and development.

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

KPA 05 consists of the following PDOs:

PDO 29: Economic Growth

PDO 30: Investment Promotion (includes incentives)

PDO 31: Land Use Management and Surveying

PDO 32: Built environment Management (includes Heritage Resource Management)

PDO 33: Urban Regeneration

PDO 34: Skills Development and Capacity Building

PDO 35: Rural Development

PDO 36: Spatial Planning

PDO 37: Tourism

PDO 38: Land, Valuation and Property Management

KEY PERFORMANCE AREA (KPA) 06: Safety and Environmental Management

STRATEGIC OBJECTIVE: To ensure a safe community and a healthy and protected environment.

OUTCOME: Respond to all emergencies within predetermined times in order to mitigate risks and hazards. Develop and approve strategic and Disaster Risk Management Plans that feeds into the IDP. And render communities safe. Increase staff complement. Increase vehicle fleet.

KPA 06 consists of the following PDOs:

PDO 39: Safety and Security

PDO 40: Disaster and Emergency Management

PDO 41: Traffic, Vehicle Licensing and Parking Control

PDO 42: Municipal Law Enforcement (includes the Municipal Court)

PDO 43: Environmental Management and Climate Change

PDO 44: Natural Resources

PDO 45: Parks and Open Spaces

PDO 46: Animal Control

KEY PERFORMANCE AREA (KPA) 07: Social and Community Development

STRATEGIC OBJECTIVE: To facilitate 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 programs and support and sustainable livelihood strategies.

KPA 07 consists of the following PDOs:

PDO 47: Health

PDO 48: Early and Childhood Development

PDO 49: Gender, Elderly, youth and Disabled

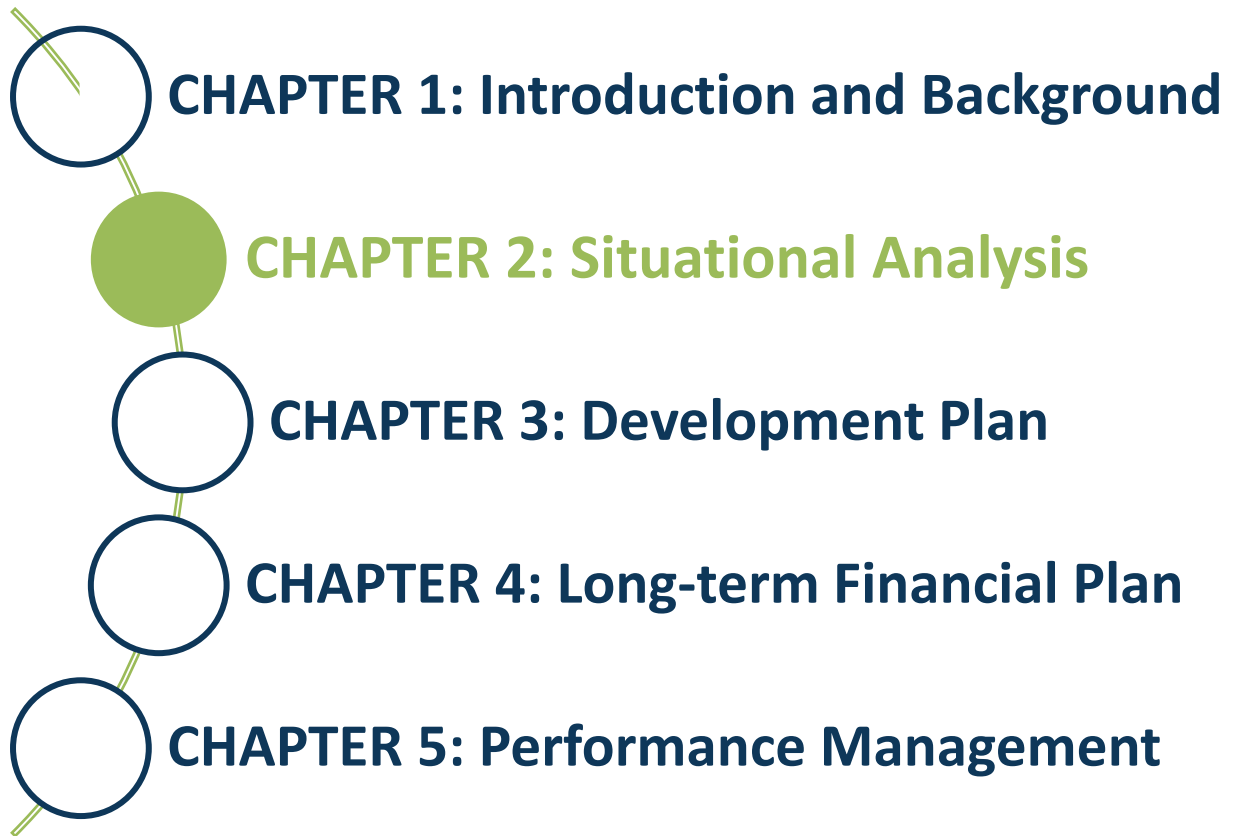
PDO 50: Sustainable Human Settlements (Housing)

PDO 51: Sport, Recreation and Facilities

PDO 52: Arts and Culture

PDO 53: Libraries

PDO 54: Cemeteries and Crematoria



2. CHAPTER 2: SITUATIONAL ANALYSIS

2.1 INTRODUCTION

This chapter focuses on the political and administrative leadership of the DM. It furthermore focuses on the key statistics of the municipality, including the geographical location within the Cape Winelands District. In addition, it also provides an analysis of the status quo of the municipality in terms of PDOs as listed in the Strategic Framework in Chapter 1. This IDP was developed in accordance with the requirements of the Municipal Systems Act for developing an IDP.

2.2 DRAKENSTEIN MUNICIPALITY AT A GLANCE

Area:
1 538 km²

Population:
305 281

Number of Households:
74 230

Drakenstein Municipality

Number of Informal Settlements:
41

Drakenstein Municipality

Number of Councillors:
65

Drakenstein Municipality

Number of Wards:
33

Drakenstein Municipality

Households without Income:
11755

Community Survey 2016

Economic Profile:
Unemployment Rate: 23% (SA – 27%)

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

Community Survey 2016

Agriculture:
Farms: 2380
Agri-workers: 66% below the age of 35

Drakenstein Municipality

Building Plans Approved (2019/20):
1305

Drakenstein Municipality

Number Education Facilities:

Primary: 52
Secondary: 23
Special Schools: 3
FETs: 3
University: 1

Drakenstein Municipality

Registered Businesses:

2336

Drakenstein Municipality

Libraries:

18
Municipal Public Libraries: 8
Schools with libraries: 10

Drakenstein Municipality

Number of Police Stations:

6

Drakenstein Municipality

Number of Healthcare Facilities:

| | | | | |
|--------------|---------------|------|-----|--------------------|
| PHC (fixed): | PHC (mobile): | ART: | TB: | Regional Hospital: |
| 13 | 6 | 13 | 27 | 1 |

Drakenstein Municipality

Access to Basic Services:

| | | | |
|--------------|-------------|-----------------|--------------|
| Piped Water: | Sanitation: | Refuse Removal: | Electricity: |
| 68 956 | 68 956 | 37 848 | 45 308 |

Drakenstein Municipality

Indigent Households:

| | | |
|-------------------|----------------------|-------------------------|
| Free Basic Water: | Free Property Rates: | Free Basic Electricity: |
| 17 070 | 14 404 | 18 632 |

Drakenstein Municipality

Electricity Distribution Losses:

6%

Water Distribution Losses:

13.2%

Drakenstein Municipality

2.3 THE ORGANISATION

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

2.3.1 Political Governance

Section 53 of the Systems Act 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 in order to ensure a well-functioning organisation.

2.3.1.1 Executive Mayor and the Executive Mayoral Committee

The Executive Mayor of the DM, Alderman Conrad Poole, assisted by the Executive Mayoral Committee, heads the political arm of the Council. Besides strategic and political responsibilities the Executive Mayor also has executive powers vested in him, as delegated by the Council, as well as the powers assigned by legislation in order to manage the day-to-day affairs of Council.

Although accountable for the strategic direction and performance of the municipality, the Executive Mayor may act on the advice of the Mayoral Committee which comprises the following members:

Table 4: Mayoral Committee

| Name | Portfolio |
|--|---|
| Ald GC Combrink (Deputy Executive Mayor) | Financial Services |
| Ald JF le Roux | Engineering Services |
| Cllr P Mokoena | Corporate Services |
| Cllr J Miller | Planning, Development and Human Settlements |
| Cllr E Gouws | Social Services |
| Cllr LT van Niekerk | Sport, Recreation, Arts and Culture |
| Cllr L Cyster | Human Settlements and Property Management |
| Ald R Smuts | Public Safety |
| Cllr MA Andreas | Rural Development |
| Cllr R van Niewenhuyzen | Communication and Intergovernmental Relations |
| Cllr C Kearns | Environment, Parks and Open Spaces |

2.3.1.2 Speaker and Council

Drakenstein Municipality consists of 65 Councillors, of which 33 are Ward Councillors and 32 are Proportional Representation (PR) Councillors. The Speaker presides at meetings of the Council.

A list indicating all Councillors with their capacity/position is below:

Table 5: Council

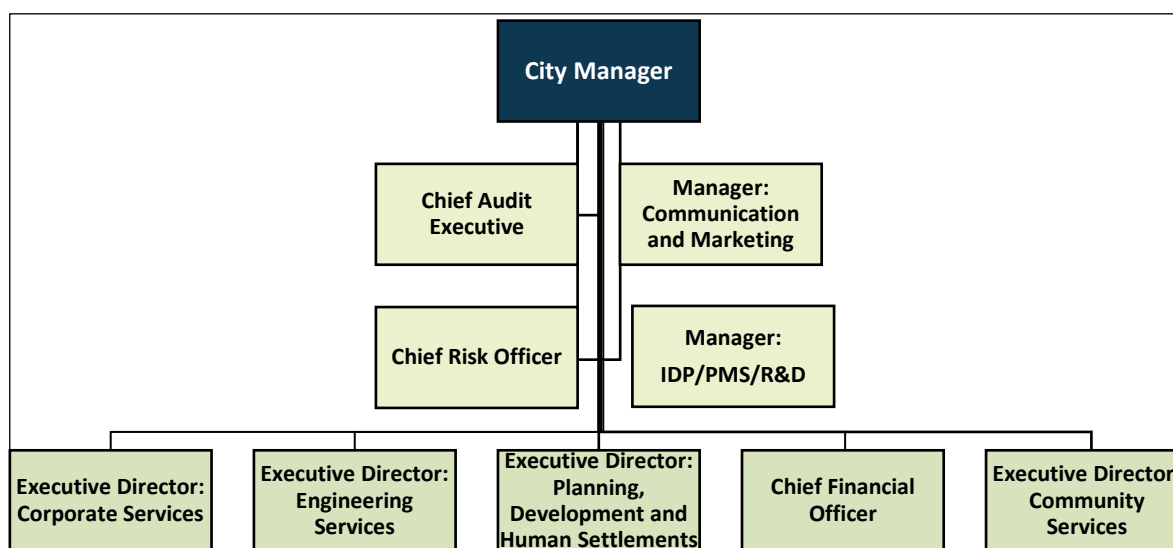
| Ward | Name of Councillor | Capacity |
|------|---|--|
| 1 | Calvin Kroutz Anathi Luggola | Ward Councillor Proportional Representative Councillor |
| 2 | Hendrik Jacobus Kotze Marthinus Le Hoe | Ward Councillor Proportional Representative Councillor |
| 3 | Damon Mintoer Thuso Reginald Mpulanyana | Ward Councillor Proportional Representative Councillor |
| 4 | Johan Miller Anre Koegelenberg (Chief Whip) | Mayoral Committee Member (Planning, Development and Human Settlements) Ward Councillor Mayoral Committee Member Proportional Representative Councillor |
| 5 | Ndileka Primrose Mbenene Linda Landu | Ward Councillor Proportional Representative Councillor |
| 6 | Tryphina Zukiswa Nqoro Nomana | Ward Councillor |
| 7 | Ruth Belldine Arnolds Margaretha Aletta Andreas | Ward Councillor Mayoral Committee Member (Rural Development) |
| 8 | Nomonde Zikhali Nonkumbulo Nancy George | Ward Councillor Proportional Representative Councillor |
| 9 | Tembekile Mangena Moses Klaas | Ward Councillor Proportional Representative Councillor |
| 10 | Christephine Kearns Ludia Sindiswa Sambokwe | Mayoral Committee Member (Environmental Affairs) Proportional Representative Councillor |
| 11 | Aidan Charles Stowman (Speaker) Abdul Moutie Richards | Mayoral Committee Member Ward Councillor Proportional Representative Councillor |
| 12 | Mncedisi Daniel Nobula Patricia Mokoena | Councillor Mayoral Committee Member (Corporate Services) Proportional Representative Councillor |
| 13 | Soudah Ross | Ward Councillor |
| 14 | Jo-Ann de Wet | Ward Councillor |
| 15 | Lodewyk Wilfred Niehaus Amelda Felicity Afrika | Ward Councillor Proportional Representative Councillor |
| 16 | Derrick Solomon Blanckenberg Minah Mdunusie | Ward Councillor Proportional Representative Councillor |
| 17 | Hendrik Johannes Nicolaas Matthee Nicolaas Daniel Sauerman | Ward Councillor Proportional Representative Councillor |
| 18 | Albertus M Loubser Buckle Zolani Livingstone Masoka | Ward Councillor Proportional Representative Councillor |

| Ward | Name of Councillor | Capacity |
|------|---|--|
| 19 | Theunis Gerhardus Bester Ruben Hendrik de Goede | Ward Councillor Proportional Representative Councillor |
| 20 | Patricia Beverly Ann Cupido Bongiwe Primrose Duba | Ward Councillor Proportional Representative Councillor |
| 21 | Eva Gouws Jacobus Francois le Roux | Mayoral Committee Member (Social Services) Ward Councillor Mayoral Committee Member (Engineering Services) Proportional Representative Councillor |
| 22 | Felix Patric Cupido Abraham Bekeer | Ward Councillor Proportional Representative Councillor |
| 23 | Frances Jacobs Elizabeth Aletta Solomons | Ward Councillor Proportional Representative Councillor |
| 24 | Miriam Maria Adriaanse Willem Pieter Daniel Meyer | Ward Councillor Proportional Representative Councillor |
| 25 | Laurichia Tylial van Niekerk Mandisa Vika | Mayoral Committee Member (Sports and Culture) Proportional Representative Councillor |
| 26 | Joan Veronica Anderson | Ward Councillor |
| 27 | Vanessa Charmaine Booysen Colin Samuel Rens | Ward Councillor Proportional Representative Councillor |
| 28 | Reinhardt van Nieuwenhuyzen Gert Cornelius Combrink (Deputy Mayor) | Mayoral Committee Member (Communication and IGR) Mayoral Committee Member (Financial Services) Proportional Representative Councillor |
| 29 | Lorraine Cyster Rean Smuts | Mayoral Committee Member (Human Settlements and Property Management) Mayoral Committee Member (Public Safety) Proportional Representative Councillor |
| 30 | Johannes Smit | Ward Councillor |
| 31 | Geoffrey Harry Ford Aletta van Santen | Ward Councillor Proportional Representative Councillor |
| 32 | Lawrence Vuyani Nzele Sweetness Xoliswa Jonas | Ward Councillor Proportional Representative Councillor |
| 33 | Sharon Elizabeth September | Ward Councillor |

2.4 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 of the Executive Directors of five departments as well as four divisional managers reporting directly to the City Manager as indicated in the structure below. 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 1: Macro Organisational Structure



2.5 GEOGRAPHICAL LOCATION

Drakenstein Municipality forms part of the Cape Winelands District (which also includes the Category B Municipalities of Stellenbosch, Breede Valley, Witzenberg and Langeberg). The Drakenstein Municipality covers an area of approximately 1,538 km². It stretches 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 and the agricultural area immediately to the west of the R45 form its western border. The urban conurbation is made up of Paarl, Mbekweni and Wellington, with two central business districts in Paarl and Wellington. The hinterland comprises the smaller rural settlements of Saron and Gouda in the north, Hermon in the mid-west, and surrounding agricultural holdings.

The location map below depicts the location of Drakenstein Municipality in relation to South Africa, the Western Cape Province, and also depicts the various towns within the area:

Figure 2: Location of the Drakenstein Municipality



2.6 WARD DEMARCATION AND PROFILE

Drakenstein Municipality was re-demarcated in 2016 and the number of wards increased from 31 to 33. There are 9 (nine) wards which are classified as rural wards.

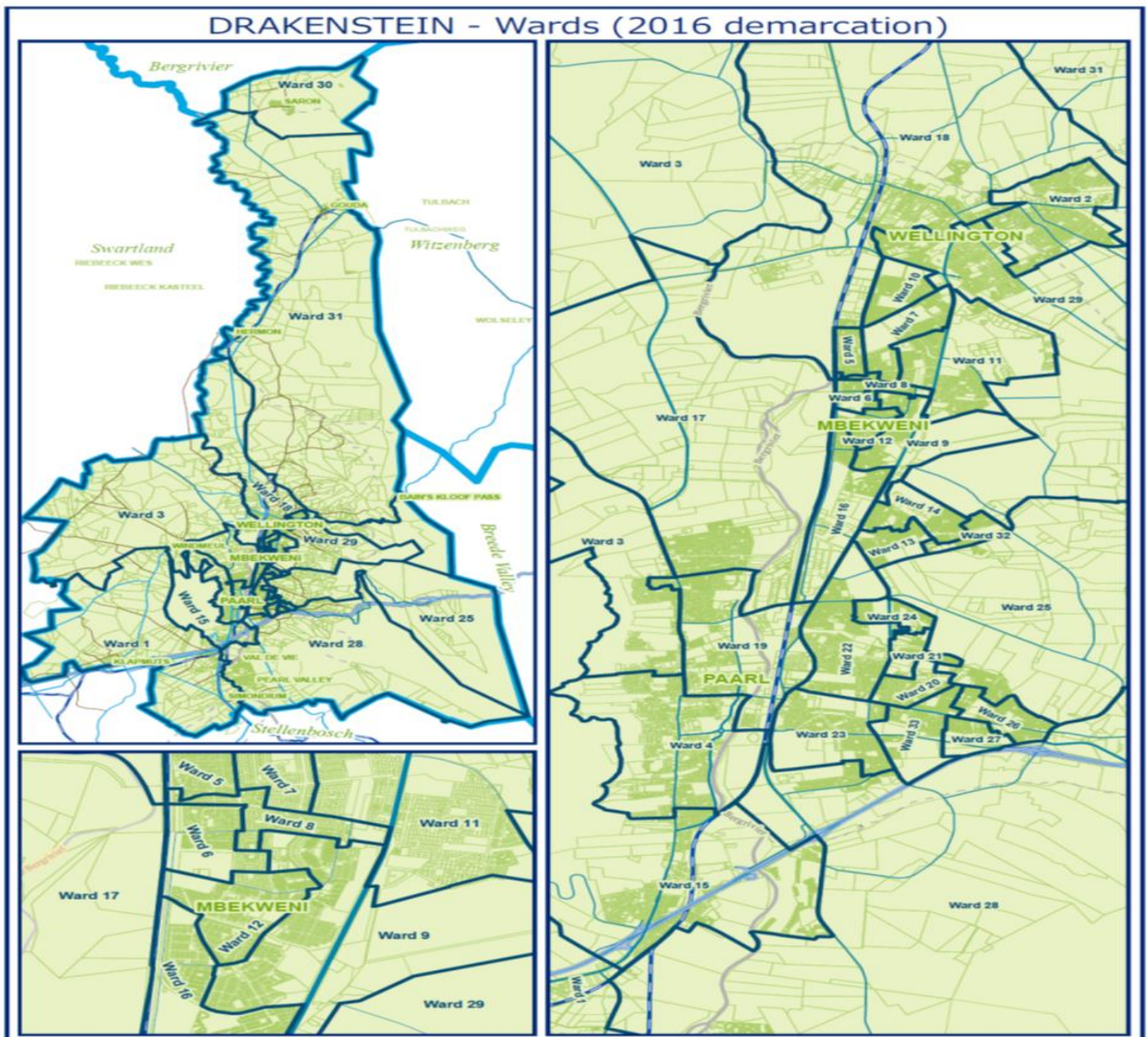
The following is a list of the sub-places or townships found in each of the 33 wards:

- 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;
- 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;
- Ward 14: Groenheuwel;
- Ward 15: Suider Paarl, Courtrai;
- Ward 16: Mbekweni;
- Ward 17: Noorder Paarl, Nieuwedrift, Drommedaris;
- Ward 18: Soetendal, Wellington North, New Rest;
- Ward 19: Noorder-Paarl Central;
- Ward 20: Miqlat Sentrum Area;
- Ward 21: Chicago South, Magnolia;
- Ward 22: New Orleans, Charleston Hill, Huguenot;

- Ward 23: Klein Parys, Denneburg;
- Ward 24: Chicago;
- Ward 25: Nederburg, Lantana;
- Ward 26: Lantana, New York;
- Ward 27: Amstelhof;
- Ward 28: Ronwè, Sonop, Salem, Surrounding Farms;
- Ward 29: Voor Street Area, Uitsig, Perdeskoen Farms;
- Ward 30: Saron;
- Ward 31: Gouda, Hermon, Bovlei, Groenberg;
- Ward 32: Fairyland, Smartie Town and Milky Town; and
- Ward 33: Langvlei, Boland Park, Lustigan Village.

The map below depicts the location of the 33 wards which comprises the municipality:

Figure 3: Ward Demarcation



Source: Drakenstein Municipality 2019

2.7 DEMOGRAPHIC PROFILE

Population and Household Profile:

The population of Drakenstein is 305 281 and the number of households is 74 230. The table below shows the number of households by different ethnic groups. In 2018/19, Coloured households represented 55.25% of the total households in Drakenstein, followed by Black African at 23.6%, White households 20.78% and Indians/Asians being the smallest portion of households at 0.32%.

Table 6: Household breakdown by ethnic group

| Household breakdown by ethnic group | | | | | | |
|-------------------------------------|-----------------|-----------|-----------|-------------------|-----------|-------------------|
| Serial No. | Ethnic Group | 2016/2017 | 2017/2018 | % share 2017/2018 | 2018/2019 | % share 2018/2019 |
| Column Ref. | A | B | C | D | E | F |
| 1 | Black African | 14,663 | 15,005 | 23.54% | 15,398 | 23.65% |
| 2 | Coloured | 34,572 | 35,259 | 55.31% | 35,973 | 55.25% |
| 3 | Indian or Asian | 197 | 202 | 0.32% | 208 | 0.32% |
| 4 | White | 12,949 | 13,276 | 20.83% | 13,536 | 20.78% |
| 5 | Total | 62,381 | 63,742 | 100% | 65,115 | 100% |

Source: Quantec Research, 2019

*Quantec data is regularly updated and figures may be different from those previously reported

2.8 SOCIO-ECONOMIC STATUS INFORMATION

In 2017, the unemployment rate in Drakenstein (based on the official definition of unemployment) was 18.8%, which was an increase of 0.5 percentage points from 2016. Given the prevailing conditions over the past year as well as the seasonal nature of local employment in the agricultural sector as well as the narrow definition of the official definition it is estimated that a more realistic unemployment figure is closer to 23%.

The Gini coefficient is a measure of economic/income inequality. In 201, the Gini coefficient in the municipal area rose from 0.592 in 2016 to 0.601 in 2018. The rising income inequality can be attributed to an increased working age population in low-skilled employment who earn low salaries.

The following table depicts the socio-economic status of the municipality, inclusive of the Gini Coefficient statistics:

Table 7: Socio-Economic Status

| Socio-Economic Status | | | | | |
|-----------------------|---------|-------------------|--|------------------|---------------------------------------|
| Serial No. | Year | Unemployment Rate | Percentage of working age population in low skilled employment | Gini Coefficient | Illiterate people older than 20 years |
| 1 | 2016/17 | 18.3% | 17.59% | 0.592 | 16.24% |
| 2 | 2017/18 | 18.8% | 17.15% | 0.598 | 16.04% |
| 3 | 2018/19 | 23% | No data yet | 0.601 | 15.74% |

Source: IHS Markit Regional eXplorer 2019 and Quantec Research 2019

*Quantec data is regularly updated and figures may be different from those previously reported

2.8.1 Poverty

According to the poverty trends in South Africa report released by Statistics South Africa in 2017, the deteriorating financial health of households and individuals under the weight of economic pressures, has resulted in an increase in the poverty levels.

The categories of people vulnerable to poverty remained still largely African females, children 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.

2.8.2 Income Inequality

It is concerning to note that income inequality has been increasing not only in Drakenstein, but also in the Cape Winelands and the broader Western Cape Province. This indicates that the relative satisfactory growth experienced across these regions has not equally been distributed amongst households or individuals. Income inequality has marginally increased from 0.59 to 0.60 (2016 – 2019), which represents a 0.2 per cent growth figure for the aforementioned period.

2.8.3 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 in Drakenstein (from 0.647 in 2008 to 0.723 in 2017), Cape Winelands and the whole of the Western Cape between 2011 and 2015. Naturally, per capita income as per definition is expected to mimic the trend of HDI and this is clearly displayed in the graphic above. While this trend is consistent for Drakenstein, per capita GDP has not risen at the rate experienced in comparison to surrounding municipalities across the Cape Winelands District.

2.8.4 Indigent Households

The constraining macro-economic climate is expected to impact heavily on the various municipal areas of the Western Cape, especially in rural communities where an economic downturn will result in significant job losses across. Rising unemployment figures will subsequently result in a decrease in expendable household income which, coupled with rising inflation rates, will force many families into poverty. Municipal services will ultimately become unaffordable, resulting in these households becoming reliant on free basic services which will in turn strain 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, in all sectors as a result of the lockdown due to the Covid 19 pandemic and the influx of citizens that move from outlying smaller towns to Drakenstein in search of employment opportunities.

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.

2.8.5 Economy

The economic sectors that contributed the most to the Drakenstein economy in 2018/19 were Finance, insurance, real estate and business services (R4.68 billion); wholesale, retail trade, catering and accommodation (R4.01 billion); manufacturing (R3.3 billion) and general government (R2.4 billion). Agriculture, forestry and fishing; construction; transport, storage and communication; community, social and personal services each contributed between R1.5 billion and R2 billion.

The impact of the Covid-19 pandemic on the economy is the loss of income suffered by households, businesses and government due to the shutdown of the economy since 26 March 2020. It is not anticipated that the economy will make a speedy recovery and the results of the pandemic is, and will, require all businesses to re-evaluate their sustainability and business models.

All sectors of the Drakenstein economy have been adversely affected by the pandemic, but sectors such as tourism have been particularly hit hard after the closure of borders and the cancellation of events. Modelling estimates undertaken after the first two months of the lockdown indicate that manufacturing, retail trade and transport will have a 50 percent loss in income, while tourism, construction and the informal sector could account for over 80 per cent of the job losses during the same period.

The informal sector has particularly been hit hard as most micro enterprises do not have savings and depend on daily income for their operations. The lockdown period also halted opportunities for most SMMEs to earn income, hence the establishment of various SMME relief funding schemes by the Department of Small Business Development. However, these financial aids have not been of significant immediate assistance as they are cumbersome to access and many of the possible recipients do not comply with the criteria.

The Covid-19 pandemic has forced government to divert money budgeted for other priorities to the Department of Health to fight the pandemic and the Department of Small Business Development and the Department of Trade and Industry for relief funding for businesses. While this is much appreciated, it is likely to put a further strain on government finances that have already been deteriorating.

The impact of Covid-19 will result in weak economic performance, high unemployment, increasing poverty, constrained government finances and therefore reprioritisation of government expenditure which will have a severe impact on the municipality's ability to deliver on its mandate. The direct impact on our households and business will further exacerbate the revenue sources of the municipality.

The table below shows employment levels in the municipality in the various sectors:

Table 8: Employment by Sector

| Economic Employment by Sector | | | |
|---|----------------|----------------|----------------|
| Sector | Jobs | | |
| | 2014/2015 | 2015/2016 | 2016/2017 |
| Agriculture, forestry and fishing | 12,661 | 16,136 | 15,924 |
| Mining and quarrying | 74 | 77 | 77 |
| Manufacturing | 9,265 | 9,178 | 8,949 |
| Electricity, gas and water | 304 | 326 | 338 |
| Construction | 8,726 | 8,929 | 9,302 |
| Wholesale, retail trade, catering and accommodation | 23,313 | 24,240 | 24,643 |
| Transport, storage and communication | 4,318 | 4,673 | 4,369 |
| Finance, insurance, real estate and business services | 14,919 | 15,618 | 15,964 |
| General government | 12,212 | 11,916 | 12,149 |
| Community, social and personal services | 15,585 | 16,495 | 16,880 |
| Total | 101,377 | 107,588 | 108,595 |

Quantec Research 2019

2.9 ACCESS TO BASIC SERVICES

The Constitution of the Republic of South Africa states that every citizen has the right to access adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Access to housing also includes access to services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living. The Department: Engineering Services is responsible for basic service delivery, i.e. water, sewerage, roads, stormwater, traffic engineering, waste services and electricity.

Basic services are provided to farms in the rural areas via a subsidy scheme for farm workers, with electricity largely being supplied by Eskom directly to the user.

2.9.1 Water Provision

Households with access to piped water inside the dwelling or yard or within 200 meters from the yard:

The very recent drought, highlighted water availability and supply. This goes hand in hand with due consideration for water quality. Access to safe potable water is essential to prevent the contraction and spread of diseases and maintaining a healthy life.

In 2011, 99.4 per cent of all households within Drakenstein enjoyed access to piped water. Despite a significant increase in the total number of households since then, the municipality was in 2016 still able to provide 99.5 per cent of all households with water services as per the national norms and standards to the municipality provided an additional 11 889 households (average annual increase of 2 378 households, or 3.7 per cent) with access to piped water from 2011 to 2016 (2017 LG-SEP).

2.9.2 Electricity Provision

Households with access to electricity as the primary source of lighting:

Energy is essential for human life and the majority of households generally utilise electricity for cooking, heating and lighting purposes. Energy sources also have health and safety risks especially in the use of paraffin and open flame usage.

The total number of households in Drakenstein grew by 11 912 between 2011 and 2016 whilst the total number of households receiving access to electricity only increased by 10 936 households. Household growth is therefore outstripping the provision of electricity services, evident from the fact that 94.5 per cent of all households had access in 2016, compared to 95.0 per cent in 2011 (2017 LG-SEP). This is most likely a factor of the increase of informal structures within backyards and in informal settlements.

Electricity was previously available to formally reticulated dwellings only. All formal dwellings have been electrified. Good progress has been made with the installation of electricity connections to informal dwellings largely funded with Integrated National Electrification Funding (INEP). The municipality will continue with this roll-out budget permitting. Illegal electricity connections remain a challenge.

2.9.3 Refuse Removal Services

Households who have solid waste removed by local authorities at least weekly:

Refuse removal is an essential service that ensures that health related problems are kept at bay. The management of waste requires a collaboration between the community and the municipality. It is acknowledged that an inadequate service may result in illegal dumping, but the failure to prevent illegal dumping is not the sole responsibility of the municipality. Drakenstein has an inordinately high number of dumping hotspots. The cost of weekly clearing these sites could be far better utilised for civil and social infrastructure.

There are growing concerns around the land and environmental limitations in the creation and lifespan of landfill sites, as well as the extremely high cost to rehabilitate such sites. Thus making the educational campaigns to 'reduce – reuse – recycle', which actively encourages non-wasteful consumption practices, even more important.

The municipality has made great strides to extend refuse removal services to all households. Access to waste removal services at least once a week improved from 86.1 per cent in 2011 to 90.6 per cent in 2016. The current refuse removal services backlog is largely attributed to farms areas where the land owners are responsible to transport waste to the landfill or areas that are geographically difficult to reach (2017 LG-SEP).

2.9.4 Sanitation Services

Households who have access to a flush or chemical toilet connected to the sewerage system:

Access to sanitation promotes health and dignity through the provision of safe disposal and treatment of human waste. Where sanitation systems are inadequate, negative health effects can be extremely serious. The current drought highlights challenges in the use of potable water within the sanitation services process.

Drakenstein Municipality has since 2011 made significant progress in terms of providing all citizens with access to acceptable standards of sanitation services, to the extent that 98.4 per cent of all households enjoy access to a flush toilet connected to a sewerage system. Closer consideration of the annual service delivery data reveals that the municipality between 2011 and 2016 was able to provide an additional 2 909 households access to sanitation.

2.10 HOUSING

In 2016, the vast majority of households in the municipality reside in formal dwellings (90.3%), while 9.2 per cent of households reside in informal dwellings. The percentage of households living in informal dwellings in 2016 decreased by 4.2% in the five years since census 2011. Households living in “Informal dwellings - shacks in the backyard” have decreased from 7.8% in 2011 to 4.0% in 2016, while “informal dwellings – shack not in a backyard (e.g. on a farm or an informal settlement)” has only marginally been reduced from 5.6% in 2011 to 5.2% in 2016.

Table 9: Dwelling Type

| Type of Dwelling | Census 2011 (%) | Community Survey 2016 (%) |
|--------------------------------|-----------------|---------------------------|
| Formal Dwelling ² | 85.1 | 90.3 |
| Informal Dwelling ³ | 13.4 | 9.2 |
| Traditional Dwelling | 0.5 | 0.2 |
| Caravan/tent | 0.1 | 0.0 |
| Other | 0.8 | 0.3 |

2.11 EDUCATION

Education and training improve access to employment opportunities and helps to sustain and accelerate overall development. It 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.

² Formal dwellings are structures built according to approved plans and exclude informal dwellings (those on a farm/in a backyard and those found in informal settlements) as well as those made of traditional material.

³ This is a combination of informal dwellings those in a backyard and those found in informal settlements or on a farm.

2.11.1 Learner Enrolment

Learner enrolment in Drakenstein tapered off from 46 988 in 2015 to 47 601 in 2016 and increased slightly to 48 208 learners in 2017. This could be attributed to a number of factors including demographics and socio-economic context

2.11.2 Learner-Teacher Ratio

The learner-teacher ratio in Drakenstein increased from 36.3 in 2015 to 36.45 in 2016 before falling marginally to 34.9 in 2017, which could in future affect learner performance within the Drakenstein municipal area. Factors influencing the learner-teacher ratio is the ability of schools to employ more educators when needed and the ability to collect fees.

2.11.3 Grade 12 Drop-out Rates

The drop-out rates for learners within Drakenstein municipal area that enrolled between 2015 and 2016 declined from 27.1 per cent to 26.0 per cent respectively. These high levels of dropouts are influenced by a wide array of economic factors including unemployment, poverty, indigent households, high levels of households with little income and teenage pregnancies.

2.11.4 Educational Facilities

The availability of adequate education facilities such as primary and high schools, FET colleges as well as schools equipped with libraries and media centres has a direct impact on academic outcomes. In 2017, Drakenstein had a total of 68 public ordinary (primary and high) schools and 3 special schools. This number remains unchanged from the 2015 and 2016 figures recorded for this category. Given the tough economic climate, schools have been reporting an increase in parents being unable to pay their school fees. However, the proportion of no-fee schools dropped from 67.65 per cent in 2015 to 66.18 percent in 2017. This could in future further increase the drop-out rate. The municipality has 1 university campus located in Wellington and 3 FET colleges, which make further education accessible.

2.11.5 Schools with Libraries

The number of schools equipped with libraries in Drakenstein is 10. Economic literature supports the overwhelming evidence on the five aspects of public libraries as agencies of community development and its positive impact on communities, namely: libraries serve as a medium to access information and to learn; libraries support social inclusion and equity; libraries promote community engagement; libraries create a bridge to resources and community participation, and libraries encourage economic vitality within the community.

2.11.6 Education Outcomes

Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagements in the broader market, Policy decisions and choices in the sphere of education play a critical role in determining the extent to which future economy and poverty reduction plans can be realised. Drakenstein matric pass rate remained at 86.7 per cent in 2015 and 2016, but decreased slightly to 85.4 per cent in 2017. This could improve access for learners to higher education to broaden their opportunities.

2.11.7 Highest Level of Education

The Community Survey 2016 indicated a 6.3% increase in the percentage of persons aged twenty and above who have completed secondary school, while 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.

2.11.8 Literacy Levels

Literacy is defined as the ability to read and write, but it is more strictly defined as the successful completion of a minimum of 7 years of schooling. The literacy rate is calculated as the proportion of those 14 years and older who have successfully completed a minimum of 7 years of formal education. The literacy rate in Drakenstein was recorded at 44.8 per cent in 2011, which is higher than the average literacy rates of the Cape Winelands District (81.7 per cent) and the rest of South African (80.9 per cent) but is lower than the Western Cape (87.2 per cent).

2.12 HEALTH

2.12.1 Healthcare Facilities

The information provided by the Department of Health, as detailed in this section, pertains only to public sector healthcare institutions. All citizens' right to access to healthcare services is directly affected by the number and spread of facilities within their geographical reach. South Africa's healthcare systems are geared in such a way that people have to move from primary with a referral system to secondary levels.

In terms of healthcare facilities Drakenstein has 17 primary healthcare clinics (PHC), which comprises of 11 fixed and 6 mobile clinics. Although there are no community health centres in either Drakenstein or the broader Cape Winelands District, there are 3 community day centres in Drakenstein. In addition, Drakenstein has a regional hospital, as well as 18 ART treatment clinics/sites and 26 TB facilities.

2.12.2 Emergency Medical Services

The number of ambulances per 10 000 people in Drakenstein increased from 0.2 in 2015 to 0.3 in 2016, remaining constant at 0.3 in 2017. This increase is welcomed, as a larger number of operational ambulances can provide a greater coverage of emergency medical services. Drakenstein's ambulance ratio in 2017 is lower than that of the Cape Winelands District (0.5). Access to emergency medical services is critical for rural citizens due to rural distances between towns and health facilities being much greater than in the urban areas.

Combined with the relatively lower population per square kilometre in rural areas, ambulance coverage is greater in rural areas in order to maintain adequate coverage for rural communities.

2.13 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.

2.14 SAFETY AND SECURITY

The Drakenstein Smart Safety Network (DSSN) collaborates with 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 DM residents.

2.14.1 DM Safety Statistics

From the table below, it is evident that the number of sexual offences is on the rise, meaning that Drakenstein is also in the midst of the scourge of gender-based violence. Notably, the rate of drug related crimes has increased, while murder and burglaries have decreased in 2018.

Table 10: Safety and Security Statistics

| Safety and Security Statistics | | | | |
|---|-------|-------|-------|------|
| Crime | 2015 | 2016 | 2017 | 2018 |
| Murder | 96 | 81 | 130 | 112 |
| Sexual Offences | 391 | 339 | 350 | 405 |
| Drug-Related Crime | 3 281 | 3 265 | 3 953 | 4263 |
| Burglary Residential Premises | 2 125 | 1 913 | 1 919 | 1742 |
| Driving under the influence of alcohol or drugs | 234 | 195 | 192 | 180 |

Source: Quantec Research, 2020

2.14.2 Driving Under the Influence

Despite concerted efforts by government, our roads are still considered amongst the most dangerous in the world. Reckless driving and alcohol consumption remain the top reason for road accidents. The number of cases of driving under the influence of alcohol or drugs in the Drakenstein area shows a decrease of 5.1 per cent from 58 in 2017 to 55 in 2018 (per 100 000 population).

2.14.3 Residential Burglaries

Residential burglary is defined as the unlawful entry of a residential structure with the intent to commit a crime, usually a theft. Residential burglaries in the Western Cape increased by 5.3 per cent. Residential burglary cases within the Drakenstein area decreased by 15.3 per cent from 631 in 2017 to 534 in 2018 (per 100 000 population).

2.14.4 Fatal Crashes

According to Quantec Research 2018, fatal crashes involving motor vehicles, motorcycles, cyclists and pedestrians within the jurisdiction of the Drakenstein Municipality has gradually increased since 2015, with an increase from 50 in 2015, up to 58 and eventually 67 in 2016 and 2017 respectively. The number of fatal crashes in the broader Cape Winelands District increased by 18.4 per cent between 2015 and 2016 before decreasing again towards the end of 2017.

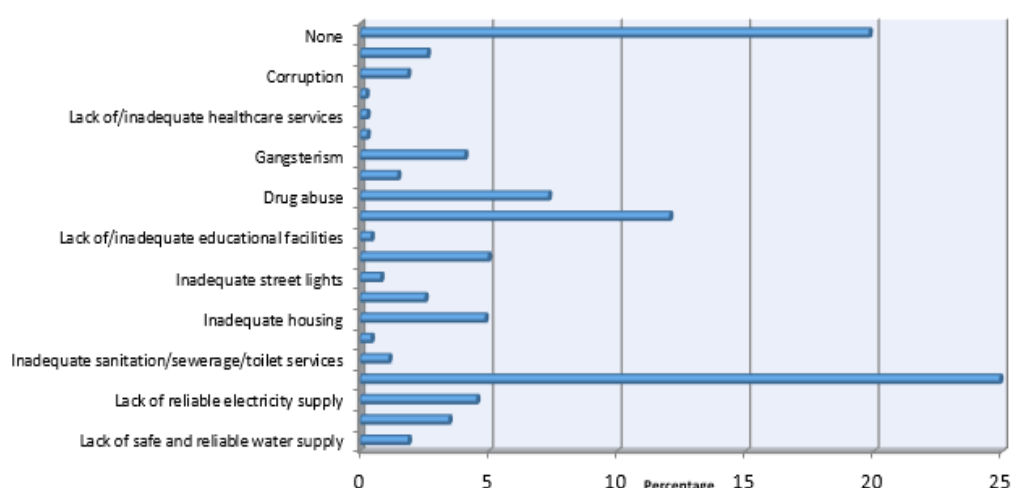
2.14.5 Road User Fatalities

Indicates the type of road user that died in or during a crash i.e. driver, cyclist, passengers, or pedestrians. According to a recent study, the majority of road fatalities in Africa fall within the working age cohort - between the ages of 15 – 64 years, whilst three out of four fatalities were found to be male (Peden et al., 2013). The untimely death of these primary breadwinners therefore impacts directly upon not only the livelihood of family structures, but deprive society of active economic participants that contribute towards growth and development. The socio-economic impact of such road fatalities has proven to be particularly devastating in South Africa where the majority of road users hail from poor and vulnerable communities.

2.15 SUMMARY OF CHALLENGES

Households indicated that the greatest challenge facing the municipality was the cost of electricity (24.9%), with violence and crime and drug abuse as the second and third most challenging obstacles facing the municipality. Households indicated the lack of/or employment opportunities follow as the next challenge facing Drakenstein Municipality (with 5.0% of the 71 686 households indicating this challenge as important). The Community Survey 2016 indicates that Inadequate housing (4.9%) is regarded as the fifth challenge facing the municipality, followed by the lack of reliable supply of electricity (4.5%). However, 19.8% of households indicated that there are “no challenges” facing the municipality.

Graph 1: Households indicating the difficulties facing Drakenstein Municipality presently (CS 2016)



Source: Statistics SA: Community Survey 2016

Top Ten (10) Priorities as identified by Drakenstein Communities:

Using the various IDP Public Participation platforms and through engagements with relevant stakeholders, the following top ten (10) overarching priorities were identified by the community:

- Housing;
- Job Opportunities;
- Safety & Security measures to combat crime;
- Visible Law Enforcement;
- Public Transport for rural wards;
- Roads Infrastructure – Speed humps;
- Traffic Calming in various wards;
- Play parks for children in wards;
- Assistance with ECD's; and
- Electrical Infrastructure – street lighting.

2.16 SITUATIONAL ANALYSIS PER KPA AND PDO

The analysis in this Section is enriched by applying a rating system, which is as follows:

Table 11: Rating System – Situational Analysis

| CORE COMPONENTS | Rating |
|--|--------|
| 1 – Good performance/implementation | 😊 |
| 2 – Average performance OR Policy in place with average implementation | 😐 |
| 3 – Poor performance OR no Policy in place OR Policy in place but poor/no implementation | 😞 |

In order to ensure vertical and transversal alignment; to ensure adequate time and resource allocation; and to enable performance management an array of interventions was identified. These were classified as Key Initiatives, Programs and Projects and were allocated to a series of Big Moves. Big Moves are initiatives which

will, over the next fifteen years dramatically alter and improve the space, economy and sustainability of Drakenstein. In turn, the Big Moves have been located spatially within five Catalytic Zones and collated into the Key Performance Areas and Pre-determined Objectives.

The KPAs and PDOs are underpinned by a series of transversal enablers, such as policies, procedures and Bylaws – the governance, financial and institutional foundation of both Drakenstein the Local Authority, and Drakenstein the City of Excellence. Most importantly, this strategic framework is the principal informant of the Drakenstein Five-Year Performance Plan, Annual Service Delivery and Budget Implementation Plan and Performance Agreements of Senior Managers. The setting of key performance indicators and targets against which the performance of the municipality and its senior management and leadership are measured derive its mandate from this IDP.



Table 12: PDO 1's Policies and Bylaws

| No. | Key Policies linked to KPA 01 |
|-----|--|
| 1. | Recruitment and Selection Policy |
| 2. | Rules Regulating the Election and Establishment of Ward Committees |
| 3. | Ward Committee Policy |
| 4. | Travel and Subsistence Policy |
| 5. | Roles and Responsibilities of Council, Political Structures, Office Bearers and Municipal Manager |
| 6. | Fraud Prevention Policy |
| 7. | Enterprise Risk Management Policy |
| 8. | Public Participation Policy |
| 9. | Marketing Strategy |
| 10. | Communication Policy and Strategy |
| 11. | Language Policy |
| 12. | Rules Regulating the Election and Establishment of Ward Committees |
| 13. | Fraud Prevention Policy |
| 14. | Policy for Formulation, Development and Review of Policies |
| No. | Key Bylaws linked to KPA 01 |
| 1. | Bylaw: Rules of order regulating the conduct of meetings of the Council of the Municipality of Drakenstein |
| 2. | Bylaw No 21/2007: Rules of order regulating the conduct of meetings of the Portfolio Committees 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 (Act 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political structure and each Political Office Bearers 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 he 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; 33 are Ward Councillors; and 32 are Proportional Councillors (PR). The Speaker presides at meetings of the Council. The table below is a list of functioning structures.


These committees include:

Table 13: PDO 1: Committees

| Type | Name of Committee |
|-------------------------------|--|
| Appeal Committee | <ul style="list-style-type: none"> Section 62 Appeal Committee |
| Section 79 Committees | <ul style="list-style-type: none"> Municipal Public Accounts Committee (MPAC); and Special Committee Dealing with transgressions of the Code of Conduct for Councillors. |
| Section 80 Committees: | <ul style="list-style-type: none"> Corporate Services Committee; Planning, Development and Human Settlements Committee; Engineering Services Committee; Financial Services Committee; and Community Services Committee. |
| Oversight Committees | <ul style="list-style-type: none"> Audit Committee; Fraud and Risk Committee; and Disciplinary Board. |
| Labour Committees | <ul style="list-style-type: none"> Local Labour Forum; and Training Committee. |

RATING OF COMPONENTS OF THE PDO

Table 14: PDO1: Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Effective Functioning of Governance Structures |  |
| Council: Monitoring of Council Decisions and Effective Oversight |  |
| Mayoral Committee |  |
| Section 79 Committees: Effective Oversight and Accountability | |
| <ul style="list-style-type: none"> Section 62 Appeals |  |
| <ul style="list-style-type: none"> MPAC |  |
| <ul style="list-style-type: none"> Disciplinary Committee for Councillors |  |
| Section 80 Committees – Advice to Mayoral Committee and Inclusive Decision Making | |
| <ul style="list-style-type: none"> Corporate Services Committee |  |
| <ul style="list-style-type: none"> Planning & Development Committee |  |
| <ul style="list-style-type: none"> Financial Services Committee |  |
| <ul style="list-style-type: none"> Engineering Services Committee |  |
| <ul style="list-style-type: none"> Community Services Committee |  |
| Statutory Committees: Advisory and Oversight | |
| <ul style="list-style-type: none"> Audit Committee |  |
| <ul style="list-style-type: none"> Fraud & Risk Committee |  |
| <ul style="list-style-type: none"> Disciplinary Board |  |
| Sound Labour Relations: | |
| <ul style="list-style-type: none"> Local Labour Forum |  |
| <ul style="list-style-type: none"> Training Committee |  |

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. Based on the risk assessments performed, the 11 strategic risks are summarised below. A comprehensive Risk Register can be found in the Annexures.

Table 15: PDO 2 – Strategic Risks

| No. | Strategic Risk |
|-----|--|
| 1. | Financial non-viability |
| 2. | Inadequate service delivery |
| 3. | Deficiency in staff skills and capacity |
| 4. | Increasing poverty and unemployment |
| 5. | Inadequate infrastructure, investment and maintenance |
| 6. | Weakness in governance and accountability |
| 7. | Unmanaged urbanisation |
| 8. | Failure to communicate effectively with stakeholders |
| 9. | Inadequate ICT planning, infrastructure and systems |
| 10. | National electricity blackout |
| 11. | Failure to address the consequences of notifiable diseases |

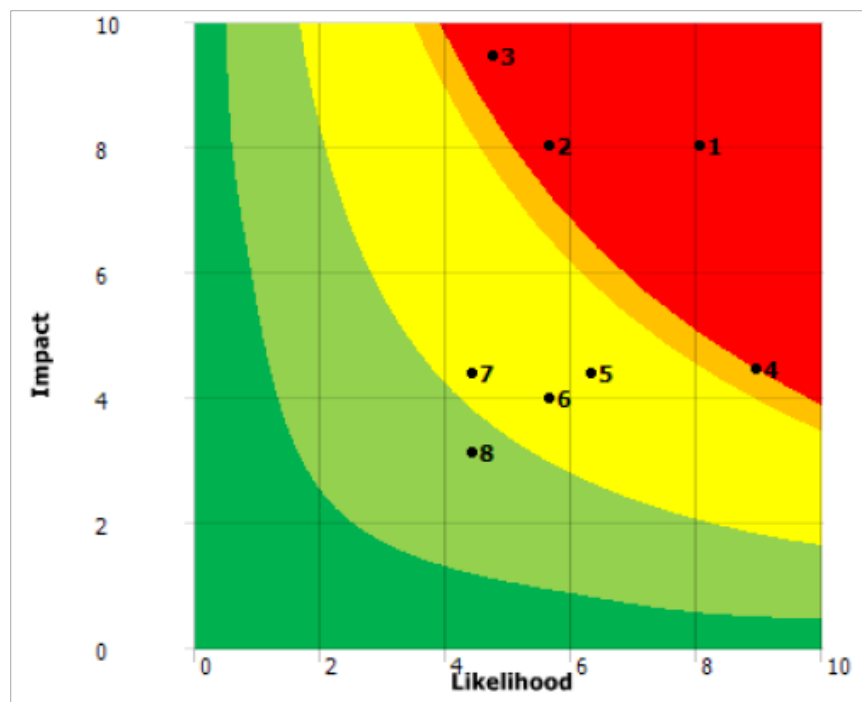
Graph 2: Strategic Risks Residual Heat Map











Table 16: PDO 2 – Strategic Risk: Point on Heat Map

| Point on Heat Map | Ref | Strategic risk | Inherent Impact | Inherent Likelihood | Control Effectiveness | Residual Risk |
|-------------------|-------|--|-----------------|---------------------|-----------------------|---------------|
| 1 | SR011 | Failure to address the consequences of notifiable diseases | Catastrophic | Almost Certain | Satisfactory | Priority 1 |
| 2 | SR007 | Unmanaged urbanisation | Catastrophic | Likely | Satisfactory | Priority 1 |
| 3 | SR010 | National electricity blackout. | Catastrophic | Moderate | Unsatisfactory | Priority 1 |
| 4 | SR004 | Increasing poverty and unemployment. | Serious | Almost Certain | Weak | Priority 2 |
| 5 | SR002 | Inadequate service delivery. | Critical | Almost Certain | Good | Priority 3 |
| 6 | SR005 | Inadequate infrastructure, investment and maintenance | Serious | Likely | Satisfactory | Priority 3 |
| | SR008 | Failure to communicate effectively with stakeholders | Serious | Likely | Satisfactory | |
| | SR009 | Inadequate ICT planning, infrastructure and systems | Serious | Likely | Satisfactory | |
| 7 | SR001 | Financial non-viability | Critical | Likely | Good | Priority 3 |
| | SR003 | Deficiency in staff skills and capacity | Serious | Moderate | Satisfactory | |
| 8 | SR006 | Weakness in governance and accountability | Serious | Likely | Good | Priority 3 |

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 based primarily 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.

RATING OF COMPONENTS OF THE PDO

Table 17: PDO 2 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|------------------------------------|---|
| Risk Identification and Assessment |  |
| Risk Data Analysis |  |
| Risk Forecasting |  |
| Risk Reporting |  |
| Combined Assurance |  |
| Fraud Prevention |  |
| Fraud Detection |  |
| Forensic Investigation |  |
| Feedback/Reporting |  |
| Risk Assurance |  |



PDO 3: STAKEHOLDER PARTICIPATION

PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of stakeholders 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 of each year. In addition, ward committees are the official participatory structure of the municipality. With 33 wards and 33 ward committees, 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 COMPONENTS OF THE PDO

Table 18: PDO 3 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Consultative engagements around the IDP and Budget |  |
| Ward Committee meetings |  |

PDO 4: POLICIES AND BYLAWS

PDO DESCRIPTION

The purpose of this PDO is to ensure that Policies and Bylaws remain relevant in addressing current challenges and that the enforcement of Bylaws is improved.

Policies

A list of policies follows with current assessments thereof indicated:

Table 19: PDO 4 - Policies (All)

| No. | Policies | Status |
|---------------------------|---|-----------------------------------|
| Financial Services | | |
| 1. | Cost Containment Policy | Approved by Council: 31/07/2019 ☺ |
| 2. | Tariff Policy | Approved by Council: 20/05/2015 ☺ |
| 3. | Customer Care, Credit Control and Debt Collection and Indigent support Policy | Approved by Council: 20/05/2015 ☺ |
| 4. | GRAP Accounting Policy | Approved by Council: 21/05/2014 ☺ |
| 5. | Asset Management Policy | Approved by Council: 20/05/2015 ☺ |
| 6. | Property Rates Policy | Approved by Council: 20/05/2015 ☺ |
| 7. | Cash and Investment Management Policy | Approved by Council: 20/05/2015 ☺ |
| 8. | Grants in Aid Policy | Approved by Council: 20/05/2015 ☺ |
| 9. | Supply Chain Management Policy | Approved by Council: 20/05/2015 ☺ |
| 10. | Petty Cash Policy | Approved by Council: 20/05/2015 ☺ |
| 11. | Budget and Management Oversight Policy | Approved by Council: 20/05/2015 ☺ |
| 12. | Writing Off of Irrecoverable Debt Policy | Approved by Council: 20/05/2015 ☺ |
| 13. | Long Term Financial Sustainability Policy | Approved by Council: 20/05/2015 ☺ |
| 14. | Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy | Approved by Council: 20/05/2015 ☺ |
| 15. | Policy on Stock Management | Approved by Council: 20/05/2015 ☺ |
| 16. | Unforeseen and Unavoidable Expenditure Policy | Approved by Council: 21/05/2014 ☺ |
| 17. | Virement Policy | Approved by Council: 20/05/2015 ☺ |
| 18. | Borrowing Policy | Approved by Council: 20/05/2015 ☺ |
| 19. | Funding and Reserve Policy | Approved by Council: 20/05/2015 ☺ |
| 20. | Insurance Policy | Approved by Council: 20/05/2015 ☺ |
| 21. | Prioritization Model for Capital Assets Investment | Approved by Council: 20/05/2015 ☺ |
| 22. | Grants in Aid Policy: Finance | Approved by Council: 31/4/2017 ☺ |
| 23. | Financial Asset Management Policy | Approved by Council: 31/5/2017 ☺ |
| 24. | Unclaimed Deposits Policy | Approved by Council: 29/3/2017 ☺ |
| 25. | Service Provider Management Framework | Approved by Council: 29/3/2017 ☺ |
| 26. | Gift Policy | Approved by Council: 31/05/2019 ☺ |
| 27. | Travel and Subsistence Policy | Approved by Council: 20/05/2015 ☺ |
| Corporate Services | | |
| 28. | Substance Abuse Policy | Approved by Council: 31/01/2018 ☺ |
| 29. | Talent Management and Succession Planning Policy | Approved by Council: 27/06/2018 ☺ |
| 30. | External Bursary Policy (Mayoral Bursary Policy) | Approved by Council: 27/06/2018 ☺ |
| 31. | Leave Policy | Approved by Council: 27/06/2018 ☺ |
| 32. | Acting, Additional and Secondment Allowance Policy | Approved by Council: 27/06/2018 ☺ |
| 33. | Occupational Health and Safety | Approved by Council: 31/07/2018 ☺ |

| No. | Policies | Status | |
|-----|---|---|---|
| 34. | Dress Code Policy | Approved by Council: 30/01/2019 | 😊 |
| 35. | Standby Policy | Approved by Council: 31/05/2019 | 😊 |
| 36. | Probation Policy | Approved by Council: 24/07/2019 | 😊 |
| 37. | Personal Protective Equipment and Clothing Policy | Approved by Council: 31/07/2019 | 😊 |
| 38. | Recruitment and Selection Policy | Approved by Council: 21/05/2014 | 😊 |
| 39. | HIV/AIDS Policy | Approved by Council: 30/11/2004 | 😊 |
| 40. | Bestowal of Aldermanship Policy | Approved by Council: 27/02/2019 | 😊 |
| 41. | Ward Committee Policy | Approved by Council: 29/09/2016 | 😊 |
| 42. | Education, Training and Development Policy | Approved by Council: 27/11/2008 | 😊 |
| 43. | Overtime Policy | Approved by Council: 21/05/2015 | 😊 |
| 44. | Alcohol Policy and Procedure Agreement | Approved by Council: 28/09/2006 | 😊 |
| 45. | Roles and Responsibilities of Council, Political Structures, Office Bearers and Municipal Manager | Approved by Council: 27/11/2008 | 😊 |
| 46. | Sexual Harassment Policy | Approved by Council: 25/10/2007 | 😊 |
| 47. | Policy for the Use of Landline Telephone System | Approved by Council: 22/09/2010 | 😊 |
| 48. | Electronic Records Management Policy | Approved by Council: 24/11/2010 | 😊 |
| 49. | Records Management Policy | Approved by Council: 30/09/2015 | 😊 |
| 50. | Private Work Policy | Approved by Council: 13/12/2012 | 😊 |
| 51. | Placement Policy | Approved by Council: 13/12/2012 | 😊 |
| 52. | Cellular Telephone Policy | Reviewed and adopted by Council: 12/12/2014 | 😊 |
| 53. | PAIA Section 14 Manual (Promotion of Access to Information) | Approved by Council: 28/08/2013 | 😊 |
| 54. | Language Policy | Approved by Council: 25/02/2015 | 😊 |
| 55. | Appointment of Temporary Staff | Approved by Council: 30/09/2013 | 😊 |
| 56. | Smoking Policy | Approved by Council: 30/07/2002 | 😊 |
| 57. | Asset Transfer Policy | Approved by Council: 25/08/2015 | 😊 |
| 58. | Donations Policy | Approved by Council: 25/02/2016 | 😊 |
| 59. | Job Evaluation Policy | Approved by Council: 24/8/2017 | 😊 |
| 60. | Student Accommodation Policy | Approved by Council: 29/3/2017 | 😊 |
| 61. | Generic ICT Service Level Agreement Management | Approved by Council: 29/3/2017 | 😊 |
| 62. | ICT Technical Policy | Approved by Council: 29/3/2017 | 😊 |
| 63. | Change Management Policy | Approved by Council: 29/3/2017 | 😊 |
| 64. | Backup and Restore Management Policy | Approved by Council: 29/3/2017 | 😊 |
| 65. | ICT Access Management Policy | Approved by Council: 29/3/2017 | 😊 |
| 66. | ICT Technology Management Framework | Approved by Council: 29/3/2017 | 😊 |
| 67. | Motor Vehicle Allowance Scheme | Approved by Council: 12/12/2014 | 😊 |
| 68. | Smoking Policy | Approved by Council: 27/7/2017 | 😊 |
| 69. | Telecommunications Base Station Policy | Approved by Council: 31/10/2017 | 😊 |
| 70. | Information and Communication Technology Policy (Reviewed) | Approved by Council: 23/09/2014 | 😊 |
| 71. | Policy for Formulation, Development and Review of Policies | Approved by Council: 27/08/2014 | 😊 |
| 72. | Intergovernmental and International Relations Policy | Approved by Council: 29/11/2017 | 😊 |

| No. | Policies | Status | |
|--|---|---------------------------------|---|
| Planning, Development and Human Settlements | | | |
| 73. | Informal Trading Enhancement Policy | Approved by Council: 31/07/2019 | 😊 |
| 74. | Drakenstein Integrated Economic Growth Strategy | Approved by Council: 22/08/2019 | 😊 |
| 75. | Drakenstein Mountain Slope Policy | Approved by Council: 30/09/2019 | 😊 |
| 76. | Tourism Development Plan | Approved by Council: 30/09/2019 | 😊 |
| 77. | Events Support Framework | Approved by Council: 27/05/2008 | 😊 |
| 78. | Developer Contributions Policy | Approved by Council: 20/05/2015 | 😊 |
| 79. | Informal Trading Management Framework | Approved by Council: 26/04/2012 | 😊 |
| 80. | Integrated House Shop Policy | Approved by Council: 12/04/2012 | 😊 |
| 81. | Limited Pay-out Gambling Machine Policy | Approved by Council: 26/02/2014 | 😊 |
| 82. | Policy on the Naming and Renaming of Street, Public Places, Natural Areas, Artefacts and Council-owned Buildings and Facilities | Approved by Council: 31/5/2017 | 😊 |
| 83. | Environmental Policy | Approved by Council: 20/05/2015 | 😊 |
| 84. | Investment Incentive Policy | Approved by Council: 28/03/2019 | 😊 |
| 85. | Special Rating Area Policy | Approved by Council: 29/11/2017 | 😊 |
| 86. | Financial Assistance for Public Events Policy | Approved by Council: 26/09/2018 | 😊 |
| Engineering Services | | | |
| 87. | Electrical Infrastructure Maintenance Policy | Approved by Council: 26/10/2011 | 😊 |
| 88. | Fleet Management Policy and User Guide | Approved by Council: 25/02/2015 | 😊 |
| 89. | Electricity Losses Policy | Approved by Council: 20/05/2015 | 😊 |
| 90. | Policy in Infrastructure Procurement and Delivery Management | Approved by Council: 21/6/2017 | 😊 |
| 91. | Memorial Crosses | Approved by Council: 30/11/2004 | 😊 |
| 92. | Policy for the Subsidation of Farm Workers | Approved by Council: 29/01/2020 | 😊 |
| 93. | Traffic Calming Policy | Approved by Council: 29/06/2005 | 😊 |
| 94. | Water Losses Policy | Approved by Council: 20/05/2015 | 😊 |
| 95. | Lighting on Private Rural Land | Approved by Council: 29/08/2006 | 😊 |
| Community Services | | | |
| 96. | Corporate Disaster Management Plan | Approved by Council: 30/04/2019 | 😊 |
| 97. | Food and Nutrition Security Policy | Approved by Council: 29/04/2015 | 😊 |
| 98. | Temporary Housing Assistance Policy | Approved by Council: 31/07/2019 | 😊 |
| 99. | Transfer Policy for Human Settlement Projects | Approved by Council: 23/09/2014 | 😊 |
| 100. | Sport and Recreation Policy | Approved by Council: 24/11/2010 | 😊 |
| 101. | Early Childhood Development | Approved by Council: 28/10/2014 | 😊 |
| 102. | Housing Selection Policy | Approved by Council: 28/10/2014 | 😊 |
| 103. | Emergency Housing Policy | Approved by Council: 11/12/2015 | 😊 |
| 104. | Housing Policy | Approved by Council: 27/01/2016 | 😊 |
| 105. | Street People Policy | Approved by Council: 29/04/2015 | 😊 |
| 106. | Grant in Aid Policy: Community | Approved by Council: 29/04/2015 | 😊 |
| 107. | Corporate Disaster Management Plan | Approved by Council: 30/04/2019 | 😊 |
| 108. | Tree Management Policy | Approved by Council: 24/11/2010 | 😊 |
| Division: Internal Audit | | | |
| 109. | Combined Assurance Policy | Approved by Council: 28/11/2018 | 😊 |
| Division: Integrated Development Planning | | | |
| 110. | Public Participation Policy | Approved by Council: 25/03/2015 | 😊 |

| No. | Policies | Status | |
|--|--|---|---|
| 111. | Performance Management Policy Framework | Reviewed and Adopted by Council: 31/03/2021 | 😊 |
| 112. | Rules Regulating the Election and Establishment of Ward Committees | Approved by Council: 29/09/2016 | 😊 |
| 113. | Ward Committee Policy | Approved by Council: 29/09/2016 | 😊 |
| Division: Risk Management | | | |
| 114. | Enterprise Risk Management Policy | Approved by Council: 31/03/2014 | 😊 |
| Division: Communication and Marketing | | | |
| 115. | Marketing Strategy | Approved by Council: 08/05/2008 | 😊 |
| 116. | Communication Policy and Strategy | Approved by Council: 29/09/2015 | 😞 |

Bylaws

The following list of Bylaws is included in the Municipal Code. The following list indicates the current assessment thereof:

Table 20: PDO 4 - Bylaws (All)

| No. | Bylaws | Promulgation Status | |
|--|--|---------------------|---|
| Financial Services | | | |
| 1. | Tariff Bylaw | PG-7144: 28/06/2013 | 😊 |
| 2. | Bylaw on Property Rates | PG-7144: 28/06/2013 | 😊 |
| 3. | Bylaw on Customer Care, Credit Control, Debt Collection, and Indigent Support | PG-7144: 28/06/2013 | 😞 |
| Corporate Services | | | |
| 4. | Bylaw No 2/2002: Establishment of Improvement Districts | PG-5932: 04/10/2002 | 😊 |
| 5. | Bylaw: Rules of Order Regulating the Conduct of Meetings of The Council of The Municipality of Drakenstein | PG-7921: 25/07/2014 | 😊 |
| 6. | Bylaw No 22/2007: Repeal | PG-6426: 16/03/2007 | 😊 |
| Planning, Development and Human Settlements | | | |
| 7. | Bylaw No 1/2007: The Advisory Board for Nature Reserves | PG-6426: 16/03/2007 | 😊 |
| 8. | Bylaw No 4/2007: The Prevention of Public Nuisances and The Keeping of Animals | PG-6426: 16/03/2007 | 😊 |
| 9. | Zoning Scheme Bylaw | PG-6923: 28/09/2018 | 😊 |
| 10. | Bylaw: Use of Remotely Piloted Aircraft and Model Aircraft in Public Places and Streets | PG-8207: 14/02/2020 | 😊 |
| 11. | Drakenstein Municipality: Problem Premises Bylaw | PG-8220: 13/03/2020 | 😊 |
| 12. | Drakenstein Municipality Building Control Bylaw | PG-8220: 13/03/2020 | 😊 |
| 13. | Bylaw No 1/2002: The Control of Fireworks | PG-5873: 17/05/2002 | 😊 |
| 14. | Bylaw No 11/2007: The Prevention of Atmospheric Pollution | PG-6426: 16/03/2007 | 😊 |
| 15. | Bylaw: Liquor Trading Days and Hours | PG-7078: 11/01/2013 | 😊 |
| 16. | Bylaw No 14/2007: Informal Trade | PG-6426: 16/03/2007 | 😊 |
| 17. | Bylaw No 1/2008: Outdoor Advertising and Signage | PG-6516: 18/04/2008 | 😊 |
| Engineering Services | | | |
| 18. | Bylaw: Electricity Supply | PG-7326: 07/11/2014 | 😊 |
| 19. | Bylaw: Water Services | PG-7291: 25/07/2014 | 😊 |
| 20. | Bylaw: Drakenstein Municipality Integrated Waste Management | PG-8240: 29/05/2020 | 😊 |

| No. | Bylaws | Promulgation Status | |
|---------------------------|---|--|---|
| 21. | Bylaw No 18/2007: Water Supply, Sanitation Services and Industrial Effluent | PG-6426: 21/02/2012 | 😊 |
| Community Services | | | |
| 22. | Bylaw No 2/2007: Cemeteries and Crematoriums | PG-6426: 16/03/2007 Reviewed by Council: 12/12/2014 in process | 😐 |
| 23. | Bylaw No 5/2007: Camping Areas | PG-6426: 16/03/2007 | 😊 |
| 24. | Bylaw No 6/2007: Child Care Facilities | PG-6426: 16/03/2007 | 😊 |
| 25. | Bylaw No 7/2007: Paarl Mountain Nature Reserve | PG-6426: 16/03/2007 | 😊 |
| 26. | Bylaw No 8/2007: Public Amenities | PG-6426: 16/03/2007 | 😊 |
| 27. | Bylaw No 10/2007: The Management of Premises provided by the Municipality for Dwelling Purposes | PG-6426: 16/03/2007 | 😊 |
| 28. | Bylaw No 12/2007: The Impoundment of Animals | PG-6426: 16/03/2007 | 😐 |
| 29. | Bylaw No 1/2011: Amendment of Bylaw 9/2007: Parking Metres | PG-6923: 04/11/2011 | 😊 |
| 30. | Bylaw No 16/2007: Public Swimming Pools | PG-6426: 16/03/2007 | 😊 |
| 31. | Bylaw No 19/2007: Parks for Caravans and Mobile Homes | PG-6426: 16/03/2007 | 😊 |
| 32. | Bylaw No. 2/2011: Bylaw Relating to Controlled Parking Areas | PG-6923 : 04/11/2011 | 😊 |
| 33. | Bylaw relating to the Transfer of Municipal Capital Assets | PG-7975: 07/09/2018 | 😊 |
| 34. | Bylaw No 15/2007: Streets | PG-6426: 16/03/2007 | 😊 |

RATING OF COMPONENTS OF THE PDO

Table 21: PDO 4 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Policies | |
| Policies and Bylaws: Corporate Services | 😊 |
| Policies and Bylaws: Financial Services | 😊 |
| Policies and Bylaws: Planning, Development and Human Settlements | 😊 |
| Policies and Bylaws: Community Services | 😐 |
| Policies and Bylaws: Engineering Services | 😊 |
| Updated Policy Register | 😊 |
| Policy and Bylaw Administration | |
| Regular review of Bylaws | 😐 |
| Updated Municipal Code, as per the Municipal Systems Act | 😊 |
| Updated Policy Register | 😊 |
| Municipal Court | |
| Functioning of Municipal Court | 😐 |

PDO 5: INTERGOVERNMENTAL RELATIONS (IGR)

PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of Intergovernmental Relations, which takes place in terms of the Constitutional Mandate and other relevant legislation, most importantly the Intergovernmental Relations Framework Act 13 of 2005. The main purpose of IGR in the Municipality is to co-ordinate, 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 has highlighted the importance of joint planning and implementation and therefore Drakenstein Municipality endeavours to implement the learnings of the Whole of Society Approach (WOSA) and partner with other spheres of government on the implementation of the District Development Model.

RATING OF COMPONENTS OF THE PDO

Table 22: PDO 5 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-------------------------|--------|
| International Relations | 😊 |
| National | 😊 |
| Provincial | 😊 |
| District & Local | 😊 |

PDO 6: COMMUNICATIONS (INTERNAL AND EXTERNAL)

PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of its internal and external communication. DM 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. Their purpose is to share news on the Municipality's projects, plans, achievements and initiatives, but also to promote regular dialogue between the Municipality, local communities and other stakeholders.

DM has grown its monthly external newsletter into a more informative, topical, visually entertaining and community-focused digital newsletter, called *Vars*. In addition, DM communicates with the community via its official website, its social media platforms (Facebook, Instagram and YouTube), press releases and coverage, radio interviews, television screens in service areas, municipal noticeboards, bulk SMSs and events. It communicates with its staff via management and sectional meetings, emails, memorandums, staff events, Intranet, an internal newsletter and WhatsApp messages. Various institutional structures such as ward committees, the IDP Representative Forum, social councils and forums, as well as 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 COMPONENTS OF THE PDO

Table 23: PDO 6 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Use of social media (Policy for internal use) | 😊 |
| Self-driven social media platforms | 😊 |
| Human resources, to create content, graphic design and administrative work | 😐 |
| Media monitoring system (Reputation Management) | 😐 |

PDO 7: MARKETING (BRANDING AND WEBSITE)**PDO DESCRIPTION**

This PDO relates to the Municipality's activities in respect of marketing and branding. Branding is streamlined across all municipal departments because the Communication and Marketing Division coordinates all media and communication aspects of municipal events. Drakenstein Municipality has a newly designed, revamped website, which also acts as a reference point for all other services and products within the jurisdiction of the Municipality. The Municipality daily updates the website with the necessary documentation, news and notices, and is now working on optimising its mobile interface and expanding interactive functions.

RATING OF COMPONENTS OF THE PDO

Table 24: PDO 7 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|--------|
| Maximising events-related and other marketing opportunities | 😊 |
| Optimising the mobile interface of the website | 😞 |

PDO 8: CUSTOMER RELATIONS MANAGEMENT**PDO DESCRIPTION**

This PDO relates to the Municipality's activities in respect of Customer Relations Management. A Services Charter was adopted during 2018/2019. 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. Each year a survey is conducted to gauge customer satisfaction and provide management information for further improvement. Further to that, the Electro-technical Department has accepted all the National Charters and Standards. These are all the National Rationalised Standards (NRS) documents accepted by the Electricity Distribution division. These 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 COMPONENTS OF THE PDO

Table 25: PDO 8 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-------------------------------------|--------|
| Customer Care Management System | 😊 |
| Annual Customer Satisfaction Survey | 😊 |

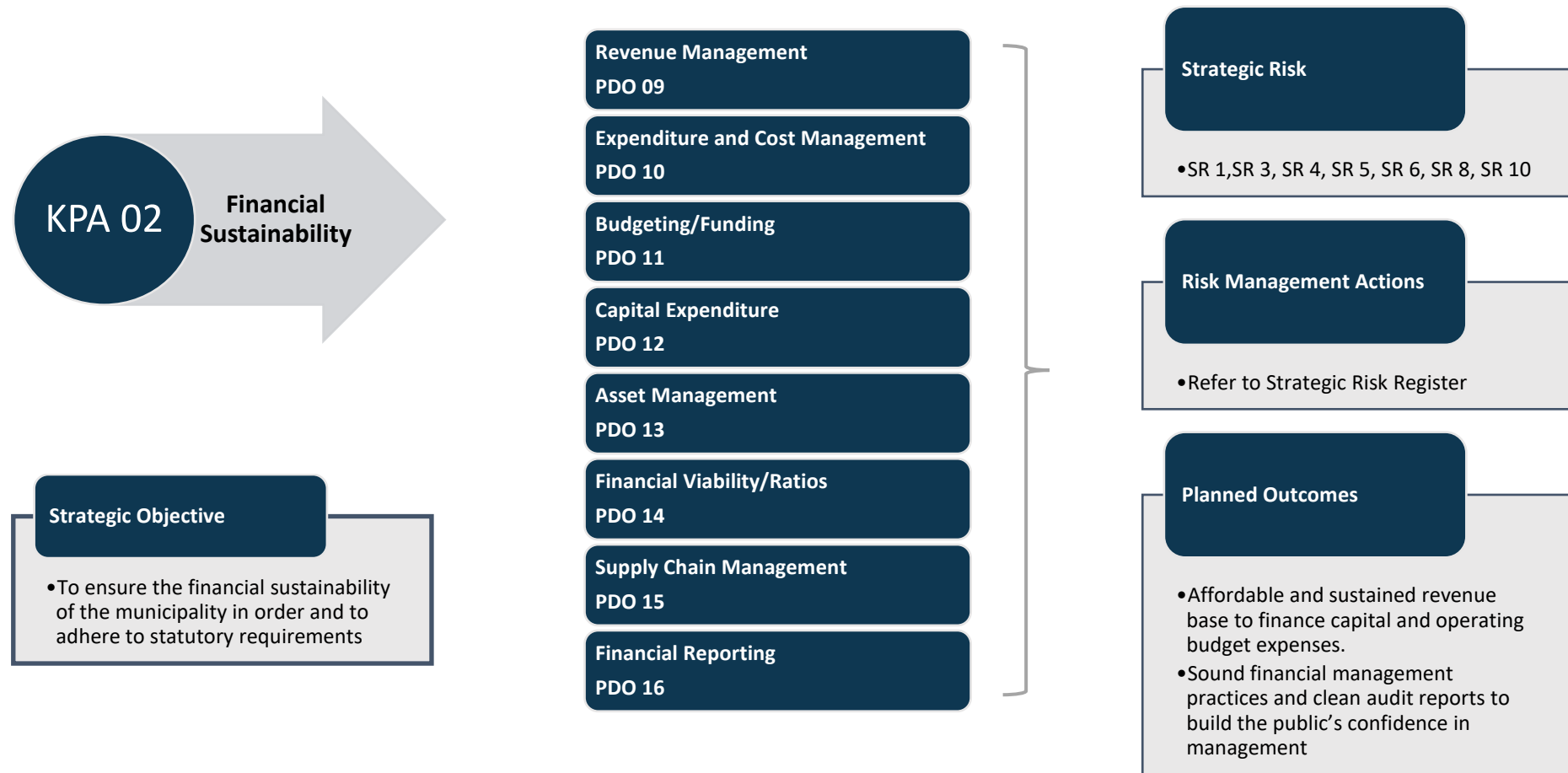


Table 26: KPA 2's Policies and Bylaws

| No. | Key Policies linked to KPA 02 |
|-----|---|
| 1. | Travel and Subsistence Policy |
| 2. | Tariff Policy |
| 3. | Customer Care, Credit Control and Debt Collection Policy |
| 4. | Indigent support Policy |
| 5. | GRAP Accounting Policy |
| 6. | Asset Management Policy |
| 7. | Property Rates Policy |
| 8. | Cash and Investment Management Policy |
| 9. | Insurance Policy Supply Chain Management Policy |
| 10. | Petty Cash Policy |
| 11. | Budget and Management Oversight Policy |
| 12. | Fraud Prevention Policy |
| 13. | Long Term Financial Sustainability Policy |
| 14. | Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy |
| 15. | Asset Transfer Policy |
| 16. | Policy on Stock Management |
| 17. | Unforeseen and Unavoidable Expenditure Policy |
| 18. | Virement Policy |
| 19. | Borrowing Policy |
| 20. | Funding and Reserve Policy |
| 21. | Policy on the Writing-off of Irrecoverable Debt |
| 22. | Prioritization Model for Capital Assets Investment |
| 23. | Donations Policy |
| 24. | Financial Asset Management Policy |
| 25. | Unclaimed Deposits Policy |
| No. | Key Bylaws linked to KPA 02 |
| 1. | Bylaw on Property Rates |
| 2. | Tariff Bylaw |
| 3. | Customer care, Credit control, Debt collection and Indigent support Bylaw |

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 9: REVENUE MANAGEMENT**PDO DESCRIPTION**

This PDO relates to the Municipality's activities in respect of Revenue management 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 Municipal Systems Act and the Municipal Finance Management Act.

RATING OF COMPONENTS OF THE PDO

Table 27: PDO 9 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-----------------------------------|--------|
| Registers | |
| Valuation Roll | 😊 |
| Indigent Register | 😊 |
| Billing | |
| Accurate Billing: Property Rates | 😊 |
| Accurate Billing: Electricity | 😊 |
| Accurate Billing: Water | 😊 |
| Accurate Billing: Sanitation | 😊 |
| Accurate Billing: Solid Waste | 😊 |
| Accurate Billing: Housing Rentals | 😊 |
| Meters | |
| Pre-paid Electricity Meters | 😊 |
| Pre-paid Water Meters | 😊 |
| Conventional Electricity Meters | 😊 |
| Conventional Water Meters | 😊 |
| Collections | |
| Indigents: Revenue Foregone | 😊 |
| Revenue Collection | 😊 |
| Traffic Fines Collection | 😞 |

PDO 10: EXPENDITURE AND COST MANAGEMENT

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 Municipal Finance Management Act.

RATING OF COMPONENTS OF THE PDO

Table 28: PDO 10 – Rating of Components





| COMPONENTS OF THE PDO | RATING |
|-----------------------|--------|
| Operating Expenditure | 😊 |
| Cost Containment | 😊 |
| Creditor Payments | 😊 |

PDO 11: BUDGETING/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 (Act No 56 of 2003), which 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 internally as well as externally. Due consideration should also be taken of relevant regulations which impact on spending priorities which will also guide or affect the municipality's budget.

RATING OF COMPONENTS OF THE PDO

Table 29: PDO 11 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-----------------------|---|
| Zero Based Budgeting |  |
| Grants |  |
| External Borrowings |  |
| Own Reserves (CRR) |  |

PDO 12: 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 Municipal Finance Management Act.

RATING OF COMPONENTS OF THE PDO

Table 30: PDO 12 - Rating of Components




| COMPONENTS OF THE PDO | RATING |
|-----------------------|---|
| Capital Expenditure |  |

PDO 13: ASSET MANAGEMENT**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. It 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 GRAP standards and other relevant policies and procedures.

RATING OF COMPONENTS OF THE PDO

Table 31: PDO 13 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-------------------------------|---|
| GRAP Compliant Asset Register |  |
| Moveable Assets |  |
| Immoveable Assets |  |

PDO 14: FINANCIAL VIABILITY










PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of ensuring Financial Viability of DM, 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 COMPONENTS OF THE PDO

Table 32: PDO 14 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Expenditure | |
| Capital Expenditure to Total Expenditure |  |
| Impairment of PPE, IP and Intangible Assets |  |
| Repairs and maintenance as a % of PPE and IP |  |
| Irregular, F&W & UE/Total Operating Expenditure |  |
| Remuneration as a % of Total Operating Expenditure |  |
| Contracted services % of Total Operating Expenditure |  |
| Capex (Grants excluded) to Total Capital Expenditure |  |
| Capex (Grants & EL excluded) to Total Capital Expenditure |  |
| Own Source Revenue to Total Operating Revenue |  |
| Creditors Payment Period (Trade Creditors) |  |
| Debt Collection | |
| Debtors Collection Ratio |  |
| Bad Debts Written-off as a % of 'Provision for Bad Debt' |  |
| Net Debtors Days |  |
| Cash/Cost Management | |
| Cash/Cost Coverage Ratio |  |
| Cash Flow Management |  |
| Current Ratio |  |
| Capital Cost as a % of Total Operating Expenditure |  |
| Debt (Total Borrowings) / Revenue – Gearing Ratio |  |
| Level of Cash Backed Reserves (Net Assets – Accum. Surplus) |  |
| Net Operating Surplus Margin |  |
| Net Surplus/Deficit: Electricity |  |
| Net Surplus/Deficit: Water |  |
| Net Surplus/Deficit: Refuse |  |
| Net Surplus/deficit: Sanitation | |

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Electricity Distribution Losses |  |
| Water Distribution Losses |  |
| Revenue | |
| Growth in Number of Active Consumer Accounts |  |
| Revenue Growth (%) |  |
| Revenue Growth (%): Excluding Capital Grants |  |
| Indicators | |
| Capital Expenditure Budget Implementation Indicator |  |
| Operating Expenditure Budget Implementation Indicator |  |
| Operating Revenue Budget Implementation Indicator |  |
| Service Charges & Property Rates Budget Implem. indicator |  |






PDO 15: 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 SCM Guide for Accounting Officers.

RATING OF COMPONENTS OF THE PDO

Table 33: PDO 15 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-----------------------|---|
| Municipal Stores |  |
| Acquisitions |  |
| Demand Planning |  |
| Contract Management |  |
| Compliance Reporting |  |

PDO 16: 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 their decision-making and to demonstrate effective stewardship and accountability. Compliance to relevant legislation ensures transparency and enables National Treasury to use information more effectively for benchmarking purposes.

RATING OF COMPONENTS OF THE PDO

Table 34: PDO 16 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-----------------------|--------|
| mSCOA Structure | 😊 |
| Compliance Reporting | 😊 |

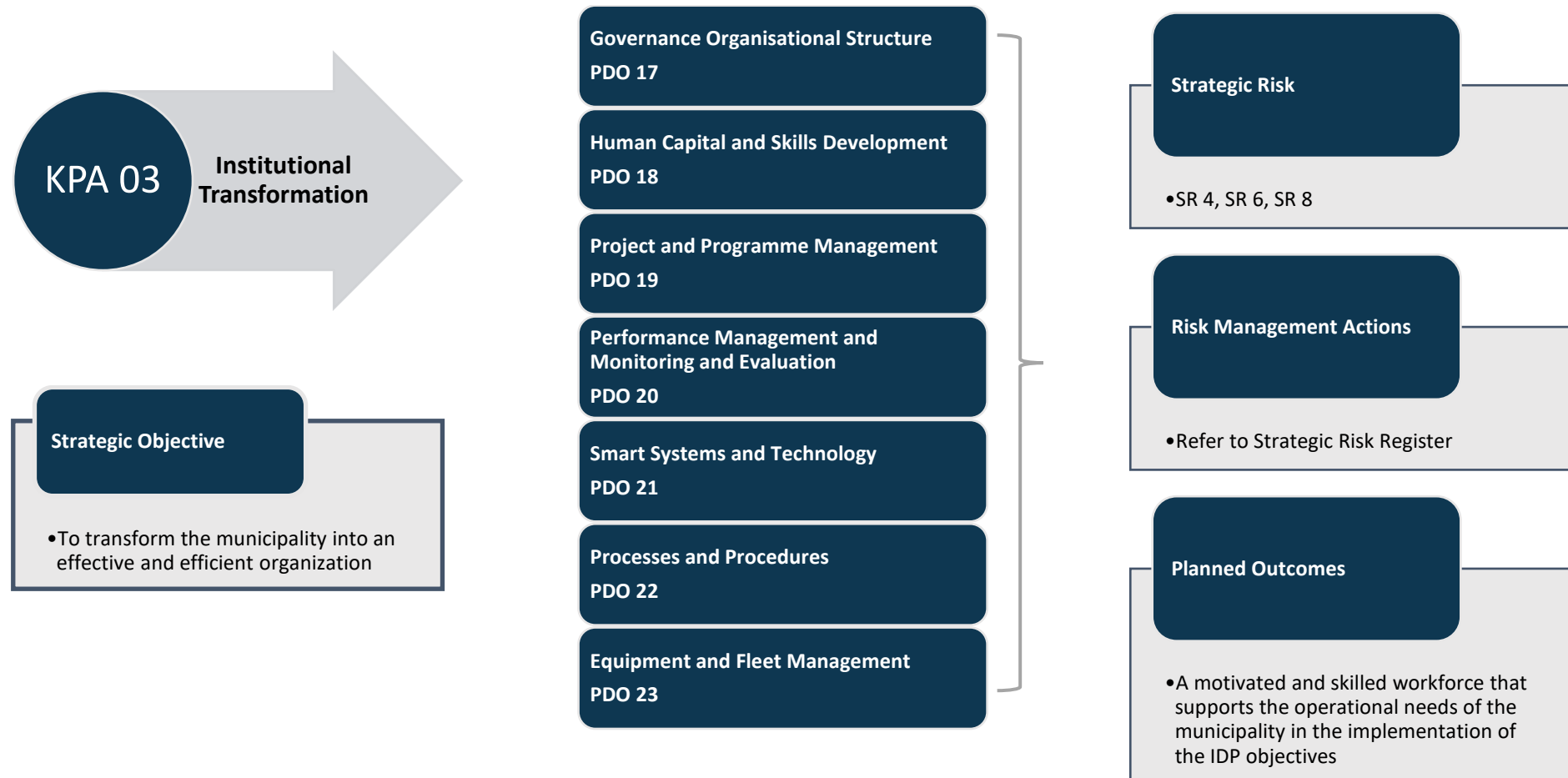


Table 35: KPA 3's Policies and Bylaws

| No. | Key Policies linked to KPA 03 |
|-----|---|
| 1. | Recruitment and Selection Policy |
| 2. | Performance Management Policy |
| 3. | Information and Communication Technology Policy |
| 4. | PAIA Section 14 Manual (Promotion of Access to Information) |
| 5. | Fleet Management Policy and User Guide |
| 6. | Language Policy |
| 7. | Education, Training and Development Policy |
| No. | Key Bylaws linked to KPA 03 |
| 1. | 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 17: ORGANISATIONAL STRUCTURE

PDO DESCRIPTION

Activities and plans under the PDO's aims to achieve an organisational structure that delivers the required services in an efficient and effective manner. The most recent major review was approved on 30 May 2018 but smaller adjustments that have no cost implications take place from time to time.

RATING OF COMPONENTS OF THE PDO

Table 36: PDO 17 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Efficient Utilisation of Staff |  |
| Finalisation of Job Descriptions |  |
| Finalisation of Job Evaluation |  |
| Alignment of organisational structure with functions and tasks required |  |




PDO 18: HUMAN CAPITAL AND SKILLS DEVELOPMENT

PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of Human Capital planning and Skills Development. The Human Resource Plan confirms the commitment to make sure that Drakenstein Municipality is able to acquire and retain human capital. Implementation of the Workplace skills plan, Employee Wellness, Internal Bursaries and Long Service Recognition are examples of key programmes that promotes a skilled, healthy and happy workforce. The Human Capital and Skills Development Plan is attached hereto as **Annexure A**.

RATING OF COMPONENTS OF THE PDO

Table 37: PDO 18 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Skilled Workforce |  |
| Retention of Institutional Memory |  |
| Motivated, Energised and Healthy Staff Compliment |  |

PDO 19: PROJECT AND PROGRAMME MANAGEMENT








PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of Project and Programme Management. DM has two significant project and programme management and implementation sections. The Project Management Unit (PMU) section under the Technical Support and Project Management division of Engineering Services, and the programme and project management section under the Community Services Department.

The PMU focusses on guiding the municipality in the processes and approach involved in project management, assisting departments with the implementation of projects and raising project funding with coordination and ensuring adherence to funding conditions. The PMU also monitors project risks and the progress of implementation and procurement for project implementation throughout the financial year and project cycle.

RATING OF COMPONENTS OF THE PDO

Table 38: PDO 19 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Unit establishment and goal setting |  |
| Project and Programme Policy guideline distribution and training |  |
| Mitigating Project Risk |  |
| Breaking down silo implementation |  |
| Efficient Project Implementation Cycles |  |
| Centralization of municipal project information |  |
| Project funding increase and adherence |  |

PDO 20: PERFORMANCE MANAGEMENT AND MONITORING & EVALUATION

PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of Performance Management and Monitoring/Evaluation. Performance Management serves to measure the performance of the municipality on 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 at mid-year intervals. The results thereof inform Council whether the adjustment of indicators is necessary, and 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. The roll-out of this Circular is still in its first stages and Drakenstein's Circular 88 KPIs are attached hereto as **Annexure B**.

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. The municipality started to implement Workplace Efficiency Monitoring and Evaluation from the 2018/2019 financial year. 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 Strategic Management Team Meetings every Monday.

RATING OF COMPONENTS OF THE PDO

Table 39: PDO 20 - Rating of Componentss

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Organisational Performance Management Policy | 😊 |
| Individual Performance Management | 😊 |
| Day-to-Day Service Delivery Monitoring and Evaluation (MonEvals) | 😊 |

PDO 21: SMART SYSTEMS AND TECHNOLOGY



PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of the ICT division, which is responsible for ensuring an information and communication network capability that can enable a Smart City of the future. This PDO also looks at the Municipality's utilization of smart technology such as drones and GIS.

RATING OF COMPONENTS OF THE PDO

Table 40: PDO 21 - Rating of Componentss

| COMPONENTS OF THE PDO | RATING |
|---|--------|
| Corporate Services | |
| Sustainability of ICT infrastructure | 😐 |
| ICT Governance | 😊 |
| Network Security | 😊 |
| Review of Critical Business Systems | 😊 |
| Technology Environmental Controls | 😐 |
| Engineering Services | |
| Utilization of drones | 😐 |
| Utilization of GIS | 😊 |
| Community Services | |
| Utilization of drones | 😊 |
| Utilization of GIS | 😊 |
| Planning & Development | |
| Utilization of drones | 😊 |
| Utilization of GIS | 😊 |
| Automation of land use applications | 😊 |
| Automation building plan and related applications | 😊 |
| Automation of event permitting | 😊 |
| Utilization of mobile applications for ease of business | 😊 |

| COMPONENTS OF THE PDO | RATING |
|---------------------------|---|
| Financial Services | |
| Utilization of drones |  |
| Utilization of GIS |  |

PDO 22: PROCESSES AND PROCEDURE











PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of processes and procedures in each of the departments. Great emphasis is placed on developing and streamlining systems and work processes in order to improve efficiency and effectiveness of the service quality. An on-going 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 procedure is the responsibility of each department to ensure that service delivery is improved through reduction of red tape and automation where applicable.

RATING OF COMPONENTS OF THE PDO

Table 41: PDO 22 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Corporate Services | |
| Standard Operating Procedures |  |
| Optimising Business Processes |  |
| Engineering Services | |
| Standard Operating Procedures |  |
| Optimising Business Processes |  |
| Community Services | |
| Standard Operating Procedures |  |
| Optimising Business Processes |  |
| Planning & Development | |
| Standard Operating Procedures |  |
| Optimising Business Processes via automation |  |
| Financial Services | |
| Standard Operating Procedures |  |
| Optimising Business Processes |  |








PDO 23: EQUIPMENT AND FLEET MANAGEMENT

PDO DESCRIPTION

In order to render effective services, the municipality requires reliable and active vehicles and equipment. The Fleet Management and Maintenance section drives actions related to maintenance, monitoring and replacement of municipal fleet and equipment, as well as coordinates the activities in the user departments to control driver behavior, utilization, care of fleet and related expenditure. The combined efforts in terms of the above are aimed at reducing downtime and increase the longevity of our fleet.

RATING OF COMPONENTS OF THE PDO

Table 42: PDO 23 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Ageing fleet resulting in higher maintenance |  |
| Internal capacity and multi-year vacancies at the mechanical workshop |  |
| Monitoring and reducing downtime |  |
| Budget control of fleet related costs |  |
| Regular and proper fleet reporting |  |
| Tracking of vehicle use and reporting thereof |  |
| Vehicle and driver allocation, control and authorization |  |

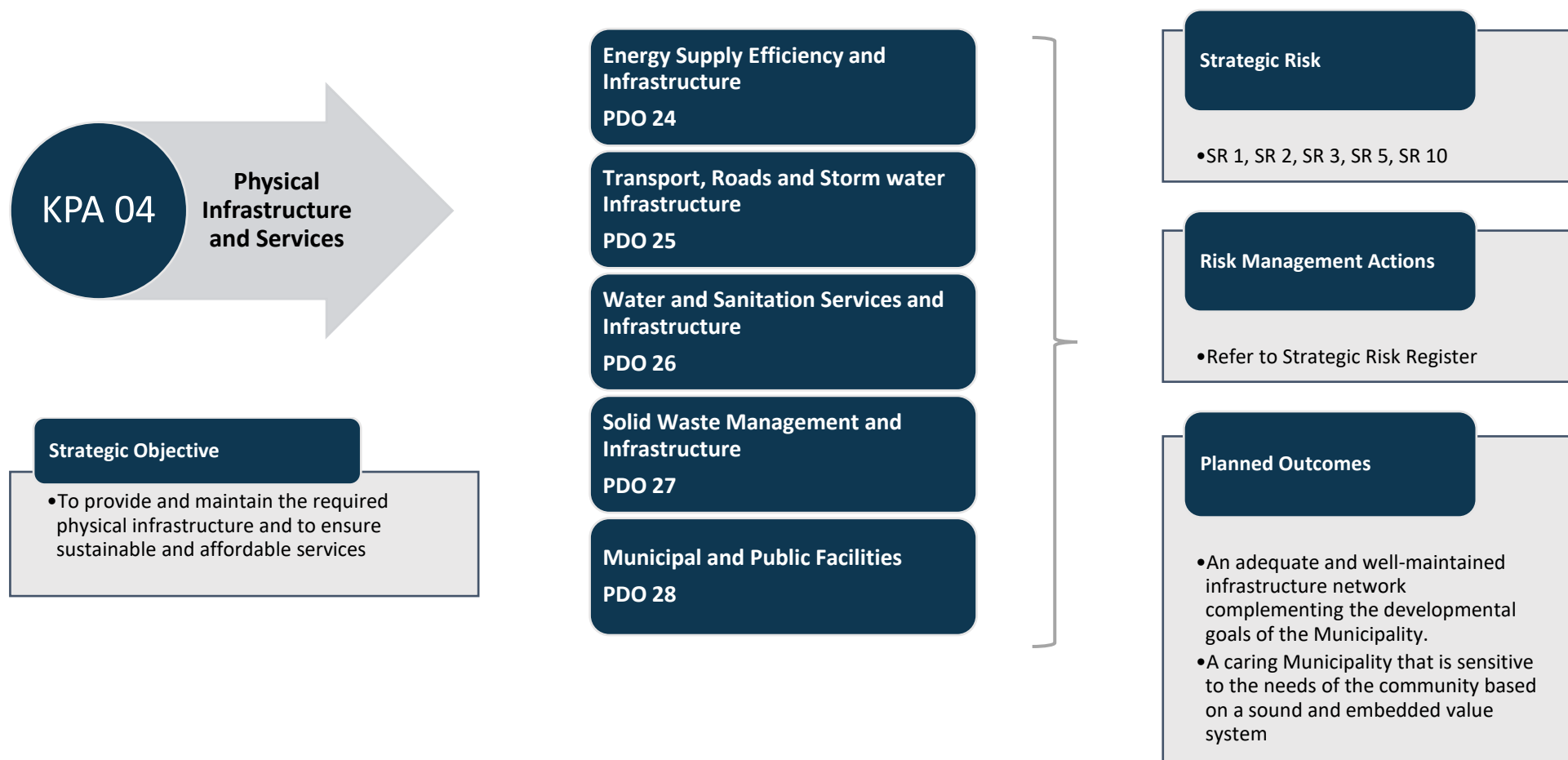


Table 43: KPA 4's Policies and Bylaws

| No. | Key Policies linked to KPA 04 |
|-----|---|
| 1. | Customer Care, Credit Control and Debt Collection and Indigent support Policy |
| 2. | Lighting on private rural land |
| 3. | Water Losses Policy |
| 4. | Electricity Losses Policy |
| 5. | Electrical Infrastructure Maintenance Policy |
| 6. | Prioritization model for capital assets investment |
| No. | Key Bylaws linked to KPA 04 |
| 1. | Bylaw No 2/2002: Establishment of Improvement Districts |
| 2. | Bylaw No 10/2007: Management of Premises provided by the Municipality for Dwelling Purposes |
| 3. | Bylaw No 15/2007: Streets |
| 4. | Bylaw No 18/2007: Water supply, sanitation services and industrial effluent |
| 5. | Bylaw No 17/2007: Refuse Removal |
| 6. | Bylaw No 2014: 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 24: ENERGY SUPPLY EFFICIENCY AND INFRASTRUCTURE**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 DM. It should be noted that limitations in capacity of the bulk infrastructure network has an impact on time frames for developments. Infrastructure development needs to compliment the Spatial Development Framework across the short, medium and long-term plans. The Municipality's Energy Plan is attached hereto as

Annexure C.

Table 44: PDO 24 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Energy Supply Efficiency | |
| Additional electrical supply | ☹️ |
| Energy saving measures | ☹️ |
| Electrical infrastructure upgrade and extensions | ☹️ |
| Electrical infrastructure maintenance | ☹️ |
| Energy Supply Infrastructure | |
| Electrical infrastructure development | ☹️ |
| Replacement of aged electrical infrastructure | 😡 |

PDO 25: TRANSPORT, ROADS AND STORM WATER INFRASTRUCTURE**PDO DESCRIPTION**

Paarl, Wellington and Mbekweni has a well-developed sophisticated internal road network providing for good vehicular access to its many urban facilities and opportunities. This road network 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.

There is also a railway line that passes the town of Saron to its west *en route* to Porterville, but there is no station or direct rail link with the town. The railway line providing for a rail-based passenger service, runs through the length of the Municipality in a north-south direction with stations located in Paarl, Huguenot, Mbekweni, Dal Josafat, Wellington, Mbekweni, Malan, Soetendal, Hermon and Gouda. It should be noted that all formal erven have access to roads.

The following tables give an overview of the total kilometers of roads maintained and new roads tarred:

Table 45: PDO 25 - Tarred Roads

| Financial Year | Total km Paved Roads | Km of New Tar Paved Roads | Km Existing Paved Roads Re-sealed | Km of Existing Roads Re-sheeted | Km Tar Roads Maintained |
|----------------|----------------------|---------------------------|-----------------------------------|---------------------------------|-------------------------|
| 2014/2015 | 501.700 | 0 | 9.223 | 3.069 | Entire Municipal Area |
| 2015/2016 | 501.700 | 0 | 22.438 | 0,00 | Entire Municipal Area |
| 2016/2017 | 501.700 | 0 | 14.470 | 0,00 | Entire Municipal Area |
| 2017/2018 | 501.700 | 0 | 6.981 | 0,00 | Entire Municipal Area |
| 2018/2019 | 501.700 | 0 | 1,5 | 0,00 | Entire Municipal Area |

Table 46: PDO 25 - Gravelled Roads

| Financial Year | Total km Gravel Roads | Km of New Gravel Roads Constructed | Km Gravel Roads Upgraded to Tar | Km Gravel Roads Graded/Maintained |
|----------------|-----------------------|------------------------------------|---------------------------------|-----------------------------------|
| 2014/2015 | 47.59 | None | 0 | 47.59 |
| 2015/2016 | 47.59 | None | 0 | 47.59 |
| 2016/2017 | 47.59 | None | 0 | 47.59 |
| 2017/2018 | 47.59 | None | 2,4 | 47.59 |
| 2018/2019 | 45.19 | None | 2,0 | 45.19 |

The table below shows the costs involved for the maintenance and construction of roads within the Municipal Area:

Table 47: PDO 25 - Cost of Construction/Maintenance of Roads

| Financial Year | New and Replacements R'000 | Resealed R'000 | Maintained R'000 |
|----------------|----------------------------|----------------|------------------|
| 2014/2015 | 15,0 | 26,2 | 4,08 |
| 2015/2016 | 0 | 16,731 | 4,4 |
| 2016/2017 | 0 | 7,084 | 6,5 |
| 2017/2018 | 0 | 10,366 | 6,5 |
| 2018/2019 | 118,000 | 3.217 | 6,7 |

Storm Water Management Systems in Built-Up Areas:

The table below indicates the total kilometres of storm water maintained and upgraded as well as the kilometres of new storm water pipes installed over the last three financial years:

Table 48: PDO 25 – Storm Water Maintained

| Financial Year | Total km Storm Water Measures | Km New Storm Water Measure | Km Storm Water Measures Upgraded | Km Storm Water Measures Maintained |
|----------------|-------------------------------|----------------------------|----------------------------------|------------------------------------|
| 2014/2015 | 354.320 | 0 | 0.75 | Entire Municipal Area |
| 2015/2016 | 354.320 | 0 | 0.687 | Entire Municipal Area |
| 2016/2017 | 354.320 | 0 | 2.472 | Entire Municipal Area |
| 2017/2018 | 354.320 | 0 | 1.183 | Entire Municipal Area |
| 2018/2019 | 354.320 | 0 | 0 | Entire Municipal Area |

The Pavement Management System (PMS) and the storm water master plan were updated in the 2015/16 financial year. The principle is to update all the different master plans every 3-5 years and to align the different master plans with the 20-year growth plan and Spatial Development Framework. The Municipality Integrated Transport Plan is attached hereto as **Annexure D**.

RATING OF COMPONENTS

Table 49: PDO 25 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|--------|
| Municipal Transport | |
| Public transport regulation and taxi facilities | ☹️ |
| Integrated Transport Master Plan Review | 😊 |
| Municipal Roads | |
| Backlogs in road maintenance | ☹️ |
| Backlog in the upgrading of municipal roads | ☹️ |
| Traffic calming measures | 😊 |
| Stormwater | |
| Storm water master plan review | ☹️ |
| Revision of flood lines in the storm water master plan | ☹️ |
| Development of new enabling infrastructure | ☹️ |
| Public safety risk measurement due w.r.t roads and storm water infrastructure | ☹️ |

PDO 26: WATER AND WASTEWATER SERVICES

PDO DESCRIPTION

Water Services

















This PDO addresses issues pertaining to potable water services. This service, in particular, is a legal requirement and it is important that the Municipality prepared 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 Water Services Development plan was reviewed and approved by Council. Annual Water Services audits are also performed. The WSDP together with Water Master Plans, which include water reticulation systems and future bulk water infrastructure, determine financial requirements for infrastructure maintenance, asset management and capacity augmentation. All formal erven have access to metered water connections. Informal areas are serviced by water standpipes or water tanks.

Water Services (within the urban area) are available to all schools, clinics, factories, businesses etc. It is however the responsibility of an owner/school/businesses to apply to be connected to the applicable service.

A connection fee and service consumer deposit are payable before the service can be rendered. There are no backlogs within the urban area. The Water Services Development Plan (WSDP) is attached hereto as **Annexure E**.

RATING OF COMPONENTS

Table 50: PDO 26 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Aged Infrastructure |  |
| New Bulk Infrastructure |  |
| New Network Reticulation |  |
| New Water Resources |  |
| Water Loss Management |  |
| Basic Services (water) to Informal Settlements |  |
| Development Enabling Infrastructure |  |
| Potable Water Treatment Works Capacity |  |
| Master Planning (including reticulation systems and future bulk infrastructure) |  |
| Water Infrastructure Maintenance | |
| Network Pipelines |  |
| Bulk Water Pipelines |  |
| Reservoirs |  |
| Pump Stations |  |
| Dams |  |
| Water Treatment Works |  |
| Water Connections |  |

PDO 26: WATER AND WASTEWATER SERVICES

PDO DESCRIPTION










Wastewater Services

This PDO addresses issues pertaining to water and wastewater services. This service, in particular, is a legal requirement and it is important that the Municipality prepared 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 Water Services Development plan was reviewed and approved by Council. 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.

Sanitation services are limited to potable water supply systems and domestic waste-water 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 etc. It is however the responsibility of an owner/school to apply to be connected to the applicable service. A connection fee and service deposit are 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.

RATING OF COMPONENTS

Table 51: PDO 26 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Basic Services (water and sanitation) to Informal Settlements |  |
| Development Enabling Infrastructure |  |
| Waste Water Treatment Works Capacity |  |
| Master Planning |  |
| Sanitation Infrastructure Maintenance | |
| Pipelines |  |
| Pump Stations |  |
| Sewer Connections |  |
| Wastewater Treatment Plants |  |
| Bulk Pump Stations |  |

PDO 27: SOLID WASTE MANAGEMENT AND INFRASTRUCTURE

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) which 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. The IWMP is attached hereto as **Annexure F**.

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 the communities is to change people's perceptions, attitudes and behaviour with regards to waste and to ultimately ensure a cleaner environment and improved living conditions.

All formal erven are serviced by a kerbside, wheelie bin refuse removal system once a week. Informal erven are serviced by door-to-door black bag or central skip removal at least once a week.

Solid Waste Management Services

The Municipality is responsible for collection of municipal solid waste and recyclable waste, treatment of waste, solid waste disposal, management of solid waste facilities, waste minimization 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 optimization 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.

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.

RATING OF COMPONENTS

Table 52: PDO 27 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Solid Waste Management | |
| Alternative to Landfill |  |
| Landfill operation optimisation |  |
| Landfill compliance |  |
| Rehabilitation of old landfill sites |  |
| Illegal dumping/Area cleaning |  |
| Waste minimisation |  |
| Solid waste removal in informal settlements |  |
| Norms and standards compliance |  |
| Waste diversion |  |
| Waste collection |  |
| Infrastructure Management | |
| Master planning |  |
| Waste infrastructure |  |

Basic Waste Management Information:

- On average, 37,500 formal households are serviced weekly;
- 41 registered informal settlements, with 5999 structures are serviced weekly;
- 34,943.42 tons of solid waste have been disposed at the Wellington Solid Waste Disposal Site during 2018/2019;
- 12,461.82 tons of waste have been diverted from the landfill during 2018/2019; and
- An average of 150km of streets are manually swept per month.

The statistical information is based on the 2018/2019 financial year.

PDO 28: MUNICIPAL AND PUBLIC FACILITIES**PDO DESCRIPTION**

This PDO relates to Municipal Public Facilities including Thusong Centres, Community Halls, and Public Ablutions. Annually, provision is made in the capital and operational budgets for 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 established 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 improve their lives. The Municipality makes use of a functionality score card which was developed by the Provincial Department of Local Government for Thusong Service Centres. This score card 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. They house six national government departments, including SASSA, the Department of Social Services and Consumer Protection, as well as six NGO's including Arise and Shine (Disabled Forum), Down Syndrome Association, Gender Violence Research Initiative (MRC study), HIV/Aids research study (University of Stellenbosch) and the CDW programme.





Municipal and public facilities are either corporate facilities controlled and maintained centrally, or departmentally controlled and maintained by a single user department or private/third party infrastructure leased by the municipality for a specific purpose.

Corporate Facilities and Maintenance section deals with the corporate facilities and their related projects and maintenance and the Building Maintenance and Projects section deals with maintenance and project request from user departments on departmental buildings.

DM is busy with a drive to restructure the governance of municipal and public facilities to clarify roles and responsibilities in order to properly assign accountability and budget in a way that will improve the care of these facilities.

Table 53: PDO 28 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Loss of building suitability though lack of maintenance |  |
| Insufficient building maintenance budget |  |
| Multi-year manager vacancy |  |
| Governance of Municipal and Public Facilities |  |
| Record of buildings, occupants and accountable users |  |
| Maintenance/service request response tracking |  |
| Coordination of building related projects |  |
| Community Halls: Maintenance | |
| Safmarine Community Hall |  |
| Gouda Community Hall |  |
| Saron Community Hall |  |
| Colibri Community Hall |  |
| Paarl Town Hall |  |

| | |
|--|---|
| Wellington Town Hall |  |
| Mbekweni Community Hall |  |
| Fairyland Community Hall |  |
| Simondium Community Hall |  |
| Thusong Centres: Maintenance | |
| Paarl East Thusong Centre |  |
| Mbekweni Thusong Centre |  |
| Public Ablutions: Maintenance | |
| Paarl Patriotplein |  |
| Paarl Wamakersplein |  |
| Paarl Shoprite, Waterkant Street |  |
| Paarl Shoprite, Lackay Street |  |
| Paarl New Taxi Rank |  |
| Paarl, Van der Poelsplein |  |
| Paarl, Next to Mbekweni Community Hall |  |
| Paarl, Bergrivier Boulevard |  |
| Wellington, Victoria Park |  |
| Huguenot Plein, Station Street |  |
| Pick n Pay, Wellington |  |
| Wellington, Weltevrede |  |
| Wellington, Joubert Street |  |
| Wellington, Mannies |  |

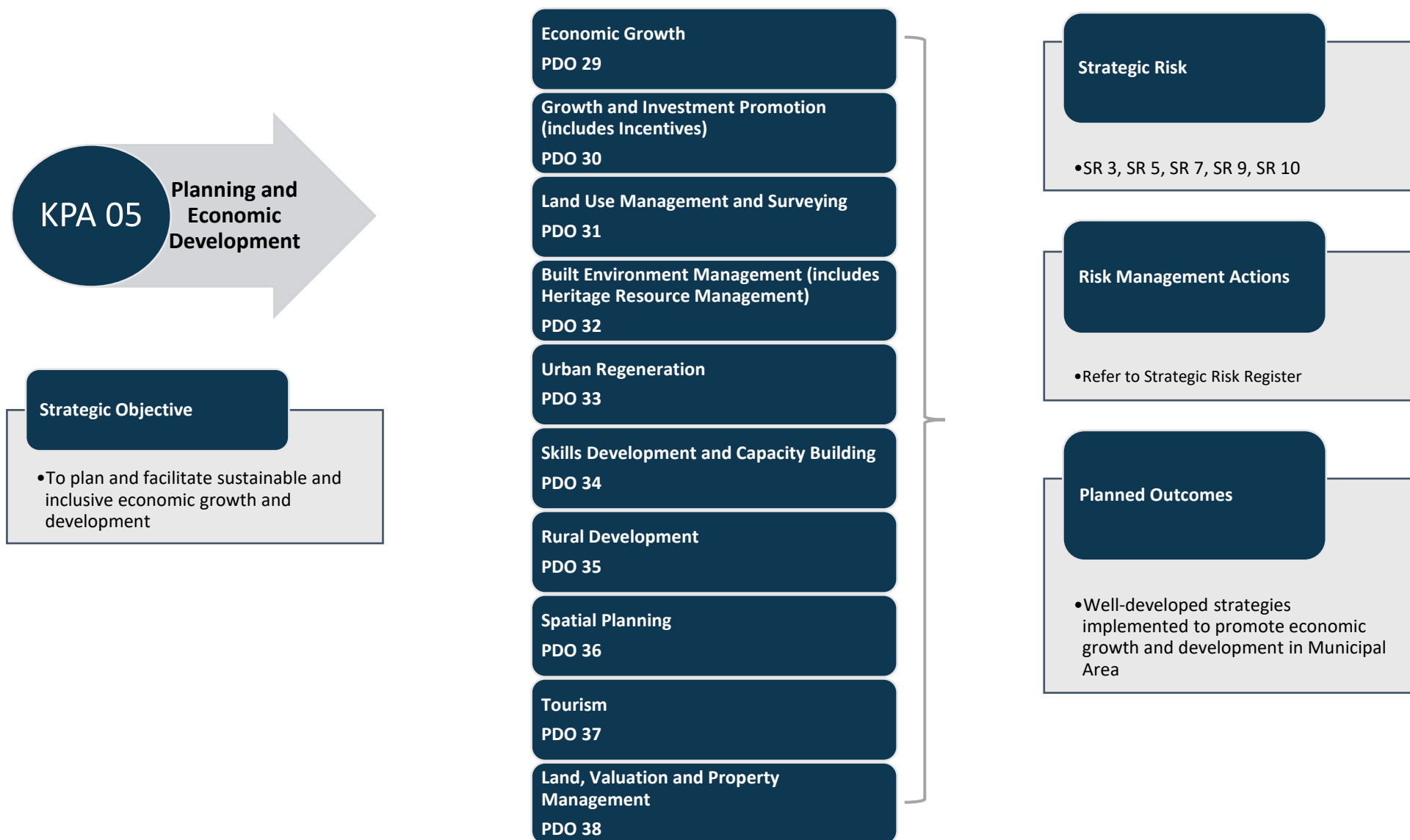


Table 54: KPA 5's Policies and Bylaws

| No. | Key Policies linked to KPA 05 |
|-----|--|
| 1. | Informal Trading Management Framework |
| 2. | Integrated House Shop Policy |
| 3. | Events Support Framework |
| 4. | Integrated Economic Growth Strategy |
| 5. | Informal Economy Enhancement Strategy |
| 6. | Investment Incentive Policy |
| 7. | Tourism Development Plan |
| No. | Key Bylaws linked to KPA 05 |
| 1. | Bylaw No 14/2007: Informal Trade |
| 2. | Bylaw: Municipal Land Use Planning |
| 3. | Problem Building Bylaw |
| 4. | Building Control Bylaw 2020 |
| 5. | Municipal Zoning Scheme Bylaw 2018 |
| 6. | Outdoor Advertising and Signage Bylaw, 2003 |
| 7. | 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 29: ECONOMIC GROWTH

PDO DESCRIPTION

This PDO relates to DM's initiatives in respect of economic development and poverty alleviation. Drakenstein Municipality developed the Integrated Economic Growth Strategy (IEGS) with the aim of alleviating poverty and growing the local economy. The onset of COVID-19 has re-emphasized the need for the Municipality to focus on how to build a more resilient and agile enabling environment to do business. The IEGS remains the Municipality's blue print to unlock economic growth and during the next five years the municipality will strengthen its focus on the ease of doing business with Drakenstein.

The IEGS is attached hereto as Annexure G.

Components of this PDO include economic growth and development, job creation, the economic overview of the municipality as well as poverty alleviation.

RATING OF COMPONENTS

Table 55: PDO 29 – Rating of Components

| CORE COMPONENTS | RATING |
|---|--------|
| EPWP | |
| Policy, governance and control over employment programmes | 😊 |
| Increased job opportunities from available grant funding | 😊 |
| Ensuring productivity and service delivery outputs from employment programmes | 😐 |
| Credibility of recruitment and selection process on employment programmes | 😊 |
| Economic Development and Growth | |
| Job and economic opportunities | 😐 |
| Job Creation | |
| Facilitating of sustainable solutions to unlock job creation opportunities | 😐 |

| CORE COMPONENTS | RATING |
|---|--------|
| EPWP | |
| Policy, governance and control over employment programmes | 😊 |
| Increased job opportunities from available grant funding | 😊 |
| Ensuring productivity and service delivery outputs from employment programmes | 😐 |
| Credibility of recruitment and selection process on employment programmes | 😊 |
| SMME and entrepreneurship development | 😊 |
| Economic Overview | |
| Addressing the digital divide and unemployment | 😞 |
| Informal Economy Enhancement Strategy | 😊 |
| Poverty Alleviation | |
| Thirteen (13) food and nutrition centres | 😐 |
| Development of small business linkages | 😐 |
| Enhancing Small Business support | 😊 |

PDO 30: INVESTMENT PROMOTION (INCLUDES INCENTIVES)

PDO DESCRIPTION

PDO 30 addresses Investment Promotion within the municipality. DM has the largest economy in the Cape Winelands District contributing 32.6 per cent to the total regional economy GDP (Gross Domestic Product per Region) in 2018. The Integrated Economic Growth Strategy continuously emphasises the importance of enhancing investment facilitation and the ease of doing business to ensure that the municipality becomes the investment destination of choice in the Cape Winelands.

Key to unlocking the investment potential of the municipality is collaboration and ensuring business confidence. During the next five years, the municipality will strengthen its capability to build more sustainable partnerships with different spheres of government, private sector and civil society.

RATING OF COMPONENTS

Table 56: PDO 30 – Rating of Components

| CORE COMPONENTS | RATING |
|--|--------|
| Growth Promotion | |
| Sufficient broadband access | 😞 |
| Business infrastructure (industrial parks) | 😐 |
| Small business development and further skills development | 😊 |
| Investment Promotion | |
| Ensure investor facilitation, investment promotion and ease of doing business | 😊 |
| Development and implementation of an Investment Incentive Policy | 😊 |
| Development of a Contribution Policy | 😊 |
| Engagement with big role-players to plan together in order to attract investment | 😐 |

PDO 31: LAND USE MANAGEMENT AND SURVEYING**PDO DESCRIPTION**

This PDO relates to activities related to municipal planning, specifically Land Use Management and Land Surveying.

The Land Use Management Section 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) and farm subdivision applications, as well as the scrutinizing of building plans for compliance with zoning parameters and attending to illegal land uses. The Section is also involved in the drafting of land use management policies, the drafting of SOP's and the automation of processes.

The Land Survey Section is responsible for the urban subdivisions, exempted subdivisions, the verification of property boundaries with regard to housing projects, as well as the scrutinizing of building plans with regard to surveying aspects.

RATING OF COMPONENTS

Table 57: PDO 31 - Rating of Components

| CORE COMPONENTS | RATING |
|--|--------|
| Land Use Management | |
| Expedite land use application processes via an electronic system | 😊 |
| Ongoing revision of the LUMS | 😊 |
| Processing of applications for land use changes | 😊 |
| Processing of farm subdivision applications | 😊 |
| Scrutinizing of building plans for compliance with zoning parameters | 😊 |
| Attending to illegal land uses | 😊 |
| Land Surveying | |
| Scrutinising of building plans with regard to surveying aspects | 😊 |
| Verification of municipal property boundaries | 😊 |
| Attending to urban land subdivisions | 😊 |
| Attending to exempted subdivisions | 😊 |

PDO 32: BUILT ENVIRONMENT MANAGEMENT (INCLUDES HERITAGE RESOURCE MANAGEMENT)**PDO DESCRIPTION**

PDO 32 entails the effective management of the built environment through the implementation of legislation, regulations and standards related to building control (evaluation and approval of building plans, execution of site inspections, and issuing of occupation certificates) and heritage asset conservation. Heritage assets include buildings, monuments, sites, places, areas, and landscapes that have special significance.

RATING OF COMPONENTS

Table 58: PDO 32 - Rating of Components

| CORE COMPONENTS | RATING |
|---|--------|
| Built Environment Management | |
| Processing and assessment of new building plan applications | 😊 |
| Circulation and approval of building plan applications | 😊 |

| CORE COMPONENTS | RATING |
|---|--------|
| Monitoring of building work to ensure compliance with the approved building plan | 😊 |
| Implementation appropriate action where unauthorised building activities occur | 😊 |
| Conducting compulsory inspections as legislated in terms of the NBR and regulations | 😊 |
| Compliance with legislative timeframes for the commenting on building plan application, inspections and the issuing of a Certificate of Occupancy | 😊 |
| Heritage Resource Management | |
| Advising on building plan and development applications which could have an impact on heritage assets. | 😊 |
| Establishing an Policy and strategic environment for the management of heritage assets at a municipal level | 😐 |
| Obtaining of heritage competency from Heritage Western Cape | 😐 |

PDO 33: URBAN REGENERATION

PDO DESCRIPTION

Urban regeneration can be described as the concept of repurposing and investing in specific geographical areas that presents the potential to enhance the urban functioning within the municipality. Urban regeneration includes, amongst other related activities, the relocation of businesses, the demolition and efficient re-development and use of structures, and the use of public assets to revitalise the urban milieu for the benefit of all its users. In order to encourage and assist with the implementation of urban regeneration initiatives, policies such as Special Ratings Areas, Restructuring Zones and Special Use Areas were developed. The regeneration of the business areas in Paarl and Wellington is regarded as the main priority.

RATING OF COMPONENTS

Table 59: PDO 33 – Rating of Components

| CORE COMPONENTS | RATING |
|---|--------|
| Consistency to manage illegal construction work (backyard dwellers, signage, all other buildings), etc. | 😊 |
| Quality public transport system | 😐 |
| Formulation and implementation of geographical area specific spatial planning and investment plans | 😐 |
| Identification, acquisition and appropriate use of well-located land. | 😐 |
| Promote investment and stakeholder communication in business districts | 😊 |
| Alleviate crime and grime in business districts | 😊 |
| Promotion of appropriate housing opportunities and social integration | 😊 |
| Appropriate use or alienation of well-located Council properties | 😐 |

PDO 34: SKILLS DEVELOPMENT AND CAPACITY BUILDING

PDO DESCRIPTION

PDO 34 relates to skills development and education in the municipality. As the world becomes increasingly digitised as a result of the coronavirus (COVID-19) pandemic more technological skills will be required. The approved Integrated Economic Growth Strategy identifies skills development as a strategic enabler to facilitate sustainable and inclusive economic growth. The municipality will shift its focus based on the skills required in the new economy and the implementation framework for Skills Development as per the Integrated Economic

Growth Strategy remains the blue print for Drakenstein's Skills Development post COVID-19 journey. This includes a strategic short, medium- and long-term approach targeting high school education, unskilled pre- and post- matric, higher education, and workforce skilling and re-skilling. During the next five years the municipality will focus on the implementation of the short-term interventions and build sustainable partnerships to develop a common local agenda for skills development.

RATING OF COMPONENTS

Table 60: PDO 34 – Rating of Components

| CORE COMPONENTS | RATING |
|---|--------|
| Skills Development | |
| Relevant training to meet sector needs | 😊 |
| Integration and proper planning of the skills development value chain | 😊 |
| Education | |
| Educational resources and access to technology (e-learning) | 😞 |
| Building sustainable partnerships to develop a common local agenda for skills development | 😊 |
| Lack of financial assistance for youth to access education | 😊 |

PDO 35: RURAL DEVELOPMENT

PDO DESCRIPTION

This PDO addresses rural development aspects within the municipality as per the National Department of Agriculture, Rural Development and Land Reform's mandate to deliver vibrant, equitable and sustainable rural communities and food security for all. Municipalities are expected to play a critical role and form part of the implementation. In response, Council approved the Rural Development Strategy for Drakenstein Municipality in June 2018, in which the long- term vision for Rural Development is being quoted as: "A sustainable rural economy through partnership and innovation".

RATING OF COMPONENTS

Table 61: PDO 35 – Rating of Components

| CORE COMPONENTS | RATING |
|--|--------|
| Food security initiatives within the rural hinterland | 😊 |
| Adequate spatial planning in rural areas | 😊 |
| Financial assistance for youth | 😊 |
| Economic opportunities for rural youth and vulnerable | 😊 |
| Communication on the efforts made to improve the livelihoods of rural communities | 😊 |
| Establishing an environment that will contribute and/or result in transformed rural communities, in a sustainable manner (facilitation, processes) | 😊 |
| Actively engagements with spheres of government and partners, stakeholders and rural communities | 😊 |
| Alignment of policies and programmes with other departments within the municipality | 😊 |
| Alignment of policies and programmes with other government entities | 😊 |

PDO 36: SPATIAL PLANNING

PDO DESCRIPTION

This PDO refers to the spatial development strategies, policies and initiatives to support and enable the implementation of the Drakenstein Integrated Development Plan. The key focus within spatial planning is the formulation, implementation and review of the Drakenstein Spatial Development Framework (SDF) which is a core component of the Drakenstein IDP. The Drakenstein Spatial Development Framework provides a written and spatial representation of the five-year spatial development visions and identified projects for the spatial form of the municipality. **The SDF is attached hereto as Annexure H.**

RATING OF COMPONENTS

Table 62: PDO 36 – Rating of Components

| CORE COMPONENTS | RATING |
|--|--------|
| Spatial Planning | |
| Formulation, implementation and review of the Drakenstein Spatial Development Framework | 😊 |
| Formulation and implementation of geographical area specific spatial plans and policies | 😊 |
| Alignment of national and provincial spatial development directives with municipal spatial development directives and the implementation thereof | 😊 |
| Participating in interdepartmental and cross-sectoral engagements on spatial challenge and solution formulation | 😊 |

PDO 37: TOURISM

PDO DESCRIPTION

PDO 37 relates to the municipality's involvement and activities in respect of tourism, as it plays an imperative role in stimulating the economy with a 2.8% contribution to the local economy. The impact of COVID-19 eradicated the tourism and events sector, causing more than 69% of tourism and events businesses to either lay-off or furlough staff. In order to fight for survival and in some instances, companies, wineries and SMMEs had to close down permanently. Going forward, the municipality will enhance its focus on promoting outdoor and adventure activities including those activities which make provision for families, young adults and school learners.

The direct and indirect impact of tourism on the local economy will continue to affect the overall economic growth of the area during the next two to three years. There will definitely be a much more co-ordinated and inclusive approach between the different spheres of government and industry to make the local Tourism industry more resilient and sustainable. The components of this PDO are listed below:

RATING OF COMPONENTS

Table 63: PDO 37 – Rating of Components

| CORE COMPONENTS | RATING |
|---|--------|
| Capital Development | |
| Development of funding proposals to implement targeted business support interventions | 😞 |
| Promotion of SMME development in the tourism sector | 😐 |
| Business confidence in Drakenstein Areas | 😐 |

| CORE COMPONENTS | RATING |
|---|--------|
| Product Development | |
| Collaboration with sector industry bodies/businesses in the tourism value chain and professional industry associations | 😊 |
| Establishment of sector specific advisory committees to assist DM to provide the required enabling environment to restart the economy | 😐 |
| Destination Marketing | |
| Identification of focused events and MICE Strategy | 😞 |
| International and domestic traveling | 😊 |
| Capitalising virtual tours | 😊 |
| Capitalising on Adventure Tourism offerings | 😐 |
| Sustainable Tourism | |
| Drive to promote DM as a film destination opportunity | 😊 |
| Transformation in the tourism industry | 😞 |
| Tourism infrastructure | 😐 |
| Sports tourism focus | 😊 |
| Conservation of the environment | 😐 |

PDO 38: VALUATION AND PROPERTY MANAGEMENT

PDO DESCRIPTION

PDO 38 addresses the municipality's land, valuation and property management. The Land Survey Section is responsible for the provision of technical support service regarding land-related matters, orderly and efficient development of land and to ensure proper control in respect of the subdivision of land within the urban environment.

On the other hand, the Valuation Section, is responsible for the establishment and maintaining of a reliable property valuation roll with accurate valuations, as the basis for levying municipal property taxes. The General Valuation Roll 2016 was implemented on 01 July 2017 and is currently valid until 30 June 2021.

RATING OF COMPONENTS

Table 64: PDO 38 – Rating of Components

| CORE COMPONENTS | RATING |
|--|--------|
| Valuations | |
| Compilation of 2020 General Valuation Roll (every four years) | 😊 |
| Appointment of service provider for the compilation of the General Valuation | 😊 |
| Establishing and maintaining reliable property valuation roll with accurate valuations | 😊 |
| Compilation of Supplementary Valuation (SV) Rolls (bi-annually) | 😊 |



Table 65: KPA 6's Policies and Bylaws

| No. | Key Policies linked to KPA 06 |
|-----|---|
| 1. | Traffic Calming Policy |
| 2. | Alcohol Policy and Procedure Agreement |
| 3. | Tree Management Policy |
| 4. | Environmental Policy |
| 5. | Informal Trading Management Framework |
| 6. | Limited pay-out Gambling Machine Policy |
| 7. | Food and Nutrition Security Policy |
| No. | Key Bylaws linked to KPA 06 |
| 1. | Bylaw No 1/2007: The Advisory Board for Nature Reserves |
| 2. | Bylaw No 7/2007: Paarl Mountain Nature Reserve |
| 3. | Bylaw No 11/2007: The prevention of atmospheric pollution |
| 4. | Fire Safety Bylaw |
| 5. | Bylaw No 9/2007: Parking Metres |

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 39: SAFETY AND SECURITY

PDO DESCRIPTION

This PDO addresses issues pertaining to safety and security in the Drakenstein Municipal area. Drakenstein Municipality has plans to grow as a preferred investment destination. Public Safety in particular, is understood as the mitigation and prevention of incidents threatening the safety of the public but also the protection of the public i.e. criminal behaviour and natural or man-made disasters, such as crimes, floods, storms, traffic accidents, fire accidents, mass violence, service delivery protests, water safety, network security, to name but a few.

The Drakenstein Smart and Safety Network, which comprises of relevant stakeholders in the safety sphere and through which safety partnerships, emanated from the development of a Public Safety Plan and outlines all activities of relevant parties working together in order to maintain public order and safety in the municipal area and beyond.

RATING OF COMPONENTS OF THE PDO

Table 66: PDO 39 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|-------------------------|--------|
| Functioning of the DSSN | 😊 |
| CCTV Coverage | 😐 |
| 24-hr Control room | 😊 |

PDO 40: DISASTER AND EMERGENCY MANAGEMENT

This PDO relates to the municipality's activities in respect of Disaster and Emergency Management and 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 the Drakenstein Municipality as required by the Disaster

Management Act, 2002 (Act 57 of 2002). The Disaster and Emergency Management Plan is attached hereto as **Annexure I**.

Components of the function is divided into three sections namely:

1. Operations;
2. Training and Support services; and
3. Fire Safety and Disaster Risk Management.

RATING OF COMPONENTS OF THE PDO

Table 67: PDO 40 - Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Operations | |
| 24-hour emergency control and dispatch centre | 😊 |
| The use of drones | 😐 |
| Control software | 😊 |
| Professional Fire-Fighting Training and Support Services | |
| Roll-out of firefighting training to personnel and neighbouring fire services | 😐 |
| Response time to reported incidents | 😊 |
| Fire Safety and Disaster Management | |
| Implementation of the Disaster Management Plan | 😊 |
| Disaster Management Centre | 😊 |
| Compliance with the National Building Regulations and the Building Standards Act, and related Bylaws | 😊 |
| SANS 10900: Weight and speed of response pertaining to community protection against fire | 😊 |
| Events Management | 😊 |
| Disaster Manager Advisory Forum | 😐 |
| Stakeholder engagements/Service Level Agreements: Cape Winelands District Municipality, Provincial Government, Drakenstein Farm Watch, Valcare and EMS | 😊 |
| Community Safety and Awareness Programmes | 😊 |

PDO 41: TRAFFIC CONTROL AND LICENSING
















PDO DESCRIPTION

The main purpose of this PDO is to look at traffic control and licencing. It is not only necessary to prosecute offenders but also important in respect of the educating and training of road users, encouraging good road user behaviour through enforcement, managing accurate and complete data to inform strategy, and also to ensure that the road infrastructure and environment is forgiving and secure.

RATING OF COMPONENTS

Table 68: PDO 41 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|--------|
| Enforcing traffic laws on offenders | |
| Offenders who talk on cell phones while driving | 😊 |
| Red light and stop street violations | 😊 |
| Red and yellow line offences | 😊 |






| COMPONENTS OF THE PDO | RATING |
|--|---|
| Failure to wear seatbelts |  |
| Excessive speeding |  |
| Traffic violations by taxis |  |
| Illegal number plates |  |
| Driving under the influence of alcohol |  |
| Dealing with illegal dumping |  |
| Illegal occupation of Municipal property and vagrancy |  |
| Illegal occupation of vagrancy |  |
| Implementation of the turn-around strategic plan | |
| The construction of a public transport impoundment facility |  |
| Regular roadblocks in conjunction with the South African Police Services (SAPS) |  |
| The implementation of mobile cameras to effectively deal with excessive speed |  |
| Issuing and collecting of traffic fines |  |
| Traffic safety talks at various institutions to address irresponsible driver behaviour and pedestrian safety |  |
| Training of Law enforcement officers to effectively deal and enforce Municipal Bylaws |  |
| Electronic MVR licensing renewal |  |

PDO 42: MUNICIPAL LAW ENFORCEMENT (INCLUDING MUNICIPAL COURT)

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 Drakenstein 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.

Table 69: PDO 42 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Implementation of the “Bobbies on the Beat” visible foot patrol programme |  |
| Operations of the Tactical Response Unit (TRU) |  |
| Working relationship with SAPS |  |
| Farm and neighbourhood watches relationships |  |
| Municipal Court (Corporate Services) |  |

PDO 43: ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE

This PDO focuses on the role that Drakenstein Municipality plays in facilitating Integrated Environmental Management throughout the municipal area, as derived from the broad rights defined in Section 24 of the Constitution which states 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”*.

Components of this PDO include:

- Environmental Management;

- Strategic Environmental Planning (Policy Alignment, Implementation and Monitoring); and
- Climate Change.

The Drakenstein Environmental Management Framework is attached hereto as Annexure J.

RATING OF COMPONENTS

Table 70: PDO 43 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Environmental Management | |
| Inclusion of standard resilience conditions in development approvals | ☹️ |
| Providing service delivery whilst protecting the environment and related environmental resources | 😊 |
| Increase environmental education and awareness at school level and the general public | 😊 |
| Strategic Environmental Planning (Policy Alignment, Implementation and Monitoring) | |
| Implementation of the Drakenstein Environmental Management Framework | 😊 |
| Alignment of the Drakenstein EMF and the SDF | ☹️ |
| Development and/or implementation of an overall environmental strategy to support or link with socio-economic plans/strategies in order to achieve sustainable development | ☹️ |
| Climate Change | |
| Implementation of the Climate Change Response Plan (Annexure K) | ☹️ |
| Lack of mainstreaming of climate change awareness within the organisation | ☹️ |

PDO 44: NATURAL RESOURCE MANAGEMENT

PDO DESCRIPTION

PDO 44 assesses the measures implemented to protect the natural resources of the Drakenstein Municipality. Many livelihoods and operations are dependent on the ecosystem services that these resources provide and it plays an integral part in the functioning of the local economy. Ecosystem goods and services can be described as the benefits that people derive from nature and include air, water, food and other basics such as medicinal products and wood. These services are essential for human livelihoods, well-being and are significantly contributing to our quality of life. Drakenstein relies heavily on renewable and non-renewable natural resources and on the goods and services that ecosystems provide.

RATING OF COMPONENTS

Table 71: PDO 44 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Environmental degradation of water resources | ☹️ |
| Implementation of the Drakenstein Municipal Air Quality Management Plan (Annexure L) | 😊 |
| Increase ambient air quality monitoring | ☹️ |
| Need for formal conservation status of municipal conservation areas | ☹️ |

PDO 45: PARKS**PDO DESCRIPTION**

This PDO focuses on activities as undertaken by the municipality's Parks Section. The section is responsible for the maintenance of Town Entrances, Parks, Trees, Nature Conservation, Public Open Spaces, Fire Risks on Private Erven and Pest Control. It also provides and maintains facilities such the Paarl Arboretum, Paarl Mountain Nature Reserve, Victoria Parks in Wellington and Paarl, which both are of heritage value.

Components of this PDO includes:

- Town Entrances;
- Municipal Parks and Recreation; and
- Local Amenities and Public Places.

RATING OF COMPONENTS

Table 72: PDO 45 – Rating of Components




| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Town Entrances (beautification of towns and creating a sense of place through planting and maintaining grass and trees) | |
| Paarl Entrance | ☹️ |
| Wellington Entrance | 😊 |
| Mbekweni Entrance | ☹️ |
| Gouda Entrance | ☹️ |
| Saron Entrance | ☹️ |
| Simondium Entrance | ☹️ |
| Municipal Parks and Recreation | |
| Removal of invasive alien vegetation | ☹️ |
| Planting of trees on sidewalks and parks | ☹️ |
| Maintaining existing and establishing new play parks | ☹️ |
| Regular grass cutting at parks and town entrances | 😊 |
| Maintenance of grass and weeds growing on sidewalks and roads | 😊 |
| Combating vandalism at parks | 😊 |
| Environmental Awareness Programmes | ☹️ |
| Local Amenities and Public Places | |
| Implementation of the "Cleaner and Greener" environmental programme | ☹️ |
| Maintenance of local amenities and public places i.r.o cleaning, grass cutting and tree planting | 😊 |
| Upgrading of local amenities and public places | 😊 |

PDO 46: ANIMAL CONTROL**PDO DESCRIPTION**

This section is part of the Municipal Bylaw Enforcement Unit that deals with the management and control of stray animals on public open spaces and roads.

RATING OF COMPONENTS

Table 73: PDO 46 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Response time to complaints received in respect of live-stock roaming the streets/roads |  |
| Partnership with SAPS' Stock Theft Unit to address branding of livestock to ensure easy identification of owners of stray animals |  |
| Municipal Animal impoundment Facility |  |

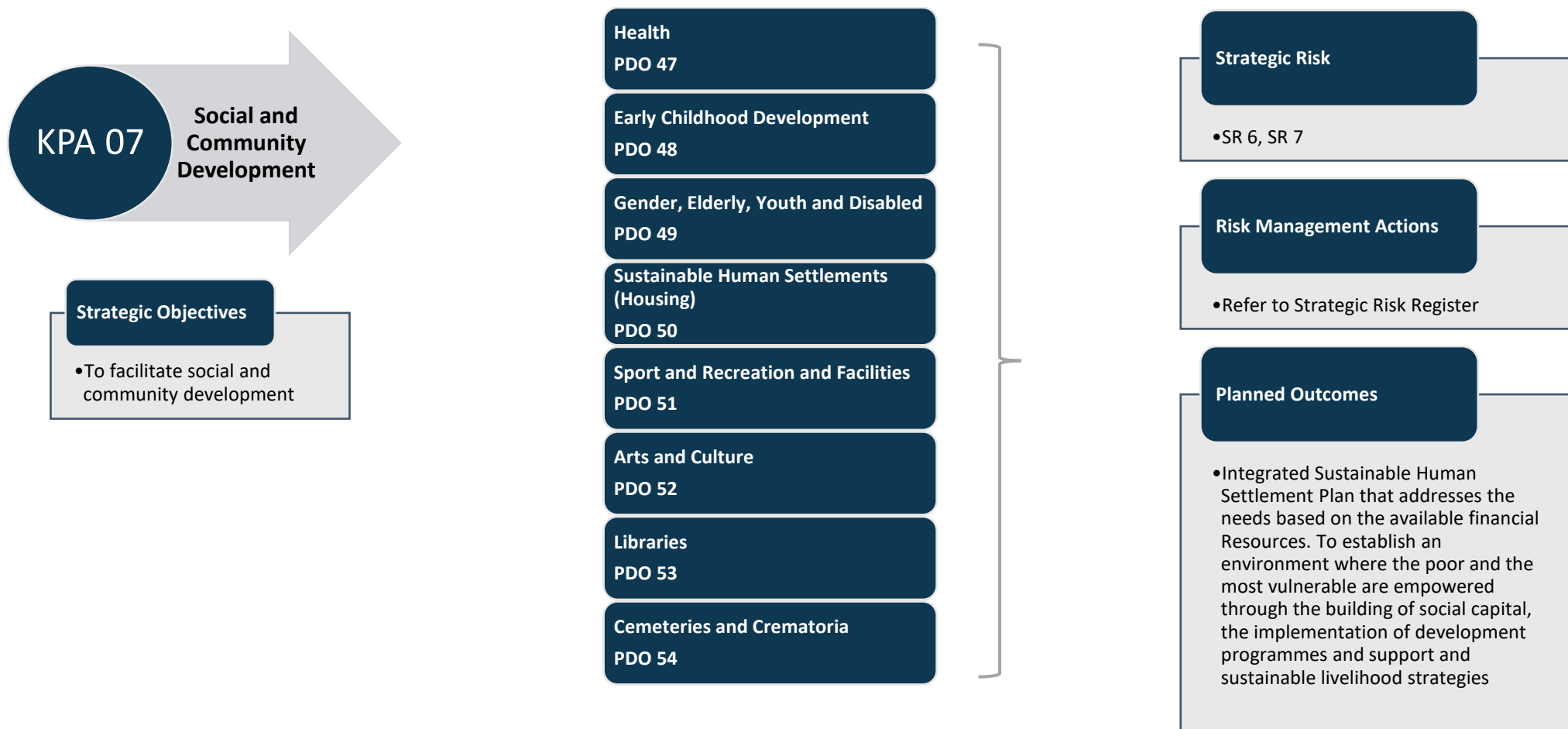


Table 74: KPA 7 Policies

| No. | Key Policies linked to KPA 07 |
|-----|---|
| 1. | Grants in Aid Policy |
| 2. | Transfer Policy for Human Settlement Projects |
| 3. | Sport and Recreation Policy |
| 4. | Events Support Framework |
| 5. | Early Childhood Development Policy |
| 6. | Housing Selection Policy |
| 7. | Emergency Housing Policy |
| 8. | Food and Nutrition Security Policy |
| 9. | Street People Policy |
| 10. | Grant in Aid Policy: Community |
| No. | Key Bylaws linked to KPA 07 |
| 1. | Bylaw No 2/2007: Cemeteries and Crematoriums |
| 2. | Bylaw No 5/2007: Camping Areas |
| 3. | Bylaw No 6/2007: Child Care Facilities |
| 4. | Bylaw No 8/2007: Public Amenities |
| 5. | Bylaw No 12/2007: The impoundment of animals |
| 6. | 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 47: HEALTH & HIV

PDO DESCRIPTION

Public healthcare is not a municipal competency but resides with the Provincial Department of Health. This PDO aims to address the role the municipality can play to close the gap between Grassroots level and the Provincial Department of Health. Community Development is involve in the facilitation of stakeholder meetings, distribution of information and awareness of the public health sector. Furthermore to work with the Department of Health to improve service delivery in the spirit of WoSA (Whole of Society Approach).

Table 75: PDO 47 – Rating of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Health | |
| Engagements with the Integrated Health Forum | 😊 |
| Relationship with stakeholders in the public healthcare domain | 😊 |
| HIV/ AIDS | |
| Functioning of the established Multi Sectoral Area Team (MSAT) | 😊 |
| WoSA | 😐 |

PDO 48: EARLY CHILDHOOD DEVELOPMENT






PDO DESCRIPTION

This PDO explores the role that Drakenstein Municipality plays in respect of Early Childhood Development Centres (ECDs) within the municipal area. The Drakenstein ECD forum consists of three (3) forums from

different areas within Drakenstein including Paarl, Wellington and Mbekweni. Saron, Hermon and Gouda forms part of the Wellington Forum and Simondium is included within the Paarl Area.

RATINGS OF COMPONENTS

Table 76: PDO 48 – Ratings of Components

| COMPONENTS OF THE PDO | RATING |
|---|---|
| Implementation of the Drakenstein ECDC Strategy |  |
| Functioning of ECDC Forums |  |
| Partnership with all stakeholders in the ECDC domain, such as DSD as well as Cape Winelands District Municipality |  |
| Updating of ECDC database for both registered and unregistered facilities |  |
| Provision of training to community-based ECD operators |  |












PDO 49: GENDER, ELDERLY, YOUTH AND DISABLED

PDO DESCRIPTION

This PDO looks at the Drakenstein Municipality's involvement in programmes pertaining to Gender, the Elderly, Youth and the Disabled.

RATINGS OF COMPONENTS

Table 77: PDO 49 – Ratings of Components

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Gender | |
| Conducting of gender-specific programs to create awareness around gender issues such as Gender-based Violence etc. |  |
| Participation in and functioning of the Gender Forum |  |
| Elderly | |
| Participation and functioning of the Elderly Forum |  |
| Establishment and maintaining a database for the number of Elderly people in the DMunicipal area and what their needs are |  |
| Youth | |
| To conduct youth-specific programs to create awareness around youth matters |  |
| To establish and coordinate a Local Drug Action Committee |  |
| Skills development programmes for the youth |  |
| Disabled People | |
| Establishment and maintaining of a database pertaining to the amount of disabled people (per category e.g. blind, deaf, physically disabled etc.) in the Drakenstein Municipal area and what their needs are |  |
| Disability Forum inclusive of relevant stakeholders in the disability domain |  |
| Development and/or implementation of a Disability Policy |  |
| Database of all disability friendly- municipal buildings |  |

PDO 50: SUSTAINABLE HUMAN SETTLEMENTS (HOUSING)

PDO DESCRIPTION

This PDO focuses on the Human Settlements Division in the Drakenstein Municipality. The PDO comprises of the following components:


- Management and Compilation of Council's Integrated Sustainable Human Settlement Plan;
- Management and maintenance of Council's rental stock;
- Management of Housing Demand Data Base (waiting list);
- Management and maintenance of informal settlements; and
- Evictions and Emergency Housing Management.

Detailed information regarding the current housing context and which encompasses all aspects pertaining to housing (i.e. informal settlements, housing projects, housing demands etc.) within the Drakenstein Municipality is included in the Integrated Human Settlements Plan that is attached as an **Annexure M to the IDP.*

RATINGS OF COMPONENTS

Table 78: PDO 50 – Ratings of Components

| COMPONENTS OF THE PDO | RATING |
|--|--------|
| Management and Compilation of Council's Integrated Sustainable Human Settlement Plan | |
| Maintaining/Update of Demand Database (Housing waiting list) | 😊 |
| Planning and Implementation of housing projects | 😐 |
| Informal Settlements Management | |
| Maintenance of services in Informal Settlements | 😐 |
| Access to basic services in Informal Settlements | 😐 |
| Implementation of Informal Settlement Upgrade Plans | 😐 |
| Upgrading of Informal Settlements (UISP) | |
| <i>*Informal Settlements to be upgraded identified as per the municipal housing pipeline</i> | |
| Chester Williams | 😐 |
| Loverslane | 😐 |
| Dignified Informal Settlements | |
| Spooky Square (Chicago) | 😐 |
| Kudu Land (Chicago) | 😐 |
| New Beginnings (Chicago) | 😐 |
| Camp Fresh (Amstelhof) | 😐 |
| Jan Fiskaal (Amstelhof) | 😐 |
| Silver Town 1 (Mbekweni) | 😐 |
| Silver Town 2 (Mbekweni) | 😐 |
| Evictions and Emergency Housing Management | |
| Eviction Management Planning | 😐 |
| Emergency Housing Planning and Implementation | 😐 |
| Management and maintenance of Council's rental stock | |
| Maintenance of Rental Stock | 😐 |
| Repair and Upgrade of Rental Stock | 😐 |
| Alienation/Transfer of Rental Stock to Qualifying Occupants | 😐 |
| New Housing Projects | |
| Title Deed Restoration Project | 😐 |
| Implementation of Social Housing Projects | 😐 |
| Delivery of IRDP Projects | 😊 |

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Completion of incomplete projects | |
| Carterville 1068 project |  |

















PDO 51: SPORT, RECREATION AND FACILITIES

PDO DESCRIPTION

PDO 51 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 of 24 facilities where the community can engage in various sporting codes, such as rugby, cricket, soccer, cycling, BMX, hockey, athletics, netball and swimming.

RATINGS OF COMPONENTS

Table 79: PDO 51 – Ratings of Components

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Sports Facilities | |
| De Kraal Sports Complex |  |
| Newton Sports Fields |  |
| Weltevrede Sports Field |  |
| Pelikaan Sports Field |  |
| Parys Sports Field |  |
| New Orleans Sports Field |  |
| Mbekweni Sports Field |  |
| Huguenot Tennis Court |  |
| Gouda Sports Field |  |
| Saron Sports Field |  |
| Pen Basson Cricket Field |  |
| Boy Louw Sports Facility |  |
| Faure Street Stadium |  |
| Dal Josaphat Stadium |  |
| Hermon Sports Field |  |
| Swimming Pools | |
| Pentz Street Swimming Pool |  |
| Drakenstein Swimming Pool |  |
| Mbekweni Swimming Pool |  |
| Faure Street Swimming Pool |  |
| Weltevrede Swimming Pool |  |
| Recreational Facilities | |
| Antoniesvlei Resort |  |
| Saron Resort |  |
| Orleans Park |  |
| Other Sports Related Aspects | |
| Functioning of the Sport Forum/Council |  |




PDO 52: ARTS AND CULTURE

PDO DESCRIPTION

PDO 52 explores the municipality's facilitation of activities in respect of arts and culture. These include engagements with various stakeholders that are involved in arts and culture projects, programmes and initiatives. These engagements ensure that there is increased participation and growth of the Drakenstein Arts and Culture sector, as well as better participation in Provincial arts and culture initiatives.

RATINGS OF COMPONENTS

Table 80: PDO 52 – Ratings of Components



















| COMPONENTS OF THE PDO | RATING |
|---|---|
| Functioning of the Arts and Culture Forum |  |
| Assisting local arts and culture organisations to establish an Arts and Culture Forum |  |
| Provision of an Arts and Culture space in Mbekweni |  |

PDO 53: LIBRARIES

PDO 53 looks at the status of the 18 operating libraries in the Drakenstein Municipal area, of which ten are on school grounds. Components of this PDO includes the library facilities as well as key initiatives and programmes pertaining to library services.

RATINGS OF COMPONENTS

Table 81: PDO 53– Ratings of Components

| COMPONENTS OF THE PDO | RATING |
|--|---|
| Libraries | |
| Saron Library |  |
| Gouda, Hermon and Groenberg Library |  |
| Wagenmakersvallei Library |  |
| Wellington Library |  |
| Bergrivier and Windmeul Library |  |
| Nieuwedrift Library |  |
| Readers Library |  |
| Mbekweni Library |  |
| Groenheuwel Library |  |
| Drakenstein Library |  |
| Klein Drakenstein and Ronwe Library |  |
| Paarl Library |  |
| Simondium Library |  |
| Bergendal Library |  |
| Service Point at the Paarl East Thusong Centre |  |
| Library Programmes | |
| House of Learning |  |
| Wellington Library Upgrade |  |
| Municipal-wide program to develop reading culture, increase information literacy and increasing social awareness |  |

PDO 54: CEMETERIES AND CREMATORIA

PDO DESCRIPTION

This PDO relates to the cemeteries and crematoria in the Drakenstein Municipal area. Currently, there are 13 cemeteries. All cemeteries but four (4) have reached full capacity. There is one crematorium in Drakenstein with a pending application for a second. The rating of components of this PDO relates to maintenance and challenges such as vandalism and encroachment of illegal housing structures as well as drainage.

RATINGS OF COMPONENTS

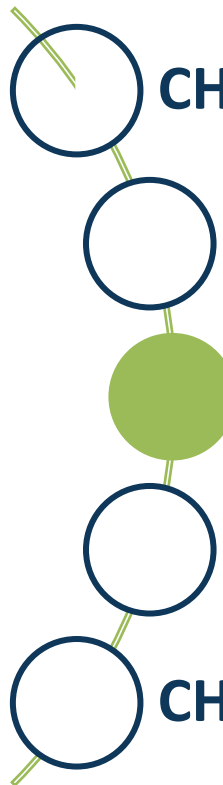
Table 82: PDO 54 – Ratings of Components

| COMPONENTS OF THE PDO | RATING |
|-------------------------|--------|
| Cemeteries | |
| Parys Cemetery | ☹️ |
| Klein Parys Cemetery | 😊 |
| Simondium Cemetery | ☹️ |
| Dal Josaphat Cemetery | ☹️ |
| Hout Street Cemetery | ☹️ |
| Bosman Street Cemetery | ☹️ |
| Hillcrest Cemetery | ☹️ |
| Champagne Cemetery | ☹️ |
| Bloekomlaan Cemetery | ☹️ |
| Voor Street Cemetery | ☹️ |
| Hermon Cemetery | 😊 |
| Gouda Cemetery | 😊 |
| Saron Cemetery | 😊 |
| Crematorium | |
| Drakenstein Crematorium | 😊 |

2.17 CONCLUSION

In conclusion, Drakenstein Municipality has many challenges and issues as indicated in this chapter mostly emanating from the needs of the community that we serve. Some issues and challenges are as a result of internal municipal systems and processes which must be optimised and co-ordinated to facilitate better service. Increased cooperation between the various spheres of government and other key role players and, most particularly, collaboration with our community 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. Chapter 3 will identify the various projects, programmes and initiatives that the municipality plan to use when addressing its issues and challenges.

- 
- CHAPTER 1: Introduction and Background**
 - CHAPTER 2: Situational Analysis**
 - CHAPTER 3: Development Plan**
 - CHAPTER 4: Long-term Financial Plan**
 - CHAPTER 5: Performance Management**
-

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, as well as the new five year Spatial Development Framework. The development plan has framework of seven Key Performance Areas (KPA's), the fifty- four (54) 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.

3.2 ELEMENTS OF THE PLAN

3.2.1 Drakenstein's Vision 2032

In February 2017 Drakenstein Municipality initiated Vision 2032, a long-term strategic plan encompassing key initiatives, programs and projects which were allocated to a series of Big Moves. Big Moves are proposals which will, over the next twelve years dramatically alter and improve the space, economy and sustainability of Drakenstein. In turn, the Big Moves have been located spatially within five Catalytic Zones, and strategically within Key Performance Areas and SDF Focus Areas.

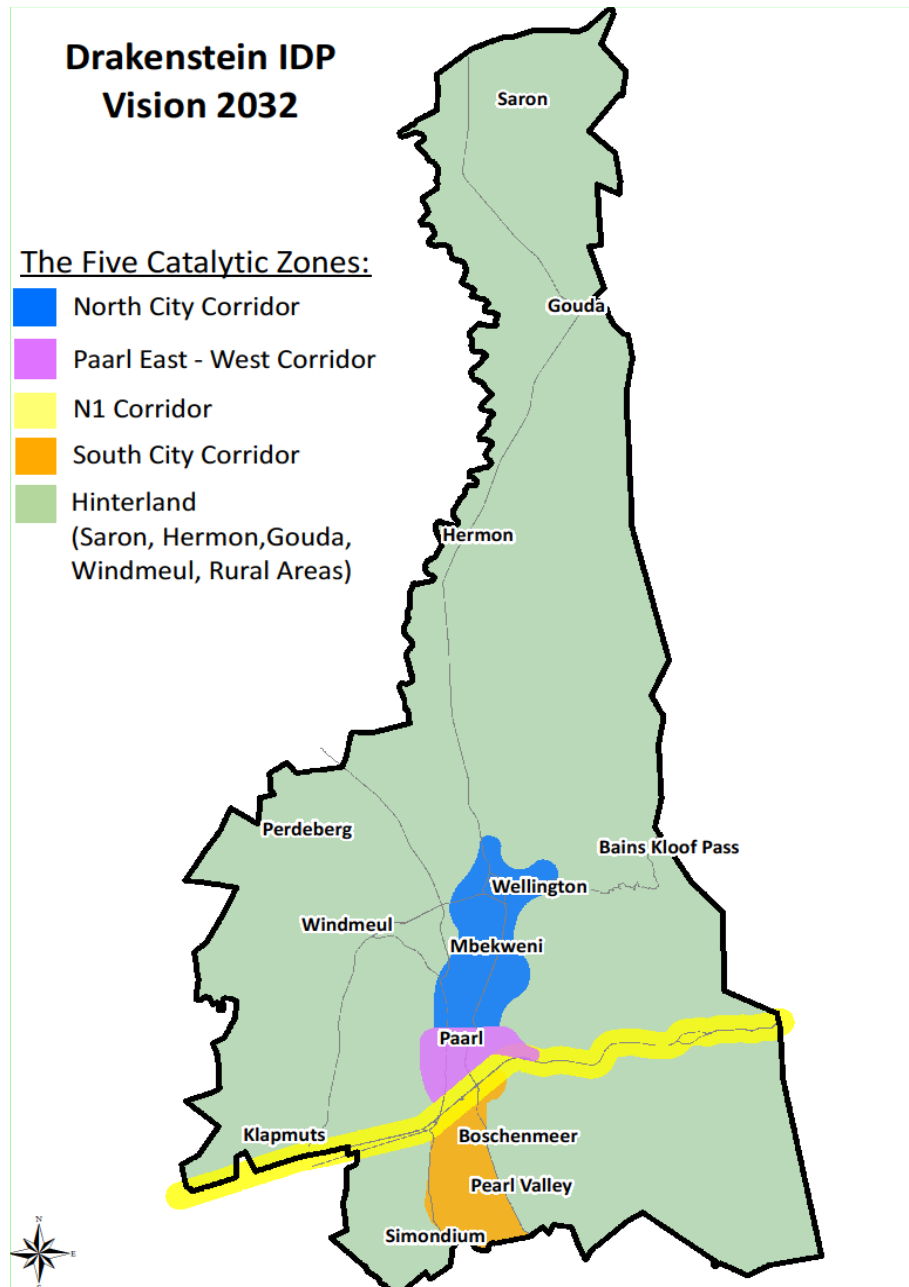
3.3 IDENTIFICATION OF THE CATALYTIC ZONES

The Catalytic Zones are intra-municipal zones of spatial and economic activity. They cut across wards and administrative boundaries of the five towns in Drakenstein. The five Catalytic Zones identified are:

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

The Zones are largely aligned to the Spatial Development Framework as well as the Capital Expenditure Framework (CEF). The five zones are outlined below. As can be seen 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 4: Five Catalytic Zones – Map



The details of the Zones, Moves, Initiatives, Programs and Projects are set out as follows:

3.3.1 N1 Corridor

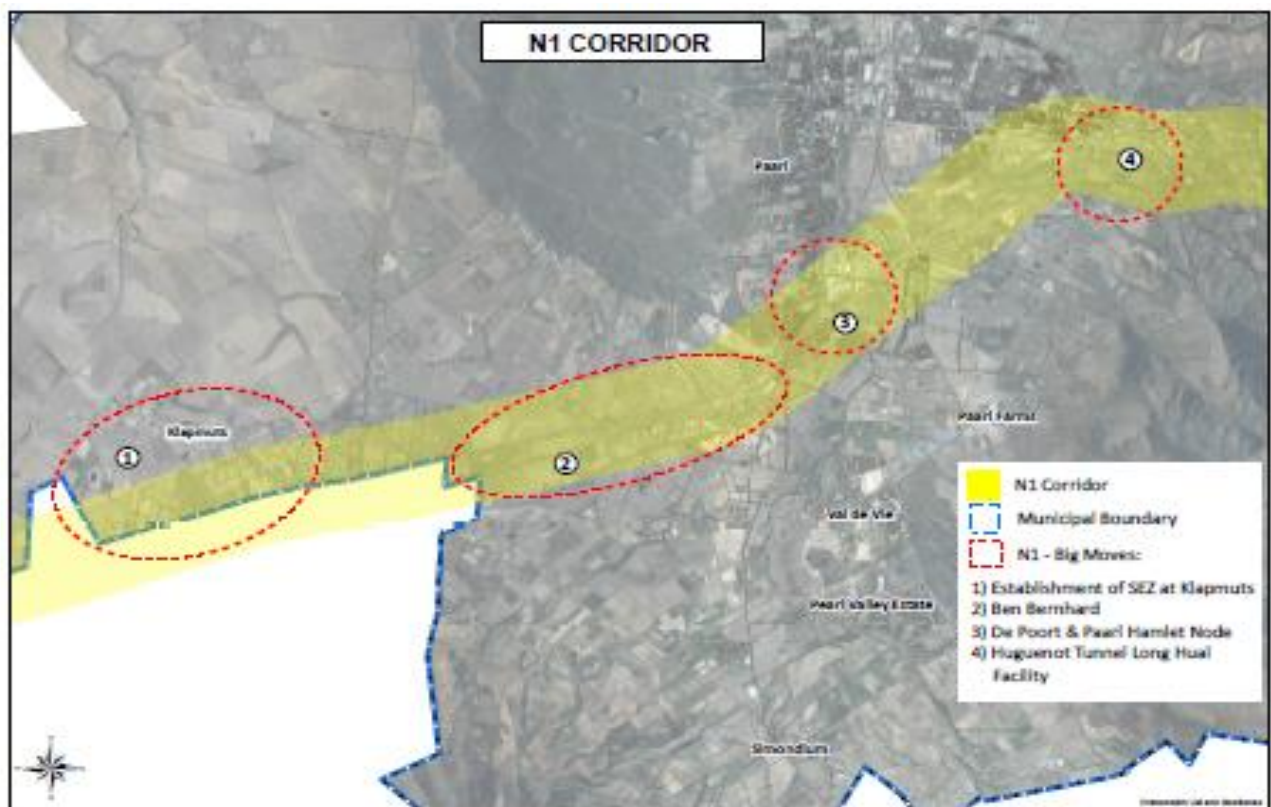
Description of Zone:

The N1 Corridor stretches from Klapmuts in the west and Huguenot Tunnel toll plaza in the east. The corridor straddles the N1 and includes areas such as Klapmuts, Ben Bernhard, the De Poort and Paarl Hamlet and the Huguenot Tunnel toll plaza. The corridor is part of the N1 route, being the main vehicular access route, linking Cape Town to the north of South Africa. The corridor thus has an important role as main access route to Paarl, Wellington and the Drakenstein hinterland. Development along this corridor must be well managed to promote Drakenstein area as destination for tourists as well as new businesses, industries and residents.

List of Big Moves:

- Implement a Special Economic Zone at Klapmuts;
- Development of the Huguenot Tunnel Long Haul facility;
- Promotion of a light industrial and commercial Business Hub at Ben Bernhard;
- Development of De Poort and Paarl Hamlet node; and
- Development of Carolina/Lustigan Intersection (North of the N1).

Figure 5: N1 Corridor



Implementation Matrix for Catalytic Zone 1: N1 Corridor

Table 83: N1 Corridor Implementation Matrix

| CATALYTIC ZONE | N1 CORRIDOR |
|-------------------------------------|--|
| BIG MOVE | Implement an Integrated Commercial and Industrial Hub at Klapmuts |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. Approval of Klapmuts SDF by Council 2. Promulgation of Klapmuts Special Economic Zone 3. Provision of adequate water, sewer, electricity, storm water and roads |
| PROJECTS, PROGRAMS, KEY INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. Klapmuts Local Spatial Development Framework 2. Brownfields – upgrade underutilised industrial sites with minimum infrastructure cost input requirements to encourage industrial investment 3. Proposal call for the development of vacant municipal 4. Implementation of basket of Incentives for industrial development 5. Provision of bulk infrastructure services 6. Green Industry Incubator Park 7. Agrarian Reform Programme <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy.</p> |
| BIG MOVE | Development of the Huguenot Tunnel Long Haul Facility |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. Developed Huguenot Tunnel Long Haul Facility 2. Use of the cycle route as part of the greater Bitou/Cape Town Cycle Route 3. Receive and approve developments on vacant municipal land by Council |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. Huguenot Tunnel Long Haul Facility 2. Develop of Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route 3. Proposal call for the development of vacant municipal <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy.</p> |

| CATALYTIC ZONE | N1 CORRIDOR |
|---------------------------------|---|
| BIG MOVE | Promotion of a light Industrial and Commercial Business Park at Ben Benhard |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. A stable electricity network with spare capacity 2. Upgraded Strawberry King Bulk Water Pipeline 3. Lowering in unemployment rate 4. Increase in capital investment 5. Establishment of a WWTW with sufficient capacity for future developments and the eradication of maintenance backlogs 6. Reduced crime rate |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. New Mall substation 2. New N1 substation 3. Upgrade of Strawberry King water 4. Courtrai, Paarl – 2nd Reservoir and bulk balance pipeline 5. Industrial water meters, Paarl – meter of unmetered connections 6. Upgrading of WWTW to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW 7. Develop of Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route 8. Municipal Wide CCTV Coverage 9. Increased law enforcement and SAPS patrols 10. Fair Valley Communal Agri-project 11. Green Logistics Hub and Business Park <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy,</p> |
| BIG MOVE | De Poort and Paarl Hamlet node |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. Developed De Poort Tourism Gateway 2. A stable electricity network with spare capacity 3. Increase in capital investment 4. Lowering in unemployment rate 5. Establishment of a WWTW with sufficient capacity for future developments and the eradication of maintenance backlogs 6. Use of the cycle route as part of the greater Bitou/Cape Town Cycle Route 7. Decrease in crime rate 8. Use of Courtrai, Paarl – 2nd Reservoir and bulk balance pipeline |

| CATALYTIC ZONE | N1 CORRIDOR |
|---------------------------------|---|
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> De Poort Tourism Gateway New Mall substation New N1 substation Courtrai, Paarl – 2nd Reservoir and bulk balance pipeline Upgrading of WWTW to ensure sufficient capacity for future developments (especially Paarl South) and eradicating maintenance backlogs especially at Paarl WWTW Development of Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route Identification and Site development of cultural and heritage places of interest Installation of Tourism signage and infrastructure at iconic areas Municipal Wide CCTV Coverage Increased law enforcement and SAPS patrols Accreditation, restructuring zones Proposal call for the development of vacant municipal <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy,</p> |
| BIG MOVE | Carolina/Lustigan Intersection (North of the N1) |
| KEY PERFORMANCE AREA | Sustainable Human Settlements |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> A stable electricity network with spare capacity Establishment of a WWTW with sufficient capacity for future developments and the eradication of maintenance backlogs Decrease in crime rate Execution of Boland Park Precinct |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> New Mall substation New N1 substation Replacement/upsizing of reticulation system Upgrading of WWTW to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW Upgrade and rehabilitation of sewer system in entire Drakenstein Develop of Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route Municipal Wide CCTV Coverage Increased law enforcement and SAPS patrols Private Developments (Bergenzicht, Neffensaam, Klipland, Groot Parys, and Klein Parys Extension 2) |

| CATALYTIC ZONE | N1 CORRIDOR |
|----------------|---|
| | 10. Boland Park Precinct Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy. |

3.3.2 South City Corridor (South Of N1, Simondium)

The South City Corridor is situated to the south of the N1 – thus generally bound by the N1, R301, south of the Drakenstein Prison and the R45. This area is gaining popularity due to its strategic location within the Drakenstein Municipal boundaries and its accessibility to the City of Cape Town, transport nodes, the surrounding neighbouring municipalities and northern parts of South Africa.

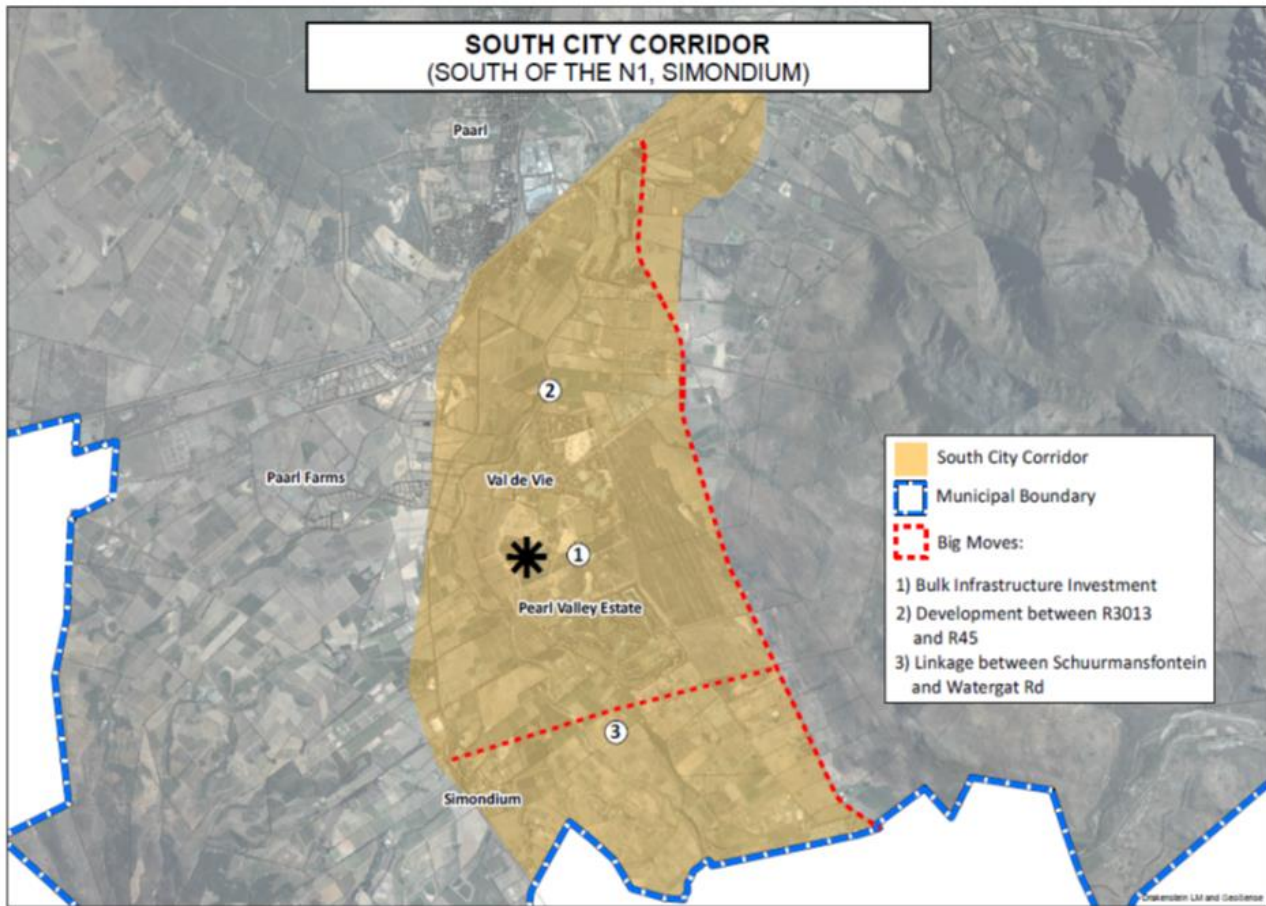
Furthermore, the dramatic scenic landscape, the setting of iconic built heritage resources and provision of quality services is a highlight of this zone. The creation of the South City Corridor is focused on an efficient and integrated urban structure, inclusive of a variety of housing typologies, commercial opportunities, social and community facilities with well-connected open spaces which caters for different income groups.

A new integration route (Watergat/Schuurmansfontein Roads) is proposed to spatially link communities to the east and west of the Berg River. Both accesses of the integration route (the R301 and R45) will be accentuated as tourism gateways leading to the Mandela House national heritage resource.

List of Big Moves and description:

- Creation of a new city corridor between R301 and R45;
- Creation of the Watergat/Schuurmansfontein Integration Route; and
- Investment in South City Corridor Bulk Infrastructure.

Figure 6: South City Corridor



Implementation Matrix for Catalytic Zone 2: South City Corridor

Table 84: South City Corridor Implementation Matrix

| CATALYTIC ZONE | SOUTH CITY CORRIDOR |
|---------------------------------|--|
| BIG MOVE | Creation of a new city corridor between R301 and R45 |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | ITEM <ol style="list-style-type: none"> 1. Construction of housing units 2. Rates and tax base increasing for the area south of the N1 3. Construction of public facilities 4. Approval of re-naming of R301 by Competent Authority 5. Infrastructure upgrade and improvement of R301 6. Employment opportunities created 7. Incremental increase of number of residents using community/public facilities 8. Erection of signage and beautification of town gateways |
| PROJECTS, PROGRAMS, INITIATIVES | ITEM <ol style="list-style-type: none"> 1. Attract investment for range of housing typology opportunities (IM037 wording amended) 2. Provision of public facilities within new south city corridor 3. Freedom Road project (R301 south of N1 – renaming and upgrade) 4. Promotion of a commercial node 5. Development of Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route |

| CATALYTIC ZONE | SOUTH CITY CORRIDOR |
|---------------------------------|--|
| | <ol style="list-style-type: none"> Town Gateways Mountain Slope Study South of the N1 Local SDF <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy.</p> |
| BIG MOVE | Creation of the Watergat/Schuurmansfontein Integration Route |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> Construction of bridge and public road Rates and tax base increasing for the south city corridor Inauguration ceremony attended by local, provincial and national spheres of government at Mandela House Tourism Node Employment opportunities created Incremental increase of number of residents using community/public facilities Erection of signage and beautification of town gateways |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> Linking Watergat and Schuurmansfontein Roads as a new Public Access Route Link bridge over Berg River at Simondium Promotion of investment zone (north of Drakenstein Prison) Create Mandela House Tourism Node Identification and site development of cultural and heritage places of interest Installation of Tourism signage and infrastructure at iconic attractions Simondium Social Node and Tourism Gateway Review of Simondium Precinct Plan Construction of Simondium Community Hall Simondium housing project Simondium Community Hall <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy.</p> |
| BIG MOVE | Investment in South City Corridor Bulk Infrastructure |
| KEY PERFORMANCE AREA | Physical Infrastructure and Services |
| INDICATORS OF SUCCESS | Provision of basic services to all residents within the South City Corridor |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> Commissioning of new N1 132/6611kV80MVA Substation |

| CATALYTIC ZONE | SOUTH CITY CORRIDOR |
|----------------|--|
| | <ol style="list-style-type: none"> Courtrai – Levendal/Val de Vie, Simondium, Paarl bulk pipeline Bulk water pipeline and 2MI reservoir – Simondium (Phase 1) Extension of reticulation system, Simondium (Phase 2) Upgrading of Waste Water Treatment Works to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW Boreholes and 0.5MI Reservoirs – 1x Simondium <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy.</p> |

3.3.3 Paarl East/West Integration Corridor (Along Main Road, Paarl CBD, Paarl East)

Description of Zone:

The “Paarl East – West Integration Corridor Catalytic Zone” mainly focusses on the integration of Paarl East and Central Paarl/ Paarl West. The integration of the two areas is via the enhancement of the main distributor roads within the Catalytic Zone, which includes Klein Drakenstein Road and Lady Grey Street, as major activity corridors. It is also important to note that the revitalisation and upgrade of the Huguenot Station Precinct and Paarl Central Business District also forms part of this initiative. The development of key strategically located vacant properties within the catalytic zone for the development of the Paarl Waterfront, the Paarl Arboretum, the De Kraal Mixed Use Node, the Boy Louw Multi – Purpose Sport Centre and the Boland Park are crucial components of the spatial promotion of integration.

List of Big Moves and description:

- Development of the Berg River corridor/ Paarl Waterfront and Arboretum Precinct;
- Urban upgrade of Klein Drakenstein Road Central Improvement District (Including Lady Grey Street);
- Paarl Central Business District Renewal; and
- Upgrade and Development of the Huguenot Station and De Kraal Mixed Use Nodes.

Figure 7: Paarl East/West Integration Corridor

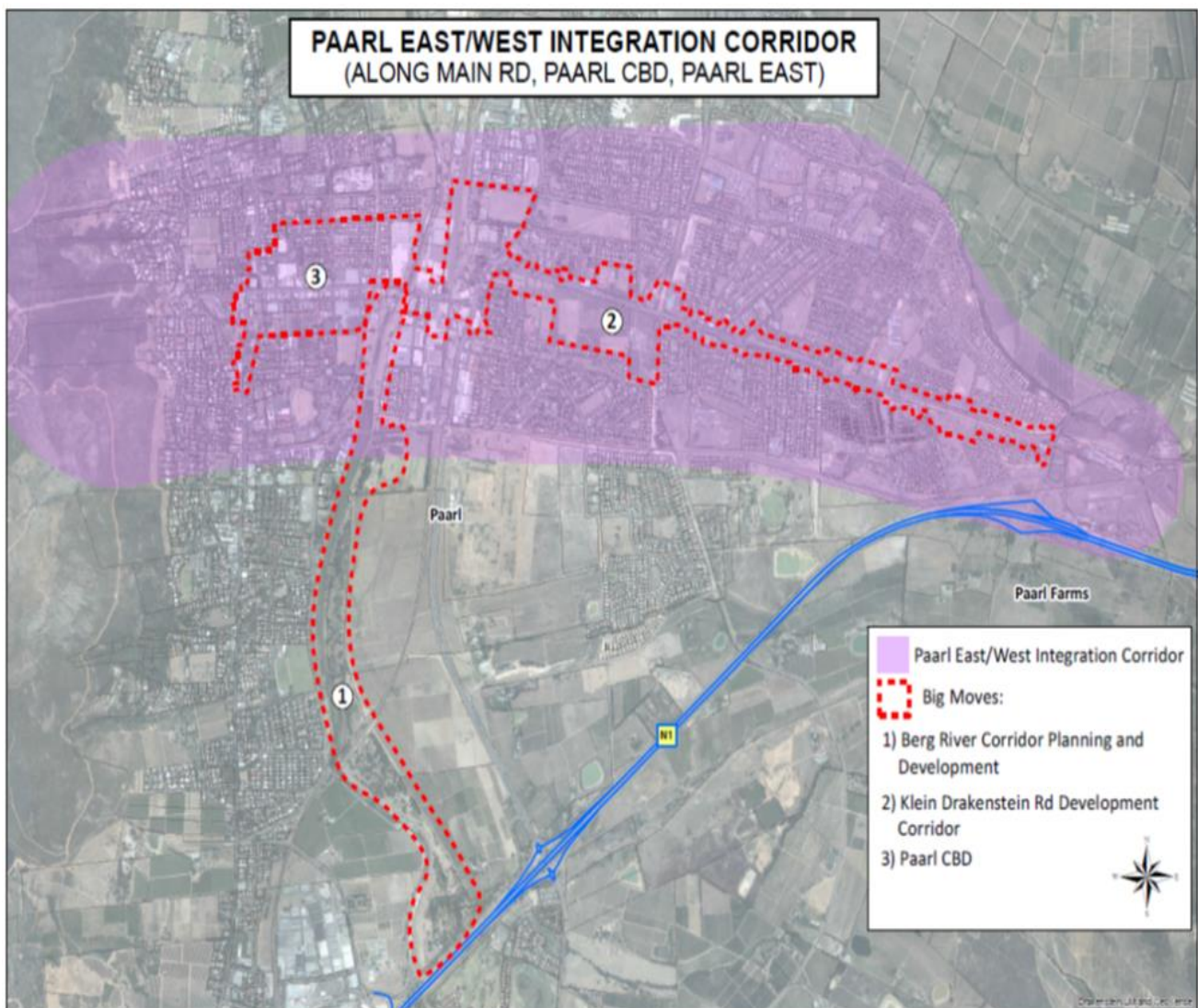
**Implementation Matrix for Catalytic Zone 3: Paarl East/ West Integration Corridor:**

Table 85: Paarl East/West Integration Corridor Implementation Matrix

| CATALYTIC ZONE | Paarl East – West Integration Corridor |
|-----------------------|---|
| BIG MOVE | Berg River Corridor/Paarl Waterfront and Arboretum Precinct |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. A stable electricity network with spare capacity 2. Increase in capital investment 3. Lowering in unemployment rate 4. Reduce in the use of potable water 5. Establishment of a WWTW with sufficient capacity for future developments and the eradication of maintenance backlogs 6. Establishment of the Boy Louw Multi-Purpose Sport Centre 7. Use of the cycle route as part of the greater Bitou/Cape Town Cycle Route 8. Receive and approve developments on vacant municipal land by Council 9. Effective execution of the Paarl Waterfront and Arboretum Precinct Plan and Framework 10. Decrease in crime rate |

| CATALYTIC ZONE | Paarl East – West Integration Corridor | | | |
|---------------------------------|---|--------|-----------|----------------|
| PROJECTS, PROGRAMS, INITIATIVES | 11. Safe and adequate public toilets | | | |
| | ITEM | BUDGET | TIMEFRAME | RESPONSIBILITY |
| | 1. Commissioning of new N1 132/6611Kv80MVA Substation | | | |
| | 2. Commissioning of new Mall Substation 66/11/kv20MVA | | | |
| | 3. Special tariffs for property rates and bulk services by incentivizing capital investment and job creation | | | |
| | 4. Recycle treated sewerage water, Paarl – pipe system to industrial area and sport fields | | | |
| | 5. Upgrading of WWTW to ensure sufficient capacity for future developments (especially Paarl South) and eradicating maintenance backlogs especially at Paarl WWTW | | | |
| | 6. Boy Louw Multi-purpose sport centre | | | |
| | 7. Proposal call for the development of vacant municipal land) | | | |
| | 8. Development of Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route | | | |
| | 9. Identification and Site development of cultural and heritage places of interest | | | |
| | 10. Installation of Tourism signage and infrastructure at iconic areas | | | |
| | 11. Municipal Wide CCTV Coverage | | | |
| | 12. Increased law enforcement and SAPS patrols | | | |
| | 13. Upgrading of Public Toilets | | | |
| | Strategic and Spatial Enablers: Paarl Waterfront and Arboretum Precinct Plan, Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Berg River Maintenance Management Plan, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Paarl and Wellington CBD Local SDF and Implementation, Integrated Economic Growth Strategy. | | | |
| BIG MOVE | Klein Drakenstein Road Central Improvement District (Including Lady Grey Street) | | | |
| KEY PERFORMANCE AREA | Planning and Economic Development | | | |
| INDICATORS OF SUCCESS | ITEM | | | |
| | 1. A stable electricity network with spare capacity | | | |
| | 2. Reduced use of potable water | | | |
| | 3. Increase in capital investment | | | |
| | 4. Lowering in unemployment rate | | | |
| | 5. Installed industrial water meters | | | |
| | 6. Installed pre-paid water meters | | | |
| | 7. Upsized reticulation system | | | |
| | 8. Upgraded sewer system | | | |
| | 9. Solid Waste Management Infrastructure at compliant level | | | |
| | 10. Upgraded community and public facilities | | | |
| | 11. Decrease in crime rate | | | |
| | 12. Establishment of a WWTW with sufficient capacity for future developments and the eradication of maintenance backlogs | | | |
| | 13. Use of the cycle route as part of the greater Bitou / Cape Town Cycle Route | | | |
| | 14. Completion of Van Der Stel Street towards Klein Drakenstein Road | | | |
| | 15. Execution Olive Grove Community Project | | | |

| CATALYTIC ZONE | Paarl East – West Integration Corridor |
|---------------------------------|--|
| | 16. Execution of Klein Drakenstein Road Central Improvement District Plan |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. Commissioning of new N1 132/6611Kv80MVA Substation 2. Commissioning of new Mall Substation 66/11/kv20MVA 3. Action plan to manage high water consumers 4. Brownfields – upgrade underutilised industrial sites with minimum infrastructure cost input requirements to encourage industrial investment 5. Special tariff for property rates and bulk services by incentivizing capital investment and job creation 6. Industrial water meters, Paarl – meter of unmetered connections 7. Recycle treated sewerage water, Paarl – pipe system to industrial area and sport fields 8. Replacement/upsizing of reticulation system 9. Pre-paid water meters area wide 10. Upgrading of WWTW to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW 11. Upgrade and rehabilitation of sewer system in entire Drakenstein 12. Increase monitoring of wet industries into municipal bulk sewers and to WWTW 13. Law enforcement i.r.o. water restrictions 14. Upgrading of Solid Waste Management Infrastructure to compliance levels 15. Maintenance and upgrade of all community and public facilities (community halls and Thusong centres) 16. Alienation of serviced industrial and commercial sites 17. Investigating Urban Special Rating Areas to establish Central Improvement Districts 18. Proposal call for the development of vacant municipal 19. Develop Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route 20. Identification and site development of cultural and heritage places of interest 21. Installation of Tourism signage and infrastructure at iconic areas 22. Municipal Wide CCTV Coverage 23. Increased law enforcement and SAPS patrols 24. Upgrading of public toilets 25. Coordination of sufficient health services/facilities 26. Accreditation, restructuring zones 27. Completion of Van Der Stel Street towards Klein Drakenstein Road 28. Boland Cricket Park regeneration 29. Olive Grove Community Project |
| PROJECTS, PROGRAMS, INITIATIVES | <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Klein Drakenstein Road Central Improvement District Plan, Paarl and Wellington CBD Local SDF, Incentive and Retention Policy and Strategy, Informal Trading Policy Review and Implementation Plan, Integrated Economic Growth Strategy, Tourism and Investment Destination Marketing, Devolution of Heritage Decision/Competency from Heritage Western Cape, Update Heritage Survey, Small Business Entrepreneurs Capacity Building and Mentorship, Vacant land Study, Densification Study, Secondary City Study, Paarl and Wellington CBD Local SDF and Implementation, Boland Park Precinct</p> |

| | |
|--|--|
| CATALYTIC ZONE | Paarl East – West Integration Corridor |
| | Plan, Roll-out of Broadband, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module. |
| BIG MOVE | Paarl Central Business District Renewal |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. A stable electricity network with spare capacity 2. Reduced use of potable water 3. Increase in capital investment 4. Lowering in unemployment rate 5. Installed industrial water meters 6. Upsized reticulation system 7. Installed pre-paid water meters 8. Establishment of a WWTW with sufficient capacity for future developments and the eradication of maintenance backlogs 9. Upgraded sewer system 10. Use of the cycle route as part of the greater Bitou/Cape Town Cycle Route 11. Decrease in crime rate 12. Safe and adequate public toilets 13. Execution of the Paarl and Wellington CBD Local SDF |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. Commissioning of new N1 132/6611Kv80MVA Substation 2. Commissioning of new Mall Substation 66/11/kv20MVA 3. Action plan to manage high water consumers 4. Special tariff for property rates and bulk services by incentivizing capital investment and job creation 5. Area wide water saving devices for municipal buildings 6. Industrial water meters, Paarl – meter of unmetered connections 7. Replacement/upsizing of reticulation system 8. Pre-paid water meters area wide 9. Upgrading of WWTW to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW 10. Upgrade and rehabilitation of sewer system in entire Drakenstein 11. Increase monitoring of wet industries into municipal bulk sewers and to WWTW 12. Law enforcement i.r.o. water restrictions 13. Investigating Urban Special Rating Areas to establish Central Improvement Districts 14. Develop of Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route 15. Identification and site development of cultural and heritage places of interest 16. Installation of Tourism signage and infrastructure at iconic areas 17. Municipal Wide CCTV Coverage 18. Increased law enforcement and SAPS patrols 19. Upgrading of public toilets 20. Coordination of sufficient health services/facilities 21. Accreditation, restructuring zones <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Incentive and Retention Policy and Strategy, Informal Trading</p> |

| | |
|--|---|
| CATALYTIC ZONE | Paarl East – West Integration Corridor |
| | Policy Review and Implementation Plan, Integrated Economic Growth Strategy, Tourism and Investment Destination Marketing, Devolution of Heritage Decision/Competency from Heritage Western Cape, Update Heritage Survey, Small Business Entrepreneurs Capacity Building and Mentorship, Vacant land Study, Densification Study, Secondary City Study, Roll-out of Broadband, Paarl and Wellington CBD Local SDF and Implementation, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Integrated Economic Growth Strategy. |
| BIG MOVE | Huguenot Station and De Kraal Mixed Use Nodes |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | ITEM <ol style="list-style-type: none"> 1. A stable electricity network with spare capacity 2. Reduced use of potable water 3. Increase in capital investment 4. Lowering in unemployment rate 5. Installed industrial water meters 6. Upsized reticulation system 7. Installed pre-paid water meters 8. Establishment of a WWTW with sufficient capacity for future developments and the eradication of maintenance backlogs 9. Upgraded sewer system 10. Upgraded community and public facilities 11. Completion of the De Kraal Sport Stadium 12. Receive and approve developments on vacant municipal land 13. Use of the cycle route as part of the greater Bitou/Cape Town Cycle Route 14. Decrease in crime rate 15. Execution of the Paarl and Wellington CBD Local SDF 16. Execution of the Klein Drakenstein Road Central Improvement District Plan 17. Completion of De Kraal and Zanddrift Sport ground Indoor facility 18. Execution of the Huguenot Station Precinct Plan |
| PROJECTS, PROGRAMS, INITIATIVES | ITEM <ol style="list-style-type: none"> 1. Commissioning of new N1 132/6611Kv80MVA Substation 2. Commissioning of new Mall Substation 66/11/kv20MVA 3. Action plan to manage high water consumers 4. Brownfields – upgrade underutilised industrial sites with minimum infrastructure cost input requirements to encourage industrial investment 5. Special tariff for property rates and bulk services by incentivizing capital investment and job creation 6. Area wide water saving devices for municipal buildings 7. Industrial water meters, Paarl – meter of unmetered connections 8. Replacement/upsizing of reticulation system 9. Pre-paid water meters area wide 10. Upgrading of WWTW to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW 11. Upgrade and rehabilitation of sewer system in entire Drakenstein 12. Increase monitoring of wet industries into municipal bulk sewers and to WWTW 13. Law enforcement i.r.o. water restrictions 14. Maintenance and upgrade of all community and public facilities (community halls and Thusong centres) |

| CATALYTIC ZONE | Paarl East – West Integration Corridor |
|----------------|---|
| | 15. De Kraal Sport Stadium 16. Alienation of serviced industrial and commercial sites 17. Investigating Urban Special Rating Areas to establish Central Improvement Districts 18. Proposal call for the development of vacant municipal land 19. Develop Drakenstein cycle route as part of greater Bitou/Cape Town Cycle Route 20. Identification and site development of cultural and heritage places of interest 21. Installation of Tourism signage and infrastructure at iconic areas 22. Municipal Wide CCTV Coverage 23. Increased law enforcement and SAPS patrols 24. Accreditation, restructuring zones 25. De Kraal and Zanddrift Sport ground Indoor facility 26. Huguenot Station Precinct Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Incentive and Retention Policy and Strategy, Informal Trading Policy Review and Implementation Plan, Integrated Economic Growth Strategy, Tourism and Investment Destination Marketing, Integrated Zoning Scheme, Devolution of Heritage Decision/Competency from Heritage Western Cape, Update Heritage Survey, Small Business Entrepreneurs Capacity Building and Mentorship, Vacant Land Study, Densification Study, Secondary City Study, Roll-out of Broadband, Paarl and Wellington CBD Local SDF and Implementation, Klein Drakenstein Road Central Improvement District Plan, Huguenot Station Precinct Plan, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Integrated Economic Growth Strategy. |

3.3.4 North City Integration Corridor (Paarl, Mbekweni, Wellington)

Description of Zone:

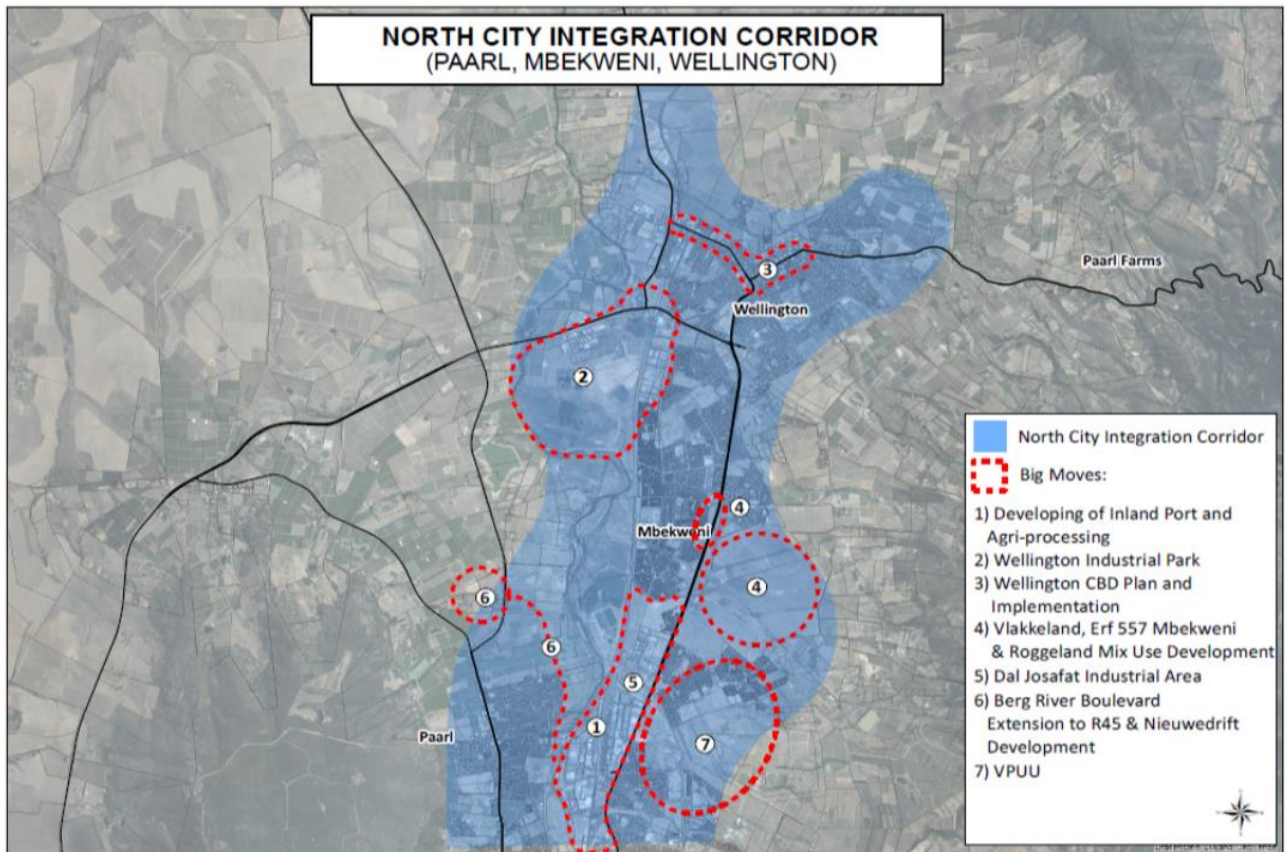
This Catalytic Zone is located north of the N1 and runs in a general north-south direction (with inclusion of Nieuwedrift as exception) and is referred to as the North City Integration Corridor. The Corridor comprises the urban areas of Paarl, Mbekweni and Wellington, including the Wellington Industrial Park Precinct, the Berg River Boulevard extension to the R45, and Nieuwedrift. The Corridor overlaps with the N1 Corridor and the Paarl East/West Integration Corridor. The Big Moves that overlap with the other Catalytic Zones are not included in the tables for the North City Integration Corridor zone (i.e. therefore please refer to the other 2 Zones).

List of Big Moves and description:

- Development of the Wellington Industrial Park;
- Implementation of the Wellington CBD Plan and Implementation;
- Development of the Vlakkeland, Erf 557 Mbekweni, Erf 16161 and Roggeland (SAHRA acquisition of land for Integrated Mixed-Use development);
- Upgrade and development of the Dal Josafat Industrial Area;
- Development of the Berg River Boulevard Extension to R45 and Nieuwedrift Development; and

- Planning and Implementation of the Violence Prevention through Urban Upgrade program.

Figure 8: North City Integration Corridor



Implementation Matrix for North City Integration Corridor

Table 86: North City Integration Corridor Implementation Matrix

| CATALYTIC ZONE | NORTH CITY CORRIDOR |
|---------------------------------|--|
| BIG MOVE | Wellington Industrial Park |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. Commencement of the extension development of the Wellington Industrial Park Precinct 2. Establishment of Agro-parks in the Wellington Industrial Park Precinct 3. Completion of the upgrade of infrastructure, at minimum cost, of Brownfield sites 4. Serviced Industrial and Commercial sites transferred to property developers 5. Commencement of the operation of the new landfill site 6. Completion of the upgrade and rehabilitation of sewerage pump stations 7. Completion of the development of the R44 and R45 intersection Gateway 8. Rates and tax base increases for the area 9. Employment opportunities created |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. Secure development rights 2. Agro-processing parks |

| CATALYTIC ZONE | NORTH CITY CORRIDOR |
|---------------------------------|--|
| | <ol style="list-style-type: none"> 3. Brownfields – upgrade underutilised industrial sites with minimum infrastructure cost input requirements to encourage industrial investment 4. Alienation of serviced Industrial and Commercial sites 5. Identify new landfill site 6. Solution to landfill site problem 7. Upgrade and rehabilitation of sewerage pump stations (...Wellington Industrial) 8. Town Gateways <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Klappmuts Local SDF and Implementation, Infrastructure Master Plan, Integrated Economic Growth Strategy.</p> |
| BIG MOVE | Wellington CBD Plan and Implementation |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. Upgrade and development of the Church and Tourist Gateway Precinct in accordance with the Urban Design Plan (i.t.o. Wellington CBD Urban Design Framework) 2. Upgrade and development of the other 6 precincts in accordance with the Urban Design Plans (i.t.o. Wellington CBD Urban Design Framework) 3. Upgrading of the Wellington WWTW completed 4. Rates and tax base increases for the area 5. Completion of the development of the Retief Street/Champagne Road, Hermon road and Bainskloof road Gateways Employment opportunities created 6. Employment opportunities created |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. Church Street, Wellington UDF Implementation - Secure development rights 2. Upgrading of Waste Water Treatment Works to ensure sufficient capacity for future developments and eradicating maintenance backlogs 3. Town Gateways <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Klappmuts Local SDF and Implementation, Infrastructure Master Plan, Integrated Economic Growth Strategy.</p> |
| BIG MOVE | Vlakkeland, Erf 16161, Erf 557 Mbekweni and Roggeland (SAHRA acquisition of land for Integrated Mix Use development) |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| | <p>ITEM</p> <ol style="list-style-type: none"> 1. Completion of the Vlakkeland bulk water upgrade, Mbekweni 2. Completion of the development of the Vlakkeland mixed use development |

| CATALYTIC ZONE | NORTH CITY CORRIDOR |
|---------------------------------|--|
| INDICATORS OF SUCCESS | <ol style="list-style-type: none"> 3. Completion of the development of Erf 557 4. Completion of the development of the Roggeland 5. Upgrade and development of Mbekweni in accordance with the Urban Design Plans (i.t.o. Mbekweni Precinct Plan) 6. Completion of upgrading of Pelikaan Park/Newton 7. Upgrading of Paarl WWTW completed |
| PROJECTS, PROGRAMS, INITIATIVES | Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Klappmuts Local SDF and Implementation, Infrastructure Master Plan, Integrated Economic Growth Strategy. |
| BIG MOVE | Development of Dal Josaphat Industrial Area |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | ITEM <ol style="list-style-type: none"> 1. Completion and establishment of the Inland Port and Agri-processing plant 2. Completion the upgrade of the infrastructure, at minimum cost, of Brownfield sites 3. Serviced Industrial and Commercial sites transferred to property developers 4. Completion of the establishment of a Special Ratings Area in Dal Josaphat industrial area 5. Upgrading of Paarl WWTW completed |
| PROJECTS, PROGRAMS, INITIATIVES | ITEM <ol style="list-style-type: none"> 1. Development of Inland Port and Agro-processing plant (BM) 2. Brownfields – upgrade underutilised industrial sites with minimum infrastructure cost input requirements to encourage industrial investment. 3. Alienation of serviced Industrial and Commercial sites 4. Upgrading of Dal Josaphat 5. Upgrading of Waste Water Treatment Works to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Klappmuts Local SDF and Implementation, Infrastructure Master Plan, Integrated Economic Growth Strategy. |
| BIG MOVE | Berg River Boulevard Extension to R45 and Nieuwedrift Development |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | ITEM <ol style="list-style-type: none"> 1. Completion of reservoir and bulk water pipeline 2. Council accepts successful bidder's development proposals 3. Upgrading of Paarl WWTW completed 4. Completion of Berg River Boulevard extension to Retief Street |

| CATALYTIC ZONE | NORTH CITY CORRIDOR |
|---------------------------------|--|
| | <ol style="list-style-type: none"> Council approval and implementation of site development plan for R45 and Nieuwedrift/Berg River Boulevard Gateways Completion of Berg River Boulevard extension to R45 |
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> Nieuwedrift, Paarl – 0.5ML reservoir and bulk water pipe Nieuwedrift – Call for Development Proposals Upgrading of Waste Water Treatment Works to ensure sufficient capacity for future developments and eradicating maintenance backlogs especially at Paarl WWTW Extension of Berg River Boulevard to Retief Street Town Gateways Extension of Berg River Boulevard to R45 and Nieuwedrift <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Vacant land study, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Klappmuts Local SDF and Implementation, Infrastructure Master Plan, Integrated Economic Growth Strategy.</p> |

3.3.5 Hinterland (Saron, Gouda, Hermon, Rural Areas)

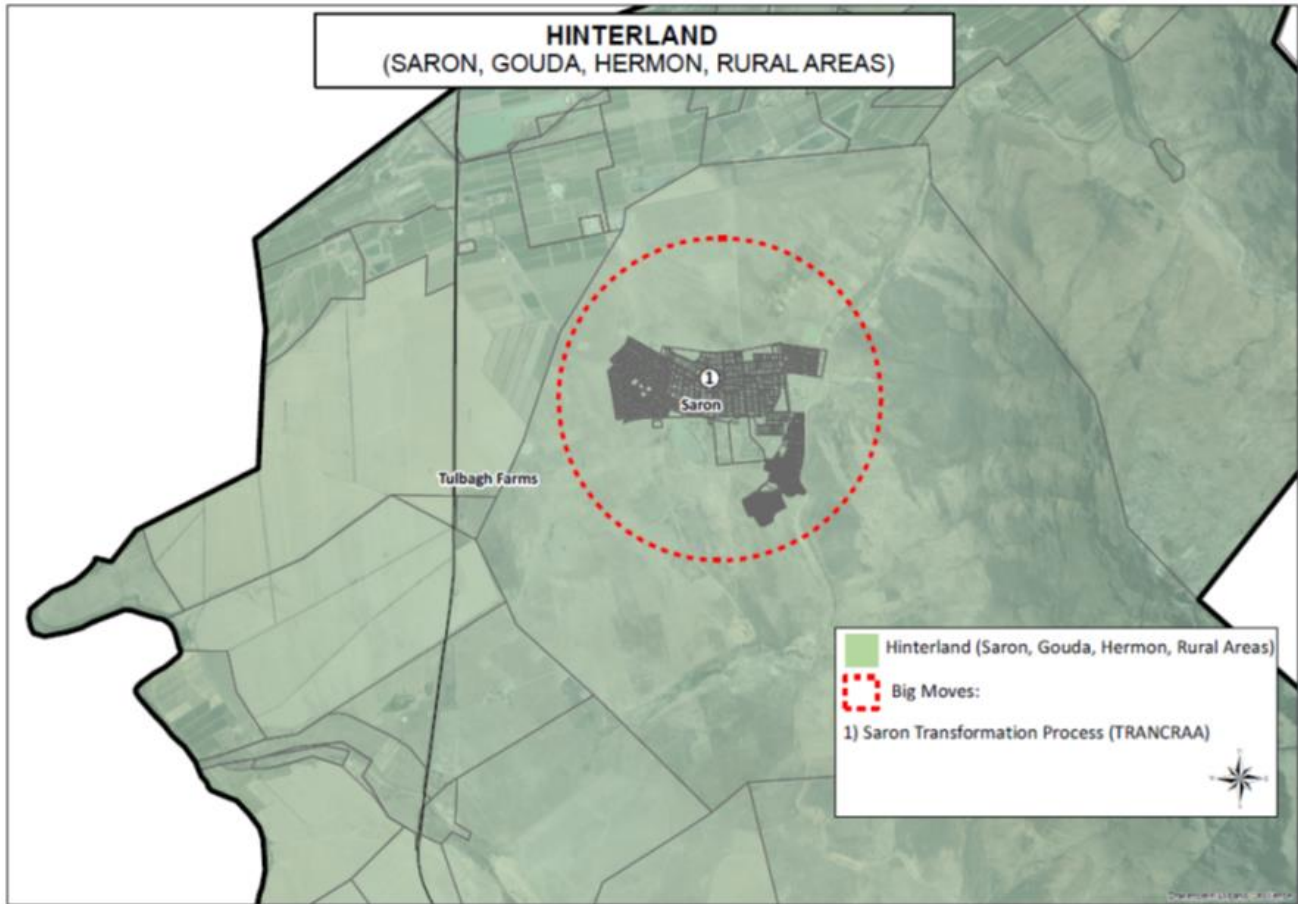
Description of Zone:

Drakenstein's extensive Hinterland constitutes Windmeul, Hermon, Gouda and Saron, as well as the rural properties. This inland region is located along the R44 and in close proximity of the N7 a strategic transport corridor of the Western Cape. The region focuses primarily on agriculture and related sector activities and therefore we identified the need to enhance the agro –processing value chain in the area.

List of Big Moves and description

- Agro –processing value chain in the area- This Big Move will focus on enhancing the existing sector in the region through the development of a Business Retention and Expansion Strategy linked to the sector. We will focus on both upstream and downstream linkages of this sector.

Figure 9: Hinterland – Saron, Gouda, Hermon Rural Areas Corridor



Implementation Matrix for Catalytic Zone 5: Hinterland – Saron, Gouda, Hermon Rural Areas Corridor

Table 87: Hinterland (Saron, Gouda, Hermon, Rural Areas)

| CATALYTIC ZONE | HINTERLAND (SARON, GOUDA, HERMON, RURAL AREAS) |
|-----------------------|---|
| BIG MOVE | Enhance Agro-processing value-chain in rural area |
| KEY PERFORMANCE AREA | Planning and Economic Development |
| INDICATORS OF SUCCESS | <p>ITEM</p> <ol style="list-style-type: none"> 1. High Value Manufacturing. 2. Increased contribution of SME Agro-processors to the GDP and employment. 3. Increased access of SME Agro-processors to business development services. 4. Availability of Integrated Transportation system –both passenger and goods and services 5. Business Expansion 6. Capital Investment 7. Infrastructure Investment 8. Social Stability 9. Decrease in Social Services demands in area 10. Number of businesses established in value chain 11. Output per Capita 12. Development of dignified and integrated human settlements 13. Increase in skilled workforce 14. Decrease in Absolute Poverty Rates |

| CATALYTIC ZONE | HINTERLAND (SARON, GOUDA, HERMON, RURAL AREAS) |
|---------------------------------|---|
| PROJECTS, PROGRAMS, INITIATIVES | <p>ITEM</p> <ol style="list-style-type: none"> 1. Gouda and Saron CBD: Small Business Development Upgrade. 2. Hermon Precinct Plan 3. Rural Tourism Product Development 4. Identification and site development of cultural and heritage places of interest 5. Installation of Tourism signage and infrastructure at iconic attractions 6. Saron Transformation Process (TRANCRAA) 7. Construction of Saron Community Hall 8. Upgrade/replace reticulation system in Saron 9. Replace/upgrade of bulk water pipe, Saron and Gouda 10. Pre-paid water meters –area wide 11. Saron Water Depot 12. Centralize sludge management 13. Upgrade and rehabilitation of sewerage pump station (Saron) 14. Upgrade and Rehabilitation of sewer systems in entire Drakenstein 15. Re-use of treated wastewater effluent 16. Water Treatment works (2MI/d, 2MI reservoir and 100MI, open dam, Saron) 17. Gouda Small Holdings- Water Reticulation System 18. Telemetric system upgrade 19. Replacement/Upsizing of reticulation system 20. Environmental Performance Monitoring System 21. Promotion of Green Economy 22. 100-year Berg River Flood scenarios 23. Air Quality Management Plan and Air Quality monitoring 24. Berg River Maintenance Management Plan 25. Update of key plans including Climate Change Strategy and Environmental Management Framework 26. Water and Sanitation in rural areas 27. Identification of available land for ECD centres 28. Accreditation Restructuring Zones - Appointment of turnkey implementation housing agent 29. Co-ordination of sufficient health services |
| PROJECTS, PROGRAMS, INITIATIVES | <p>Strategic and Spatial Enablers: Development and Investment Desk, Public Transport Plan, Tourism and Investment Destination Marketing, Environmental Performance Monitoring System, Climate Change Strategy and Environmental Framework, Biodiversity and Alien Management Strategies, Integrated Zoning Scheme, Land Use Planning Bylaw, Building Control Collaborator Module, Land Use Planning Collaborator Module, Roll-out of Broadband, Plan for Alien Management on Municipal Land, Klappmuts Local SDF and Implementation, Infrastructure Master Plan, Integrated Economic Growth Strategy, Tourism and Investment Destination Marketing, Rural Development Strategy, Facilitate linkages with Agri-park, Rural Tourism Strategy.</p> |

3.4 ALIGNMENT BETWEEN THE IDP AND THE SDF

The Integrated Development Plan is the key strategic tool for the facilitation and management of development within the Drakenstein Municipal area. It is the development plan for a municipality, prepared in terms of the Municipal Systems Act, No 32 of 2000, and it guides decision-making, budgeting and development in the municipality.

In terms of Section 26 (e) of the Municipal Systems Act, No 32 of 2000 it is required that an integrated development plan must include a spatial development framework. The SDF presents the long-term vision of the spatial desired form of the Municipality.

According to the Local Government: Municipal Planning and Performance Management Regulations, 2001, a spatial development framework must, amongst other requirements:

- (i) Set objectives that reflect the desired spatial form of the municipality;
- (ii) Identify programs and projects for the development of land within the municipality;
- (iii) Provide a visual representation of the desired spatial form of the municipality which representation: -
 - (a) Must indicate where public and private land development and infrastructure investment should take place;
 - (b) Must indicate desired or undesired utilisation of space in a particular area;
 - (c) May delineate the urban edge; and
 - (d) Must identify areas where strategic intervention is required; and must indicate areas where priority spending is required.

The SDF is thus a critical component of the IDP, as it directs municipal and private sector spending and investment by providing spatial proposals and interventions that will assist in achieving the Municipality's long-term vision of being a "City of Excellence" within the next twelve years. Notable in the new SDF is the inclusion of the Capital Expenditure Framework and an aligned investment and implementation plan.

Taking the above into consideration, it is of utmost importance that the IDP and SDF is purposefully aligned in order to provide strategic guidance and investment certainty.

3.5 COMPILATION OF A NEW SPATIAL DEVELOPMENT FRAMEWORK

This Spatial Development Framework (2020) entails the preparation of an entire new SDF for the Drakenstein Municipality for next five years (2020 to 2025), but it also reflects a 10 year (2020-2030) and a 20-year (2020-2040) planning horizon.

The SDF is compiled in accordance with requirements of the following pieces of legislation:

- The Municipal Systems Act, No 32 of 2000 (MSA);
- The Spatial Planning and Land Use Management Act, No 16 of 2013 (SPLUMA);
- The Western Cape Land Use Planning Act, No 3 of 2014 (LUPA); and
- The Drakenstein Land Use Planning Bylaw (2018).

Chapter 2 of SPLUMA sets out the development principles that must guide the preparation, adoption and implementation of any SDF, Policy or bylaw concerning spatial planning and the development or use of land.

The development principles are summarized as follows:

Table 88: SPLUMA Development Principles

| SPLUMA Development Principle | Description |
|-------------------------------|---|
| Spatial Justice | Past spatial and other development imbalances must be redressed through improved access to, and use of, land by disadvantaged communities and persons. |
| Spatial Sustainability | Spatial planning and land use management systems must promote the principles of socio-economic and environmental sustainability by encouraging the protection of prime and unique agricultural land; promoting land development in locations that are sustainable, and limit urban sprawl; consider all current and future costs to all parties involved in the provision of infrastructure and social services to ensure the creation of viable communities. |
| Efficiency | Land development must optimise the use of existing resources and the accompanying infrastructure, while development application procedures and timeframes must be efficient and streamlined in order to promote growth and employment. |
| Spatial Resilience | Ensure sustainable livelihoods in communities that are likely to suffer the impacts of economic and environmental shocks. |
| Good Administration | All spheres of government must ensure an integrated approach to land development and all departments must provide their sector inputs and comply with prescribed requirements during the preparation or amendment of SDFs. |

Although, the compilation of an SDF is a legal requirement for any municipality, it is important to note that an SDF does not confer/give rights or take away land use rights but guides and informs decisions to be made by the Municipality relating to land development. Therefore, it is important to understand that the SDF is only a guiding document. However, the importance of an SDF is emphasized because it gives effect to the vision, goals and objectives of the IDP or related business plans of government.

3.6 ALIGNMENT OF STRATEGIC VISIONS OF THE IDP AND SDF

The Drakenstein Vision 2032 Strategy sets the strategic agenda for Drakenstein Municipality to realise its vision to evolve into a “City of Excellence” within the next twelve years. Key facets of the Vision are economic dynamism, quality of life for all, a strong, well-governed brand and financial sustainability. Long-term strategies are required to develop, maintain and extend Drakenstein’s national and international competitiveness.

The visions of the IDP and SDF are presented as follows:

Table 89: Visions of the IDP and SDF

| Integrated Development Plan Vision | Spatial Development Framework Vision |
|---|---|
| To evolve into a 'City of excellence' within the next twelve years. Key facets of the vision are economic dynamism; quality of life for all; a strong, well-governed brand and financial sustainability. Long-term strategies are required to develop, maintain and extend Drakenstein's national and international competitiveness. | "A diverse community sustained within the valley of freedom, striving for excellence' provides the guidance for the development trajectory and development decisions for the Drakenstein Municipality. The vision of Drakenstein is one that leverages the natural, physical and cultural elements that define its unique position. The Drakenstein Municipality seeks to create an inter-connected, resilient environment that strives for excellence, embraces innovation and pursues freedom for all, creating a tolerant and cohesive society in which informality is accepted, redress of past injustices is prioritised, and freedom for all is realised. |
| Alignment of the IDP vision and the SDF vision | |
| <p>Both Visions:</p> <ul style="list-style-type: none"> a) Strive towards excellence; b) Emphasize a long-term strategy for Drakenstein Municipality; c) Build on the municipality's key assets, quality of life and economic sustainability; and d) Realise the municipality's competitiveness on a regional, national and international level. | |

It can therefore be concluded that the two visions are aligned with the IDP providing the strategic vision and the SDF providing the spatial guidance for the development trajectory to give effect to the vision contained in the IDP.

Both visions emphasize on the importance of continuously excelling and enhancing the quality of life of all who reside within Drakenstein in a sustainable manner.

3.7 ALIGNMENT OF THE IDP KPAs AND SDF OVERARCHING THEMES

Taking cognizance of the, national, provincial and district policies and plans, seven Key Performance Areas (KPAs) were identified in the IDP for Drakenstein Municipality. Seven key spatial concepts emerged from the SDF based on an evaluation of the spatial opportunities and challenges as well as the formulation of the spatial vision.

The table below links the IDP KPAs with the three SDF Overarching Themes in accordance with the seven key spatial concepts. It can therefore be concluded that the IDP KPAs, the SDF Key Concepts and the Overarching Themes are aligned with the KPAs providing the overall basis for performance within the municipality and the key spatial concepts providing the spatial strategies are aligned and in support of achieving the KPAs.

Table 90: Alignment of the IDP KPAs and the SDF Overarching Themes

| SDF OVERARCHING THEMES |
|---|
| IDP KPA: GOOD GOVERNANCE Strategic Objective: To promote proper governance and public participation. |
| Biophysical <ul style="list-style-type: none"> • Develop environmental awareness campaigns and create educational programmes on environmental issues, ethics and sustainable development; • Increase awareness of sustainable agriculture in order to increase food security and nutritional value of agricultural products; and • Establish partnerships for integrated management of cultural/natural landscapes, scenic routes, and areas of heritage significance. |
| Socio-Economic <ul style="list-style-type: none"> • A responsive municipality based on sound principles that embodies and embrace the rule of law, public participation, accountability and responsibility; • Encourage and promote sustainable development principles at all levels of governance; and • Investigate private-public partnerships for key priority projects. |
| Built Environment <ul style="list-style-type: none"> • Promote through public participation the focus of investment according to the hierarchy of settlements; • Establish inter-governmental forums to promote logistics corridors and improve connectivity; and • Investigate private-public partnerships for key priority projects. |
| IDP KPA: FINANCIAL SUSTAINABILITY Strategic Objective: To ensure financial sustainability in order to meet the statutory requirements. |
| Biophysical <ul style="list-style-type: none"> • Promote public-private partnerships for disaster management; • Incentivise conservation of private land; • Re-orientation of existing farming model to facilitate appropriate subdivision, diversification, and adaptive reuse of irrigated land; • Fast track land reform and new local food chains between producers and consumers; and • Acknowledge the potential of heritage/cultural landscapes in order to expand the contribution of these resources to the local economy. |
| Socio-Economic <ul style="list-style-type: none"> • Affordable and sustained revenue base to finance capital and operating budget expenses; and • Sound financial management practices and clean audit reports to build the public's confidence in management. |
| Built Environment <ul style="list-style-type: none"> • Expand the municipal revenue base and prioritise capital investment aligned to the prioritisation of settlements; • Establish N1 gateways and logistic hubs to improve spending and revenue in the municipal area; • Promote urban renewal programmes in CBDs; and • Facilitate land ownership and security of sense. |
| IDP KPA: Institutional Transformation Strategic Objective: To transform the municipality into an effective and efficient organization. |
| Biophysical <ul style="list-style-type: none"> • Invest in various public-private partnership to foster integrated environmental management in the Municipality; • Provide for agricultural diversification in the municipal land use regulations and policies; • Manage agricultural diversification in terms of the land use management scheme; and • Manage the impact on sensitive heritage/cultural landscapes in terms of the land use management scheme and heritage overlay zones. |

SDF OVERARCHING THEMES

Socio-Economic

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

Built Environment

- Municipal Capital Investment Prioritisation Model to be aligned to prioritisation of settlements as identified in the SDF;
- Efficient institutional procedures to prepare land for development of logistic hubs; and
- New models of housing delivery and security of tenure to promote densification, accommodate a variety of income groups and a range of land uses.

IDP KPA: PHYSICAL INFRASTRUCTURE AND SERVICES

Strategic Objective: To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services.

Biophysical

- Promote off-grid agriculture infrastructure. Employ new technology such as hydroponic growing;
- Promote off-grid services in outer-lying areas and/or environmentally sensitive areas; and
- Stricter management of resource utilisation and consumption.

Socio-Economic

- A caring Municipality that is sensitive to the needs of the community based on a sound and embedded value system.

Built Environment

- An adequate and well-maintained infrastructure network complementing the development goals of the Municipality;
- Improve basic services to reduce disaster risk;
- Planning and implementation of new infrastructure and upgrading/renewal of infrastructure, to be prioritised according to the hierarchy of settlements;
- Integrated planning and provision of services to support logistic hubs and connectivity, especially the Paarl East-West integration Corridor;
- Upgrade network capacity to cope with densification; and
- Ensure that long-term planned expansion of infrastructure networks will result in optimal use of land and smart growth patterns.

IDP KPA: PLANNING AND DEVELOPMENT

Strategic Objective: To plan and facilitate sustainable and inclusive economic growth and development.

Biophysical

- Encourage/promote initiatives such as eco-tourism, agri-tourism, heritage/cultural tourism, etc.;
- Encourage food security and sustainable agricultural practices; and
- Seek employ opportunities via the Expanded Public Works Programme (EPWP).

Socio-Economic

- To facilitate sustainable economic empowerment for all communities within Drakenstein and enable a viable and conducive economic environment through the development of related initiatives including job creation and skills development; and
- Focus on creating conducive environments and empowered communities in the settlements.

Built Environment

- Empower communities by improving connectivity between to markets, to places of work, stay and economic opportunities; and
- Optimise use of land in green and brownfield developments.

IDP KPA: SAFETY AND ENVIRONMENTAL MANAGEMENT

Strategic Objective: To ensure a safe community and a healthy and protected environment.

Biophysical

- Protect Critical Biodiversity Areas (CBAs) and Ecological Support Areas (ESAs);

SDF OVERARCHING THEMES

- Recognise the threat of climate change;
- Roll-out disaster management plans and map high vulnerability index and risk areas;
- Establish site for urban agriculture to promote household food security and improved nutrition;
- Employ appropriate technology to manage climate control; and
- Protect scenic routes, gateways, view sheds, mountain slopes, and sensitive interfaces between settlements and the natural and rural environment.

Socio-Economic

- To contribute to the health and safety of communities in Drakenstein through the proactive identification, prevention, mitigation and management of health, including environmental health, fire and disaster risks.

Built Environment

- Provide for adequate access to health and safety facilities, and improve access routes required by emergency vehicles;
- Settlement planning and renewal to identify areas of safety and environmental mitigation required in order to secure community safety and environmental protection; and
- Protect the particular/unique sense of place of settlements and nodes and parts of the hinterland.

IDP KPA: SOCIAL AND COMMUNITY DEVELOPMENT

Strategic Objective: To facilitate social and community development.

Biophysical

- Identify and map high disaster risk areas in Drakenstein; and
- Celebrate gateways/scenic entry points to the municipality and its settlements.

Socio-Economic

- To assist and facilitate with the development and empowerment of the poor and the most vulnerable. These include the elderly, youth and the disabled;
- Promote social development, community livelihoods and safety through the sustainable delivery of social facilities, public open spaces, recreational facilities and housing;
- Pursue social and physical integration of previously segregated areas;
- Plan for adequate access to social facilities for all citizens, but especially for the poor and vulnerable; and
- Provide for farmworker and rural dweller housing options in the Human Settlement Plan.
- Provide for innovative land reform options.

Built Environment

- Promote sustainable delivery of social facilities, public open spaces, recreational facilities and housing in each settlement.

3.8 ALIGNMENT BETWEEN IDP CATALYTIC ZONES AND SDF FOCUS AREAS

Vision 2032 outlines five Catalytic Zones, whilst the SDF developed 12 Focus Areas (with the rural areas dealt with at a finer grain). The zones indicate spatial location on a broader scale, whilst the SDF Focus Areas provides detailed spatial information up to a cadastral level.

Each Focus Area (FA) contains a spatial strategy consisting of a spatial concept plan, a land use implication plan and an implementation matrix for IDP prioritization. These focus areas should not be seen in isolation, but should be considered in close relation to one another in order to ensure that the broader spatial concepts are achieved in a holistic and cohesive manner.

The SDF Focus Area Maps were superimposed on the IDP Catalytic Zone Maps. As can be derived from the superimposed maps, both IDP Catalytic Zones and the SDF Focus Areas provide spatial referencing for the

entire Drakenstein municipal area. The table below indicates the linkages between the IDP Catalytic Zones and SDF Focus Areas.

Table 91: Linkages between the IDP Catalytic Zones and the SDF Focus Areas

| Catalytic Zones identified in IDP | Focus Areas identified in SDF | Superimposed Maps |
|---|--|-------------------|
| North City Corridor (Paarl, Mbekweni, Wellington) | FA1, FA2 and FA3 (Paarl, Mbekweni and Wellington) | Figure 11 |
| Paarl East/West Integration Corridor (corridor to the south a portion of Berg River Boulevard and Arboretum, Paarl CBD, Huguenot station pre-and portions of Paarl East) | FA1 (Paarl) | Figure 12 |
| South City Corridor (south of N1 [mostly within the urban edge] and Simondium) | FA4 and FA5 (Drakenstein South, Simondium) | Figure 13 |
| N1 Corridor (Klapmuts North, Ben Bernhard, De Poort, Paarl Hamlet [including the Paarl Mall precinct], Huguenot Tunnel) | FA1, FA4, FA6 and FA7 (Portions of Paarl which abuts the N1, Portions of Drakenstein South which abuts the N1, Ben Bernhard, Klapmuts North) | Figure 14 |
| Hinterland (Windmeul, Hermon, Gouda Saron, Bainskloof Village, farms) | FA8, FA9, FA10, FA11 and FA12 (Windmeul, Hermon, Gouda Saron, Bainskloof Village and farms) | Figure 15 |

The linkages in the above table are dealt with in more detail below:

3.8.1 Catalytic Zone - North City Integration Corridor as per the IDP and its relation to the SDF

The Corridor includes the urban areas of Paarl, Mbekweni and Wellington (including the Wellington Industrial Park Precinct and the Berg River Boulevard extension to the R45 and Nieuwedrift). The Corridor overlaps with the N1 Corridor and the Paarl East/West Integration Corridor. The SDF promotes this corridor as the area with the highest social and economic benefits for its residents based on the area's appetite for mixed use development, densification, different modes of transport and creating employment opportunities.

3.8.2 SDF Spatial Strategy – Wellington Industrial Park as link to N1 (City of Cape Town, east into greater South Africa), Swartland Municipality and Saldanha Municipality

The extension of the existing Wellington Industrial Park provides investment opportunities for national and international markets with subsequent employment opportunities being created for the residents of Drakenstein Municipality. The location of this industrial park on the R44, provides unrivalled access to Swartland Municipality, with linkages to the N7 connecting with the Saldanha Bay.

Figure 10: Catalytic Zones and the Big Moves

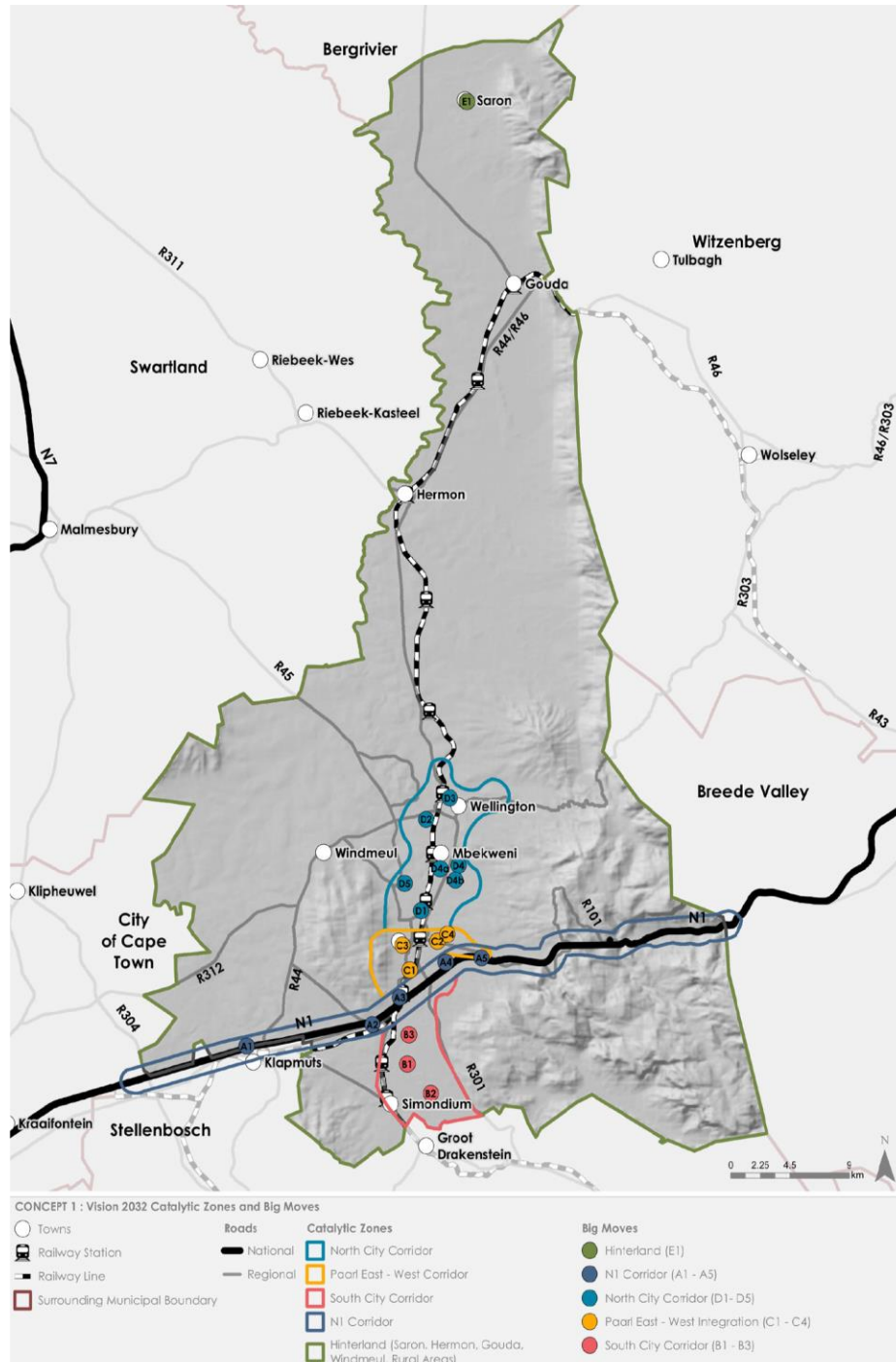


Figure 11: North City Integration Corridor

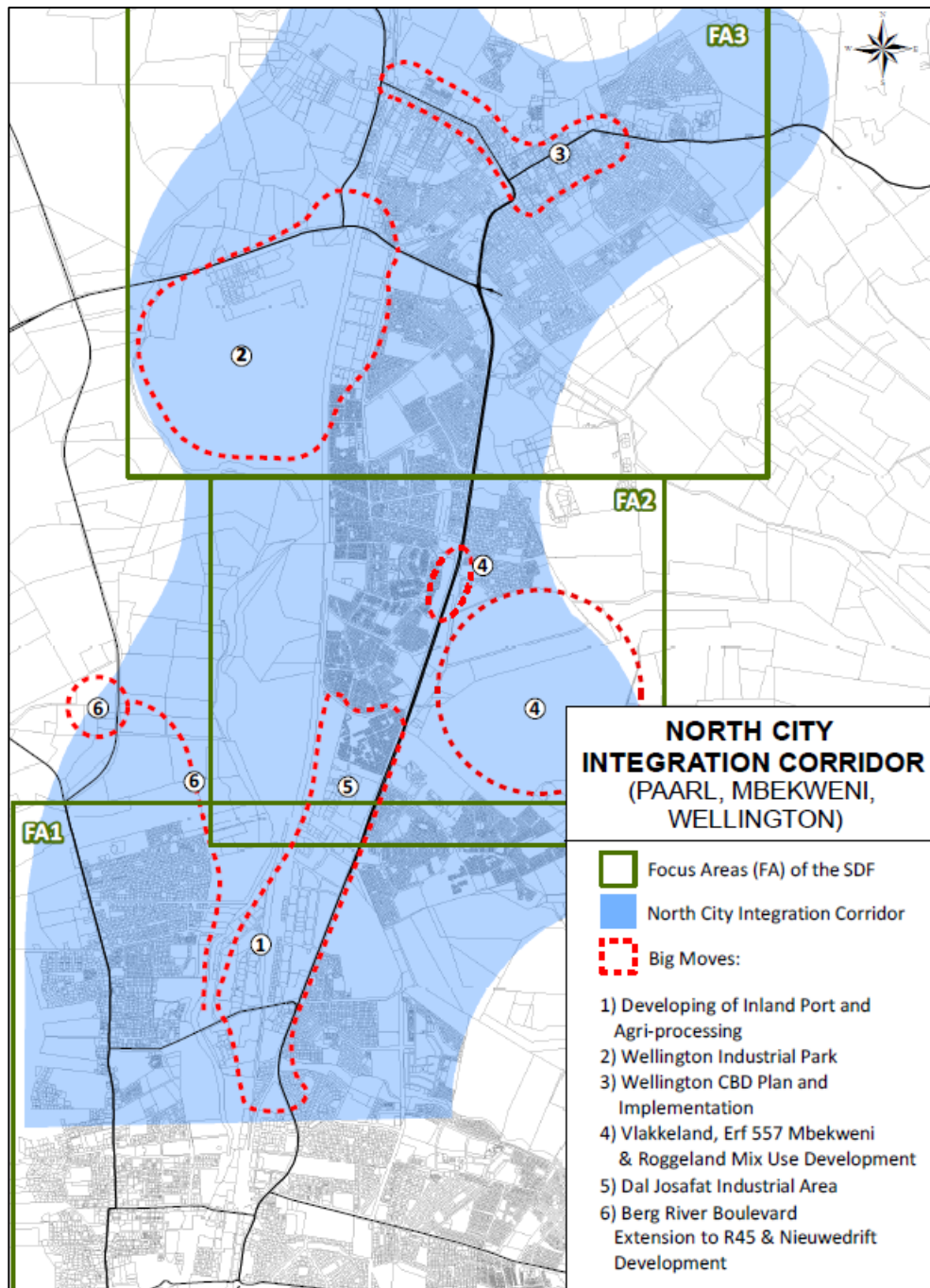
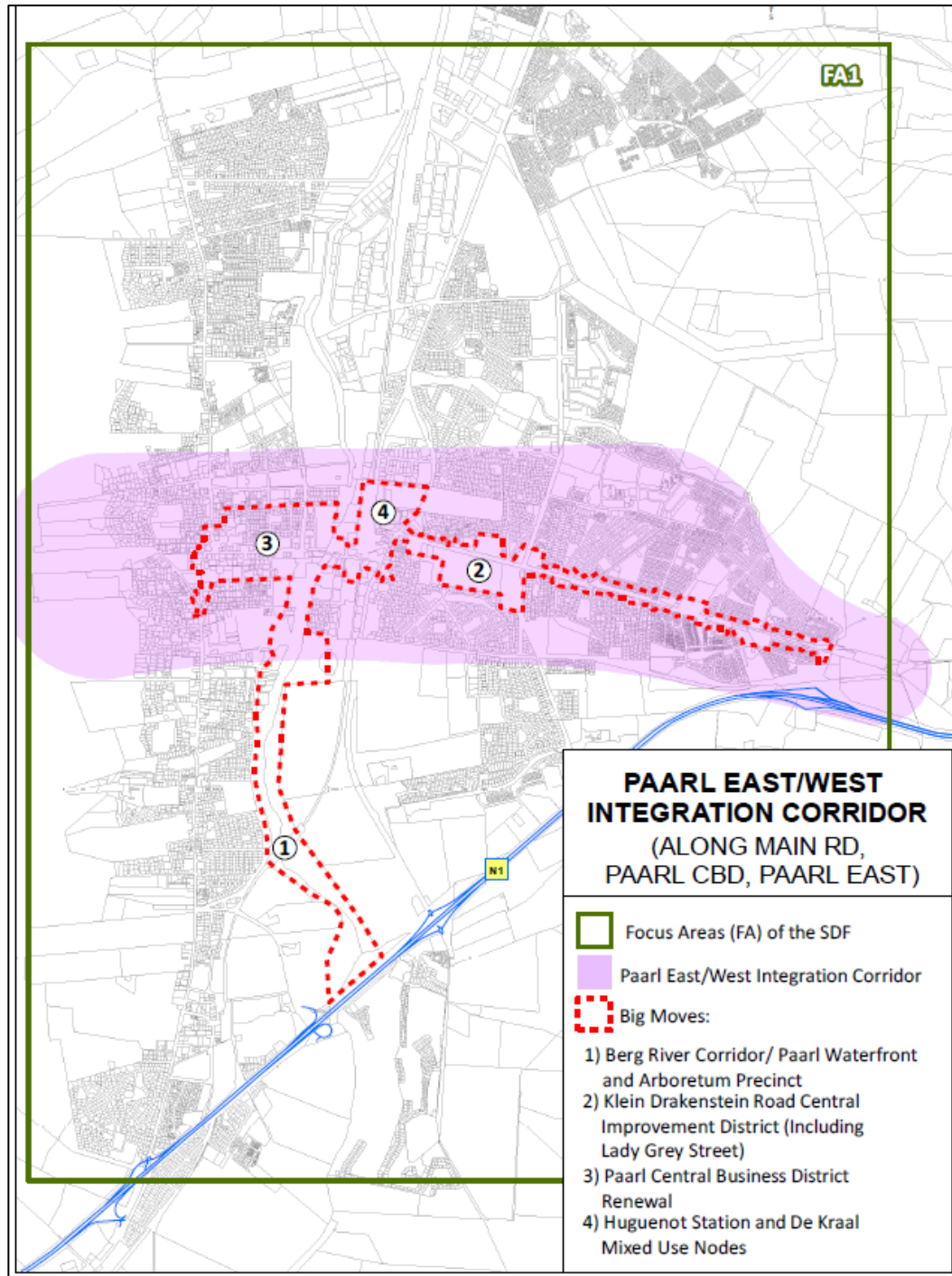


Figure 12: Paarl East/West Integration Corridor



3.8.3 Catalytic Zone - South City Corridor as per the IDP and its relation to the SDF

The South City Corridor is situated to the south of the N1 – thus generally bounded by the N1, R301, south of the Drakenstein Prison (municipal boundary with Stellenbosch Municipality) and the R45. This area is gaining popularity due to its strategic location within the Drakenstein Municipal boundaries and its accessibility to the City of Cape Town, Stellenbosch Municipality (Franschhoek, Pniel and Stellenbosch) and northern parts of South Africa. A new public integration route (Watergat/Schuurmansfontein Roads) is proposed in the SDF to spatially link communities to the east and west of the Berg River.

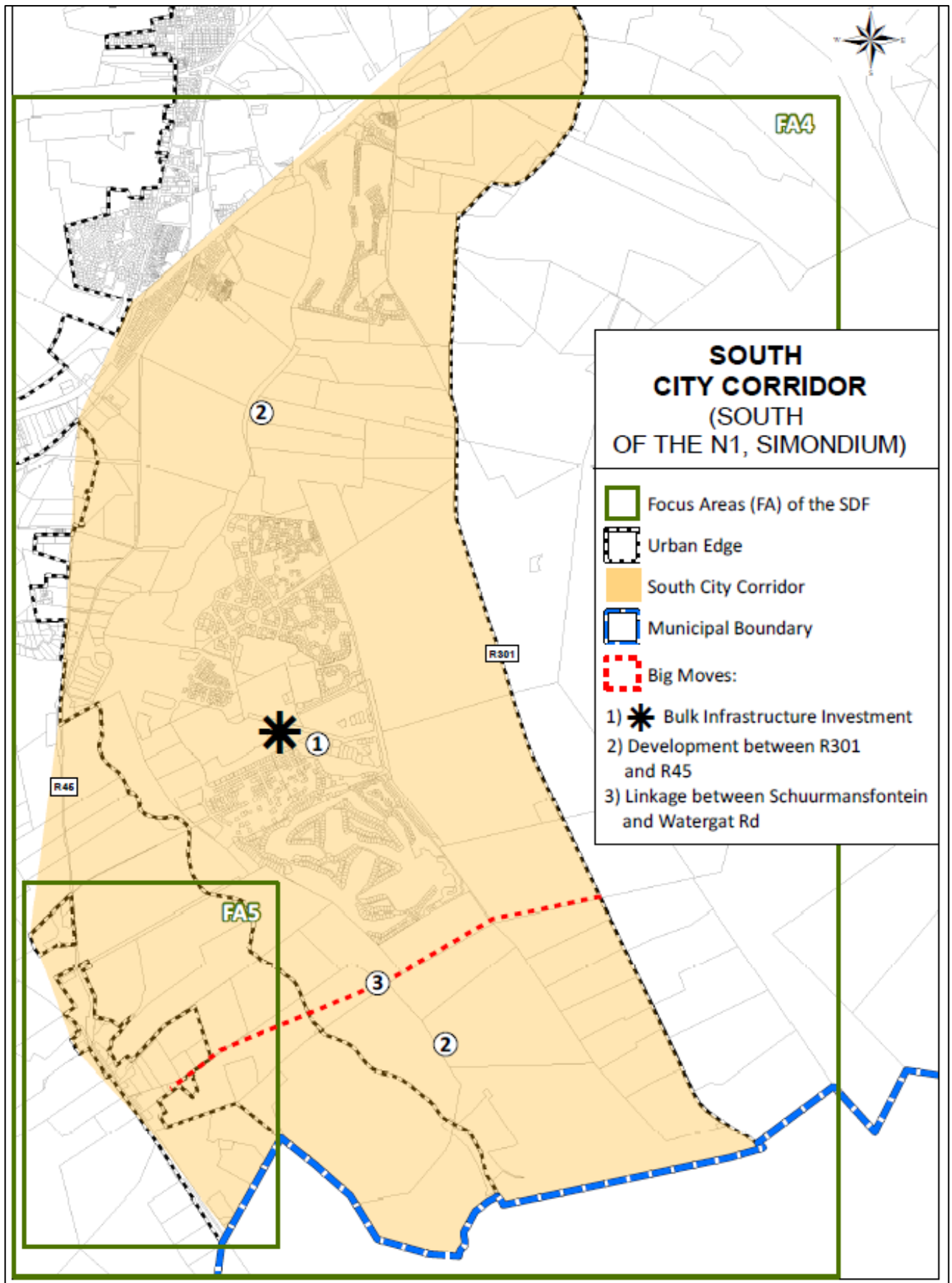
3.8.4 SDF Spatial Strategy - Simondium as link to Stellenbosch Municipality

The Watergat/Schuurmansfontein Integration Route as indicated in the SDF and prioritized in the IDP proposes a spatial link to connect communities to the east (Simondium) and west (along the R301) of the Berg River. This public route will also provide a further additional link to the Stellenbosch Municipal Area. The subsequent provision of bulk services in the area will also unlock development opportunities in the Simondium area, which could link up/connect with the Groot Drakenstein and Meerlust housing project located within the Stellenbosch Municipal Area. Again, an opportunity can be created to address the dire need for farmworker housing in an integrated manner in the Simondium/Groot Drakenstein Area should transport linkages and bulk services be prioritized by both municipalities. Working together on this common goal can result in benefits for both municipalities with greater motivation for MIG funding, housing subsidies and other funding options. It is also noteworthy that Drakenstein Municipality supplies and are responsible for providing electricity (including the related infrastructure) to areas located within the Stellenbosch Municipal Area.

3.8.5 SDF Spatial Strategy – R301 as link to Stellenbosch Municipality

Upgrading of the R301 is considered a priority in the IDP as this will stimulate further development in the area. The SDF proposes that mixed land uses should be encouraged along this route. The R301 is also the main route in Drakenstein Municipality providing access to Mandela House and it links up with Franschhoek being a main tourist destination within the Stellenbosch Municipal Area. Greater tourism linkages should be investigated in order to attract tourists from the Franschhoek area to the scenic and rich history of Drakenstein Municipality.

Figure 13: South City Corridor



3.8.6 Catalytic Zone - N1 Corridor as per the IDP and its relation to the SDF

The N1 Corridor stretches from Klapmuts in the west to the Huguenote Tunnel toll plaza in the east. The corridor straddles the N1 and includes areas such as Klapmuts, Ben Bernhard, the De Poort and Paarl Hamlet and the Huguenote Tunnel toll plaza.

The SDF emphasises the role of the N1 as a connecting and main movement and logistics corridor within the Drakenstein Municipality and beyond. The N1 Corridor provides direct movement between this municipality and the City of Cape Town to the west and unrivalled movement to the west, thereby accessing Breede Valley Municipality and the greater Western Cape and broader South Africa.

3.8.7 SDF Spatial Strategy - Klapmuts as nodal link to City of Cape Town and neighbouring municipalities

On the N1 Corridor, the Klapmuts Area is considered a new regional economic node within the Greater Cape Metro Regional Spatial Implementation Framework. Klapmuts, north of the N1, and situated within the Drakenstein Municipal area, is earmarked as a Special Economic Zone thereby opening up major economic opportunities for Drakenstein Municipality. The Klapmuts area, located south of the N1, lies within the Stellenbosch Municipal Area, where major housing opportunities are currently being provided along together with socio-economic opportunities. Drakenstein Municipality should therefore capitalize on providing investment opportunities to the north of the N1 in order to grow this new node into a viable economic space. The Klapmuts area can serve as the “Connecting Gateway” with our neighbouring municipalities, namely City of Cape Town, Stellenbosch Municipality (via R44 to the south) and Swartland Municipality (via R44 to the north) and Breede Valley Municipality and/or any South African area situated along the N1 (via N1 to the east).

3.8.8 Drakenstein Municipality should therefore strive to market Klapmuts as

- An attractive decentralized economic node with quality services and good accessibility for businesses wishing to locate outside of the City of Cape Town due to pressures such as traffic congestion, high property rates etc.; and
- An attractive economic hub for goods and services from other neighbouring municipalities due its unrivalled regional access and logistics network.

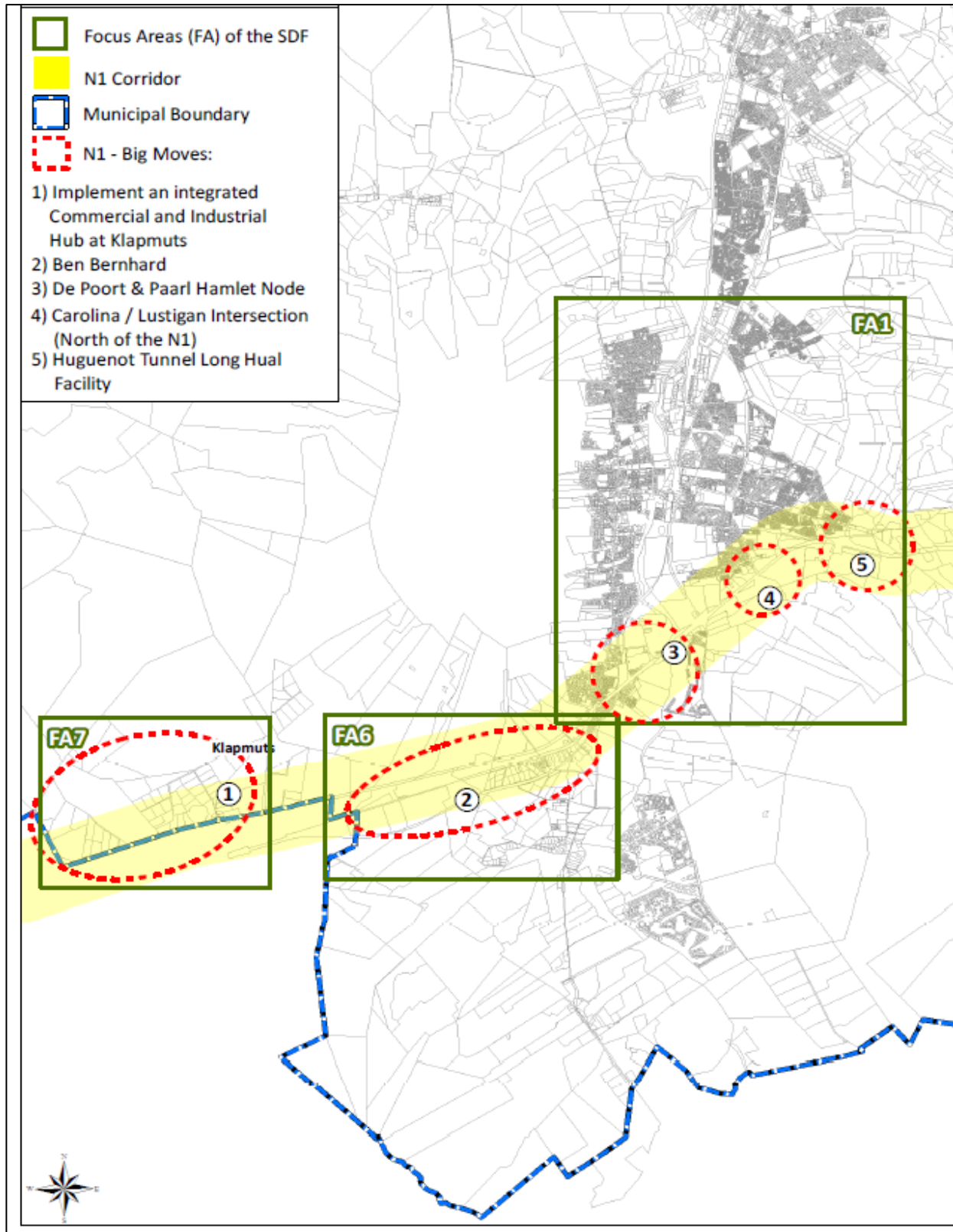
This economic node will achieve even greater traction and momentum should Drakenstein and Stellenbosch Municipalities have a mutual understanding and commitment to attract businesses and employment opportunities to the Klapmuts area to benefit both municipalities and its communities to achieve its development objectives. Addressing the Klapmuts development issue clearly requires a collaborative sub-regional spatial development framework between the Stellenbosch and Drakenstein Municipalities in order to avoid unsustainable ‘*twin developments*’.

3.8.9 SDF Spatial Strategy – Huguenot Tunnel as a link to Breede Valley Municipality, Western Cape and Southern Africa

A logistics hub and tourism gateway are proposed at the Huguenot Tunnel (i.e. Toll gate plaza) as this is the entry point to the Winelands area and City of Cape Town and/or exit to several other national destinations.

Drakenstein Municipality could capitalize on this longhaul transport facility by creating an enabling environment for tourism opportunities and creating logistics opportunities. These opportunities should be exploited to create employment opportunities for the residents of Drakenstein Municipality.

Figure 14: N1 Corridor



3.8.10 Catalytic Zone - Hinterland as per the IDP and its relation to the SDF

Drakenstein's Hinterland (and Hamlets) constitutes Windmeul, Hermon, Bainskloof Village, Gouda, Saron, farms and natural areas. The SDF promotes agriculture, agri-processing, tourism, operating as local service centres as core economic drivers for the rural areas.

3.8.11 SDF Spatial Strategy – Accessible routes as link to the City of Cape Town, Swartland Municipality and Berg River Municipality

Windmeul is strategically located at the intersection of the R44 and MR281 (eventually becoming Paarl Main Road). This hamlet should harness its strategic location and scenic quality to establish Windmeul as a centre for outdoor adventure sports to attract residents from City of Cape Town (Durbanville is closest town) and Swartland Municipality. The Perdeberg Nature Reserve falls partially within the Drakenstein Municipal Areas and partially (larger area) within the Swartland Municipal Area.

Hermon, situated at the intersection of the R44 and R46, should capitalize on its linkage with Riebeeck Kasteel and Riebeeck Wes in the Swartland Municipal Area to create tourism opportunities.

The Berg River is a blue lung that, forms the boundary to the north of Wellington, between Drakenstein Municipal Area and the Swartland Municipal Area. The fact that these two municipalities 'share' the Berg River means that the river serves the purpose of 'connecting' the 2 Local Authorities. To the north of the northern boundary of the Drakenstein Municipal Area, the Berg River forms the boundary between the Swartland Municipal Area, and the Berg River Municipal Area.

Opportunities for recreational activities, festivals, sporting activities should be investigated along the Berg River. Tourism should be a main focus with coordination between Drakenstein, Swartland and Berg River Municipalities for major events spanning over all three Local Authority Areas.

The R44 also running parallel to the Berg River also 'connects' rural hamlets such as Gouda and Saron with Porterville which is located within the Berg River Municipal Area to the north.

3.8.12 SDF Spatial Strategy – Gouda as nodal link to Witzenberg Municipality

Gouda is strategically located at the intersection of the R46 to Tulbagh (via the Nuwekloof Pass) and the R44 to Saron and Porterville. This strategic location should be capitalized on through pursuing a freight logistics hub with weighbridge, service station and truck stop as indicated in the SDF. With an Agri-Park being proposed for Ceres in the Witzenberg Municipality by the Department of Rural Development and Land Reform, this logistics hub could serve as a major economic injection for the Gouda area.

Drakenstein Municipality should capitalize on the above linkages with surrounding municipalities in order to strengthen its role as a leading secondary city in the Western Cape.

Figure 15: Hinterland and Hamlets

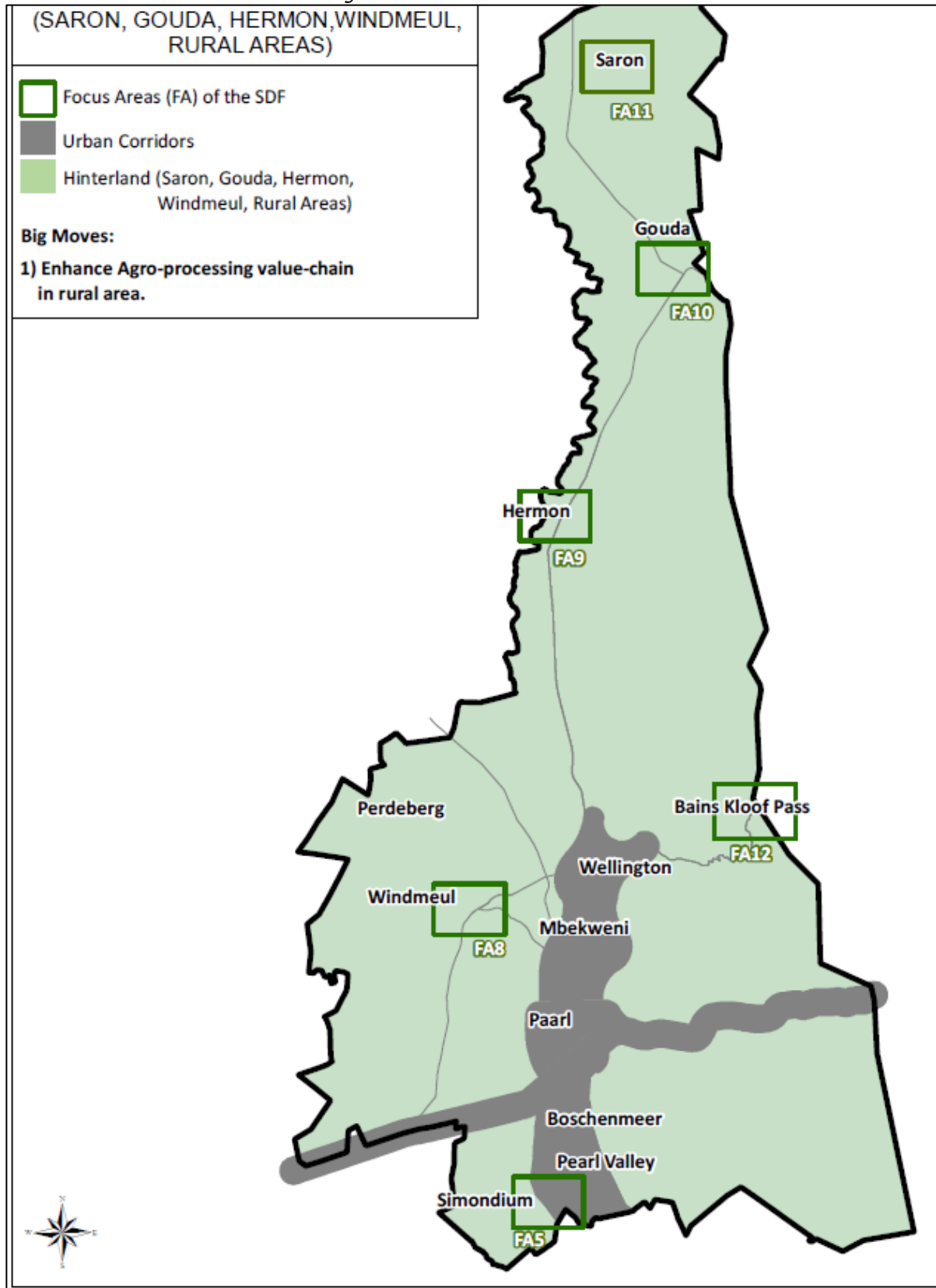


Table 92: Alignment between the Catalytic Zones and the Big Moves

| Catalytic Zone | Big Move |
|---|--|
| N1 Corridor | <ol style="list-style-type: none"> 1) Implement an Integrated Commercial and Industrial Hub at Klapmuts. 2) Promotion of a light Industrial and Commercial Business Hub at Ben Bernhard. 3) Development of De Poort and Paarl Hamlet node 4) Development of Carolina / Lustigan Intersection (North of the N1). 5) Development of the Huguenot Tunnel Long Haul Facility. |
| South City Corridor | <ol style="list-style-type: none"> 1) Bulk infrastructure upgrades required for the proposed developments in the area. 2) Creation of the Schuurmansfontein Road and Watergat Road Integration Road. 3) Proposed development between the R301 and R45. |
| Paarl East – West Integration Corridor | <ol style="list-style-type: none"> 1) Berg River Corridor / Paarl Waterfront and Arboretum Precinct. 2) Klein Drakenstein Road Central Improvement District (including Lady Grey Street). 3) The Paarl Central Business District Renewal and integration between Paarl East and West. |
| North City Integration | <ol style="list-style-type: none"> 1) Development of the Dal Josafat Industrial Area. 2) Wellington Industrial Park. 3) Wellington Urban Design Framework and Implementation. 4) Vlakkeland, Erf 16161 and Erf 557 Mixed Use Development. 5) Berg River Boulevard Extension to R45 and Nieuwedrift development. |
| Hinterland | <ol style="list-style-type: none"> 1) Farmer Production Support Unit. |

3.9 ALIGNMENT OF IDP INTERVENTIONS WITH SDF KEY SPATIAL PROPOSALS AND INTERVENTIONS

Chapter 6 of the SDF translates the identified IDP Chapter 3 projects, programs and initiatives, as far as possible, into key spatial proposals and interventions, which must be executed in order to achieve the desired spatial form of the municipality. The respective SDF key spatial proposals and interventions are visually represented through the use of a series of maps.

The key spatial proposals and interventions are included in the SDF implementation plan which is directly aligned with the financial plan and key performance indicators and performance targets as required in terms of Sections 26(h) – (i) of the MSA.

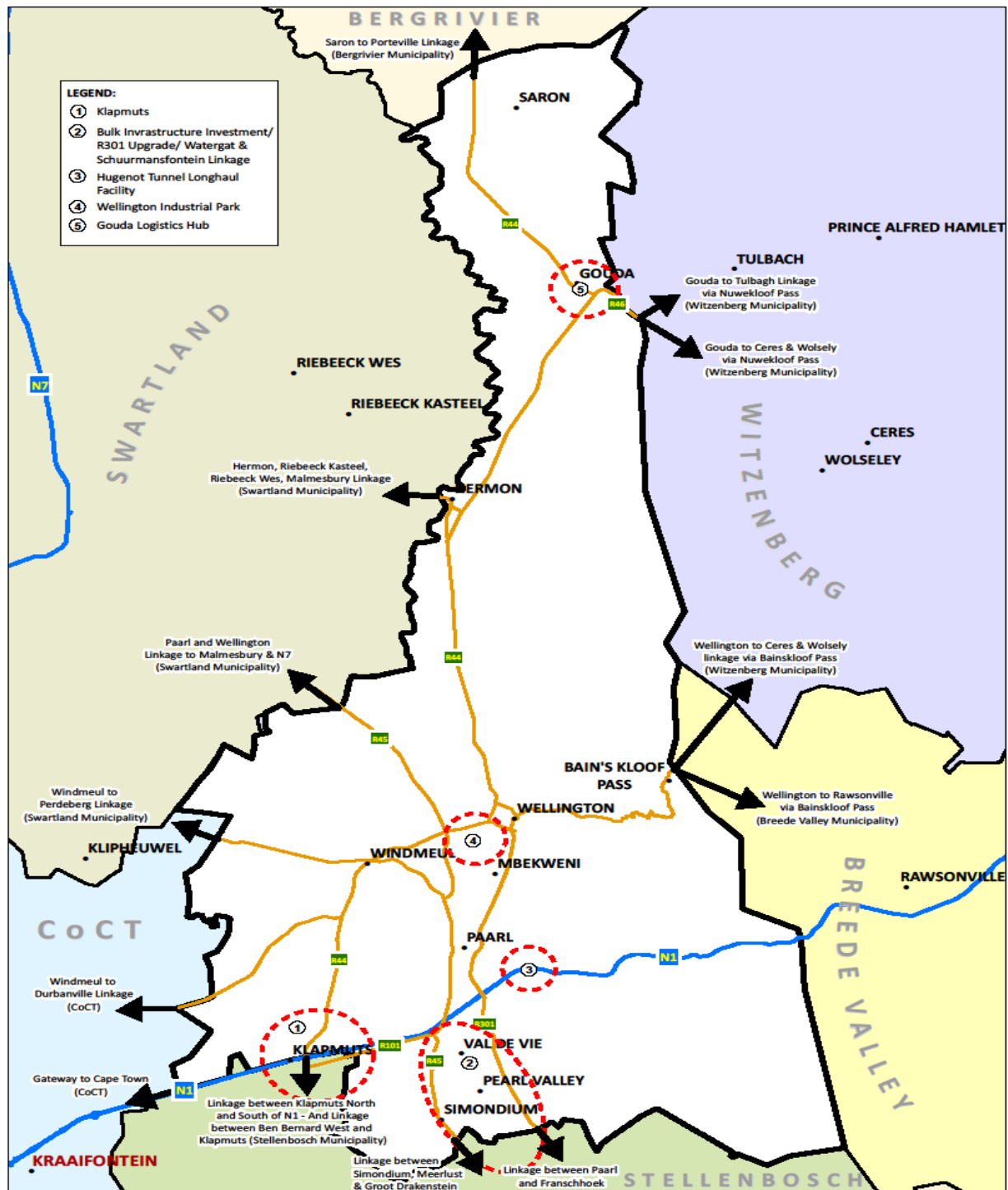
3.10 STRATEGIC ALIGNMENT WITH NEIGHBOURING MUNICIPALITIES

Drakenstein Municipality is bordered by the Swartland Municipality towards the north-west. Witzenberg Municipality borders Drakenstein Municipality towards the north-east, and the Bergriver Municipality abuts the northern border of Drakenstein Municipality. Towards the east, Drakenstein is bordered by the Breede Valley Municipality, to the south by the Stellenbosch Municipality, and towards the south-west by City of Cape Town.

The spatial proposals contained in the SDFs of the neighbouring municipalities impact and inform the Drakenstein SDF's spatial proposals – and vice versa. In addition, the municipalities are interdependent and must ensure that a consistent approach to key elements are shared to ensure that the Greater Cape Metropolitan Functional Area's functionality is maintained and managed sustainably. The following key aspects are important to consider in this regard:

- Maintaining and managing the integrity to linear green/opens spaces;
- Understanding the regional settlement hierarchy and positioning of the major nodes and their sustainable growth related to one another;
- Management of alien invasive species to reduce the risk and spreading of fires, and to enhance the water supply as shared water resources;
- Disaster risk management;
- Land use management; and
- Protection of cultural and scenic landscapes, routes and passes.

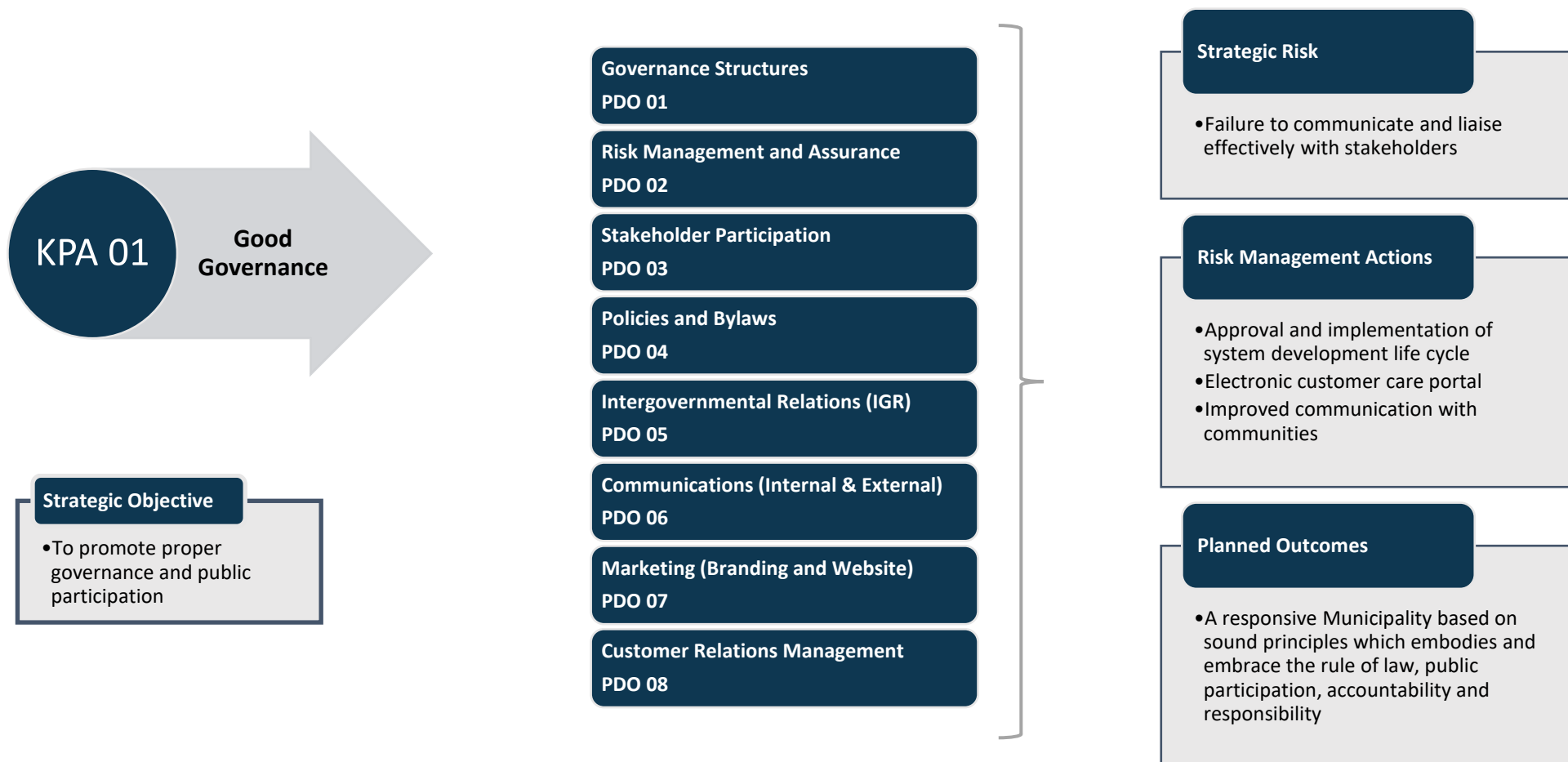
Figure 16: Strategic alignment with neighbouring municipalities



3.11 PROGRAMMES, INITIATIVES AND CAPITAL PROJECTS PER KPA AND PDO

What follows in the remainder of this chapter is a concise synthesis of all the programmes, key initiatives and projects that the Municipality plans to roll out over a 5- year period in order to reach its developmental goals per KPA and PDO. The capital expenditure is provided at a high level per KPA.

- A “programme” refers to a schedule of activities, e.g. conducting a series of workshops or maintenance of municipal buildings.
- A key “initiative” refers to a once-off activity, e.g. development of a Policy.
- A “project” refers to a project that requires a capital investment and a clear project ending, e.g. construction of a bulk sewerage line or upgrading of a road.



| PROGRAMMES AND INITIATIVES (KPA 1) | | | | | | | |
|--|---|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 01: 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 | | | | | | | |
| Limitation on time available for project implementation due to late transfer of approved funds | Initiative – Completion of the Risk Based Internal Audit Plan | x | x | x | x | x | N/A |
| Combined Assurance | Programme – Implementation of Combined Assurance Framework | x | x | x | x | 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: Policies and Bylaws | | | | | | | |
| Administer Bylaws | <ul style="list-style-type: none"> Finalise identified new Bylaw (Community Services Department) Review identified existing Bylaws (Community Services and Finance departments) | x | - | - | - | - | N/A |
| Administer policies | Maintain administering of policies | x | x | x | x | x | N/A |
| Commencement of Municipal Court | Implement Service Level Agreement with Department of Justice | x | X | X | X | x | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 05: International and Inter-Governmental Relations | | | | | | | |
| International Agreements | Review all Twinning Agreements and International Agreements | x | - | - | - | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 06: Communications | | | | | | | |
| Webpage Update | New webpage launched and is to be updated frequently | x | x | x | x | x | N/A |

| PRE-DETERMINED OBJECTIVE (PDO) 07: 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 and the DLTA for more effective marketing | x | x | x | x | | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 08: Customer Relations Management | | | | | | | |
| Continuously Measure the Satisfaction Levels of Citizens in terms of service delivery | Conduct annual Citizen Satisfaction surveys | x | x | x | x | x | N/A |

| CAPITAL PROJECTS (KPA 1) | | | | | | | |
|---|----------------------------------|----------------|----------------|----------------|----------------|----------------|--------------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 04: Policies & Bylaws | | | | | | | |
| Archive Management Policy Compliance and Implementation | Upgrade of document storage area | R125,000 | x | x | x | x | N/A |



| PROGRAMMES AND INITIATIVES (KPA 2) | | | | | | | |
|--|--|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 09: Revenue Management | | | | | | | |
| Valuation Roll | Implement supplementary valuation rolls per year (including general valuation in 2021/2022) | 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 | - | All wards |
| Accurate Billing: Electricity | Ensure that the applicable availability charges/consumer tariffs are levied on each property | 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 | - | All wards |
| Accurate Billing: Sanitation | Ensure that the applicable availability charges/consumer tariffs are levied on each property | 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 | - | All wards |
| Accurate Billing: Housing Rentals | Ensure that the applicable housing rental tariffs are levied on each property | 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 | - | All wards |
| Conventional Electricity Meters | Read at least 90% of All electricity meters on a monthly basis | ≥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% | - | All wards |
| Indigent Register | Compile and maintain an indigent register | x | x | x | x | - | All wards |
| Revenue Collection | Improve and sustain revenue collection to 98% of total revenue billed | 97% | 98% | 98% | 98% | - | All wards |

| PROGRAMMES AND INITIATIVES (KPA 2) | | | | | | | |
|---|--|----------|----------|----------|----------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Traffic Fine Collections | Improve the collection of traffic fines issued to at least 50% | 35% | 40% | 45% | 50% | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 10: Expenditure and Cost Management | | | | | | | |
| Operating Expenditure | Compile a zero-based operating expenditure budget | x | x | x | x | - | N/A |
| Cost Containment | Compile a zero-based operating expenditure budget | x | x | x | x | - | N/A |
| Creditor Payments | Pay all creditors within 30 days of receipt of invoice | ≤30 days | ≤30 days | ≤30 days | ≤30 days | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 11: Budgeting/Funding | | | | | | | |
| Zero Based Budgeting | Compile a zero-based balanced operating budget to generate operating surpluses | -3% | -1.5% | 0% | 1.5% | - | N/A |
| Grants | Compile & submit business plans to obtain more grant funding from National and Provincial grant programs | x | x | x | x | - | N/A |
| External Borrowings | Reduce borrowings to reduce gearing ratio to 45% | 66% | 60% | 55% | 50% | - | N/A |
| Own Reserves (CRR) | Compile a zero-based balanced operating budget to generate operating surpluses | -3% | -1.5% | 0% | 1.5% | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 12: Capital Expenditure | | | | | | | |
| Capital Expenditure | Calculate own funding mix (CRR and borrowings) for compiling a capital expenditure framework (CEF) | 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 | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 13: Asset Management | | | | | | | |
| GRAP Compliant Asset Register | Submit GRAP compliant asset register by 31 August | x | x | x | x | - | N/A |

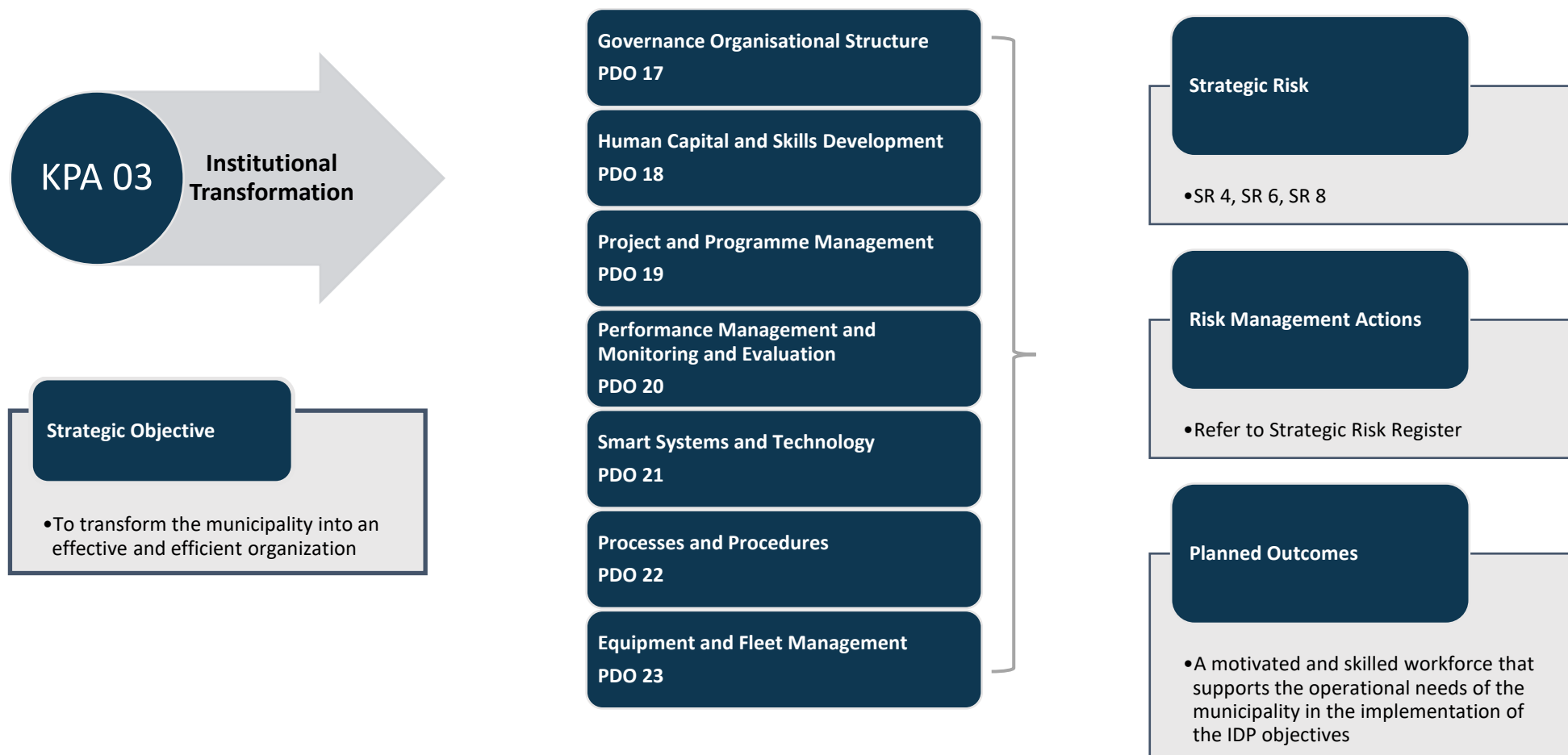
| PROGRAMMES AND INITIATIVES (KPA 2) | | | | | | | |
|--|--|----------------|----------------|----------------|----------------|----------------|--------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Moveable Assets | Compile and maintain a moveable asset register | x | x | x | x | - | N/A |
| Immoveable Assets | Compile and maintain an immoveable asset register | x | x | x | x | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 14: 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%. | 5% | 5% | 5% | 5% | - | 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% | - | 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% | - | N/A |
| Debtors Collection Ratio | Improve and sustain revenue collection to 98% of total revenue billed | 97% | 98% | 98% | 98% | - | N/A |
| 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% | - | 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 | - | N/A |
| Cash/Cost Coverage Ratio | Compile a balanced operating budget to improve cash/cost coverage ratio to 3 months | 2 months | 2.5 months | 3 months | 3 months | - | N/A |
| Current Ratio | Compile a balanced operating budget and improve revenue collection to stabilise current ratio to 1.5 : 1 | 1.2 | 1.3 | 1.4 | 1.5 | - | N/A |
| Capital Cost as a % of Total Operating Expenditure | Reduce borrowings to reduce interest and redemption as a % of total operating expenditure to 12%. | 14% | 13.5% | 13% | 12% | - | N/A |
| Debt (Total Borrowings/Revenue – Gearing Ratio | Reduce borrowings to reduce gearing ratio to 45% | 66% | 60% | 55% | 50% | - | N/A |

| PROGRAMMES AND INITIATIVES (KPA 2) | | | | | | | |
|---|--|---------|---------|---------|---------|---------|-------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Level of Cash Backed Reserves (Net Assets – Accum. Surplus) | Maintain the Level of Cash Backed Reserves (Net Assets – Accum. Surplus) to more than 100%. | >100% | >100% | >100% | >100% | - | N/A |
| Net Operating Surplus Margin | Compile a balanced operating budget to generate operating surpluses | -3% | -1.5% | 0% | 1.5% | - | N/A |
| Net Surplus/Deficit: Electricity | Review charge outs of internal costs to ensure cost reflective electricity tariffs and a surplus of 15% | 15% | 15% | 15% | 15% | - | N/A |
| Net Surplus/Deficit: Water | Review charge outs of internal costs to ensure cost reflective water tariffs and a surplus of 15% | 15% | 15% | 15% | 15% | - | N/A |
| Net Surplus/Deficit: Refuse | Review charge outs of internal costs to ensure cost reflective refuse removal tariffs and a surplus of 10% | 10% | 10% | 10% | 10% | - | N/A |
| 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% | - | 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% | - | N/A |
| Water Distribution Losses | Maintain water distribution losses to less than 15%, by monitoring broken water pipes, meter auditing. | 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% | - | 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 | - | N/A |

| PROGRAMMES AND INITIATIVES (KPA 2) | | | | | | | |
|---|--|----------------|----------------|----------------|----------------|----------------|--------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| 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 | - | 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 | - | 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 | - | 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 days | ≤30 days | ≤30 days | ≤30 days | - | 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% | - | N/A |
| Capex (Grants excluded) to Total Capital Expenditure | Compile a balanced operating budget to generate operating surpluses to reduce external borrowings | -3% | -1.5% | 0% | 1.5% | - | N/A |
| Capex (Grants & EL excluded) to Total Capital Expenditure | Compile a balanced operating budget to generate operating surpluses to reduce external borrowings | -3% | -1.5% | 0% | 1.5% | - | N/A |
| Own Source Revenue to Total Operating Revenue | Reduce the Own Source Revenue to Total Operating Revenue mix, by applying for more capital grants. | 75% | 75% | 75% | 75% | - | N/A |
| Capital Expenditure Budget Implementation Indicator | Monitor the capital expenditure budget implementation indicators with monthly budget monitoring meetings with all departments | 100% | 100% | 100% | 100% | - | N/A |

| PROGRAMMES AND INITIATIVES (KPA 2) | | | | | | | |
|---|--|---------|---------|---------|---------|---------|-------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Operating Expenditure Budget Implementation Indicator | Monitor the operating expenditure budget implementation indicators with monthly budget monitoring meetings with all departments (Housing Grant budgeted and actual expenditure excluded) | 95% | 95% | 95% | 95% | - | N/A |
| Operating Revenue Budget Implementation Indicator | Monitor the operating revenue budget implementation indicators with monthly budget monitoring meetings with all departments (Housing Grant budgeted and actual expenditure excluded) | 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 | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 15: Supply Chain Management | | | | | | | |
| Municipal Stores | Annually review the minimum and maximum stock levels with user departments | x | x | x | x | - | N/A |
| Acquisitions | Monthly reporting to Council on deviations from legislative required procurement processes | x | x | x | x | - | N/A |
| Demand Planning | Compile and maintain a demand planning database | x | x | x | x | - | N/A |
| Contract Management | Compile and maintain a contract management register | x | x | x | x | - | N/A |
| Compliance Reporting | Monthly reporting to National Treasury on tenders awarded | x | x | x | x | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 16: Financial Reporting | | | | | | | |
| MSCOA Structure | Implement new MSCOA 6.3 version and maintain MSCOA charts in outer years | x | x | x | x | - | N/A |
| Compliance Reporting | Submit annual financial statements by 31 August | x | x | x | x | - | N/A |

| CAPITAL PROJECTS (KPA 2) | | | | | | | |
|--|---|----------|---------|---------|---------|---------|-------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 15: Supply Chain Management | | | | | | | |
| ACQUISITIONS | | | | | | | |
| Lack of contract management capability | Acquisition of an electronic contract management system | R250,000 | - | - | - | - | N/A |



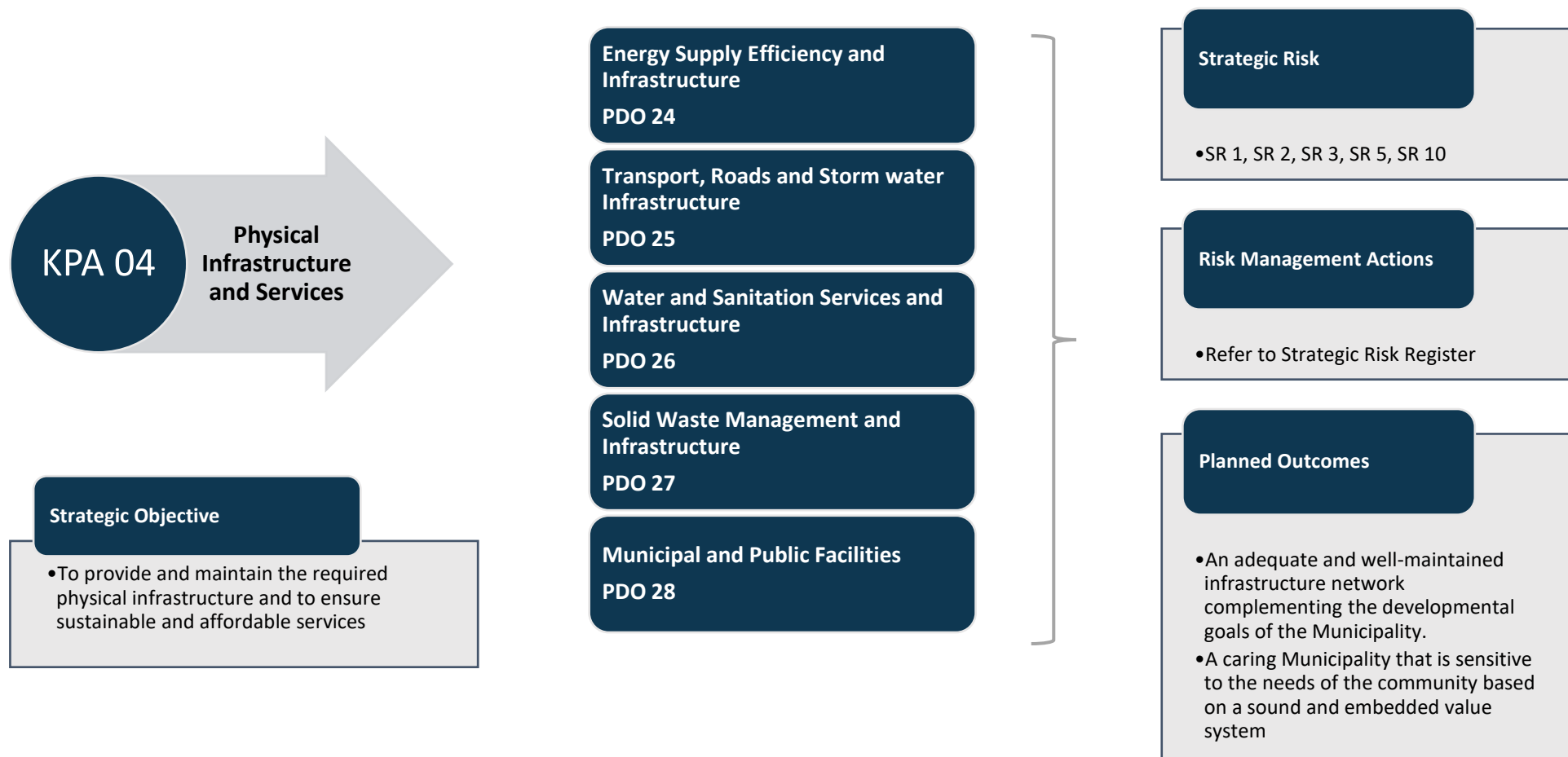
| PROGRAMMES AND INITIATIVES (KPA 3) | | | | | | | |
|--|---|---------|---------|---------|---------|---------|-------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 17: Organisational Structure | | | | | | | |
| Efficient Utilisation of Staff | Implementation of Staff Prioritisation Committee | x | x | x | x | x | N/A |
| Filling of Funded Vacancies | Implementation of Critical Vacancy Committee (ED and R&S) | - | x | - | - | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 18: Human Capital and Skills Development | | | | | | | |
| Skilled Workforce | Finalize Workplace Skills Audit | x | - | - | x | x | N/A |
| | Implement Training Initiatives and Bursary Programme | x | x | x | x | x | N/A |
| Retention of Institutional Memory | Formalise on the job training Train coaches and mentors | x | x | x | x | x | N/A |
| Motivated, Energised and Healthy Staff Compliment | Implement infectious disease health and safety plan with the relevant PPE | x | x | x | x | x | N/A |
| PRE-DETERMINED OBJECTIVE (PDO 19): Project and Programme Management | | | | | | | |
| Mitigating Project Risk | Incorporate Main Projects on Project Management Information System | 100% | 100% | 100% | 100% | - | N/A |
| Breaking down Silo Implementation | Establish Project Management Forum for Transversal functions | x | - | - | - | - | N/A |
| Efficient Project Implementation Cycles | Circulate project implementation cycle guidelines and hold implementation cycle planning meetings to identify and communicate future requirements | x | x | x | x | x | N/A |
| Centralisation of Municipal Project Information | Capture and report on Main Projects via the Project Management Information System | 100% | 100% | 100% | 100% | 100% | N/A |

| PROGRAMMES AND INITIATIVES (KPA 3) | | | | | | | |
|--|--|----------------|----------------|----------------|----------------|----------------|--------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Project and Programme Policy guideline distribution and training | Workshop project templates and procedures with project managers to ensure key project management aspects are addressed | x | x | x | x | x | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 20: Performance Management | | | | | | | |
| Individual Performance Management | Implementation of Staff Efficiency Monitoring by all Departments | 50% | 75% | 100% | 100% | 100% | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 21: Systems and Technology | | | | | | | |
| Virtual Server Environment | Upgrade server hosting operating system (Migrate VM-Ware to Hyper V) | x | - | - | - | - | N/A |
| ICT Continuity | Provision of additional redundant optic fibre line from Drakenstein network to the Internet Service provider | - | x | - | - | - | N/A |
| Ageing ICT infrastructure | Manage and Prioritise Infrastructure Replacement Plan in accordance with allocated budget | x | x | x | x | x | N/A |
| E-Mail to Azure Cloud | Move the e-mail server to the Microsoft Cloud | x | - | - | - | - | N/A |
| Disaster Recovery | Move the disaster recovery facility from Wellington Civic Centre to the Microsoft Azure Cloud | - | x | - | - | - | N/A |

| PROGRAMMES AND INITIATIVES (KPA 3) | | | | | | | |
|---|---|---------|---------|---------|---------|---------|-------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Network Security Vulnerabilities | Acquire Software to scan the network to identify and address vulnerabilities that could be exploited within the network. | - | x | - | - | - | N/A |
| ICT Security | Continuous update of implemented security mechanisms | x | x | x | x | x | N/A |
| Cyber Security awareness | Provide continuous cyber security awareness information to computer users and formalise user awareness practises | x | x | x | x | x | N/A |
| Corporate Governance of ICT | Facilitate regular ICT Steering Committee meetings | x | x | x | x | x | N/A |
| ICT Master Plan | Manage the annual review and implementation of the ICT Master Plan | x | x | x | x | x | N/A |
| Review of Critical Business Systems | Perform annual review of business context applicability of implemented information system under the oversight of the ICT Steering Committee | x | x | x | x | x | N/A |
| Technology Environmental Controls | Monitor application of environmental controls standard operating procedures | x | x | x | x | x | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 22: Process and Procedures | | | | | | | |
| Optimising Business Processes | Create awareness of business process automation | x | x | x | x | x | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 23: Equipment and Fleet Management | | | | | | | |
| Efficient Prioritisation of Fleet Purchases | Implement Standard Operating Procedure for fleet prioritisation and inclusive decisions | x | x | x | x | x | N/A |

| PROGRAMMES AND INITIATIVES (KPA 3) | | | | | | | |
|---|--|----------------|----------------|----------------|----------------|----------------|--------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| | 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 |
| 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 |

| CAPITAL PROJECTS (KPA 3) | | | | | | | |
|---|--|------------|----------|---------|---------|---------|-------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 21: Systems & Technology | | | | | | | |
| COMPUTER RELATED | | | | | | | |
| ICT Infrastructure and Equipment | Replacement of Desktops and Laptops, Increase Capacity of Virtual Server Environment | R2,000,000 | - | - | - | - | N/A |
| Aged ICT Equipment | Replacement of Ict equipment related to the Fire and Rescue services | - | R75,000 | R75,000 | R75,000 | R85,000 | N/A |
| Microsoft Software | New Microsoft Licences | R500,000 | - | - | - | - | N/A |
| Communication Hardware | Replacement of telephone handsets | R30,000 | - | - | - | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 23: Equipment & Fleet Management | | | | | | | |
| FLEET AND WORKSHOP | | | | | | | |
| Efficient Utilisation of Existing Equipment & Fleet | Replacement of Workshop equipment and tools | R50,000 | R450,000 | - | - | - | N/A |
| Efficient Prioritisation of Fleet Purchases | Replacement of vehicles and equipment | R2,575,000 | - | - | - | - | N/A |
| Efficient Prioritisation of Fleet Purchases | Replacement of Waste vehicles FTP | R5,000,000 | - | - | - | - | N/A |
| Efficient Utilisation of Existing Equipment | Replacement of EPWP equipment and tools | R215,000 | R215,000 | - | - | - | N/A |



| PROGRAMMES AND INITIATIVES (KPA 4) | | | | | | | |
|--|--|---------|---------|---------|---------|---------|-------------------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 24: Energy Supply Efficiency & Infrastructure | | | | | | | |
| 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 generation: Drakenstein Street Light Projects | x | x | x | x | x | All wards |
| Need for a new Customer Care Management System | New Customer Care System | x | - | - | - | - | N/A |
| 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 |
| PRE-DETERMINED OBJECTIVE (PDO) 25: Transport, Roads and Stormwater Infrastructure | | | | | | | |
| Outdated Storm Water Master Plan and Flood Levels | Revision of SWMP and flood lines | - | x | x | x | x | All wards |
| Aged Infrastructure | Replacement of pipes and culverts beyond their RUL | - | x | x | x | x | All wards |
| Aged infrastructure | Eradication of Midblocks in Wellington South | - | - | X | X | X | 7,8,9,10,11 |
| Development of enabling infrastructure | Wellington Town Square (EDP project) | - | x | x | x | x | 2, 7, 10, 11, 18,29 |
| Aged infrastructure | Reseal and upgrade of streets to curtail further deterioration | - | x | x | x | x | All wards |
| Masterplanning | Updating Stormwater Masterplans | - | X | X | X | x | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 26: Water and Wastewater Services | | | | | | | |
| Lack of basic services in informal settlements | Extension of Basic Services: Informal Settlements | - | x | x | x | x | 5, 6, 7, 14, 13, 24, 21 |
| Development of enabling infrastructure | Scientific Laboratory Equipment | x | x | x | x | x | All wards |
| Development of enabling infrastructure | Traffic Signals | - | x | x | x | x | All wards |

| PROGRAMMES AND INITIATIVES (KPA 4) | | | | | | | |
|---|--|---------|---------|---------|---------|---------|---|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Development of enabling infrastructure | Provision of Borehole Infrastructure | x | - | - | - | - | All wards |
| Lack of Basic Services in Informal Settlements | Extension of Basic Services: Informal Settlements | x | x | x | x | x | 1, 5, 6, 7, 8, 12, 13, 14, 15, 16, 20, 21, 22, 24, 25, 27, 31, 32 |
| Water loss management | Installation of Pressure Management Systems | x | - | X | X | X | Paarl/Wellington |
| | Drakenstein Rural Area: Ronwe project | - | - | - | x | x | 28 |
| | Gouda Small Holding Water Scheme | - | - | x | x | x | 31 |
| Aged infrastructure | Renovations to Market Street Building | x | x | x | x | x | N/A |
| Aged infrastructure | Major repairs of corporate buildings (waterproofing of Civic Centre) | x | x | x | x | x | N/A |
| Aged infrastructure | Depot & Office Renovations | x | x | - | - | - | N/A |
| Aged infrastructure | Replacement of vehicles & equipment | - | x | x | x | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 27: Solid Waste Management & Infrastructure | | | | | | | |
| Norms and standards compliance | Fencing at Wellington Disposal Facility (licencing conditions, provision of concrete palisade fence) | - | - | - | - | x | 2, 7, 10, 11, 18,29 |
| Illegal dumping/area cleaning | Construction of Mini drop-off facilities | x | x | - | - | - | All wards |
| Illegal dumping/area cleaning | Street refuse bins | | x | x | x | - | All wards |
| Illegal dumping/area cleaning | Wheelie bins | x | x | x | x | - | All wards |
| Illegal dumping/area cleaning | Bulk Refuse containers | x | x | x | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 28: Municipal & Public Facilities | | | | | | | |
| Development of enabling infrastructure | Saron Community Hall - Higher voltage usage for the Hall | - | - | - | - | - | 30 |
| Aged Infrastructure | Paarl Town Hall - Painting and upgrading | - | - | - | - | - | 4 |

| PROGRAMMES AND INITIATIVES (KPA 4) | | | | | | | |
|--|---|----------------|----------------|----------------|----------------|----------------|-----------------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Aged Infrastructure COVID 19 social response to the needs of the homeless, including accommodation, health screening, catering, COVID-19 awareness and reintegration with family structures | Wellington Town hall - Roof repairs and upgrading Conversion of the Wellington hall, ablution space and kitchen to accommodate 60 homeless people for a period of 2 months. Preparation of meals, supply of sanitary material, sanitation of hall and surfaces. Maintenance of hall facility. Education of homeless on COVID 19. | x | - | - | - | - | 2, 7, 10, 11, 18, 29 |
| Aged Infrastructure COVID-19 social response to the needs of the homeless, including accommodation, health screening, catering, COVID-19 awareness and reintegration with family structures | Mbekweni Community Hall - Painting Conversion of the Huguenot Hall, ablution space and kitchen to accommodate 60 homeless people for a period of 2 months. Preparation of meals, supply of sanitary material, sanitation of hall and surfaces. Maintenance of hall facility. Education of homeless on COVID 19. | - | - | - | - | - | 5, 6, 7, 8, 9, 12, 16 |
| COVID-19 social response to the needs of the homeless, including accommodation, health screening, catering, COVID-19 awareness and reintegration with family structures | Conversion of the Thusong Centre Hall, ablution space and kitchen to accommodate 60 homeless people for a period of 2 months. Preparation of meals, supply of sanitary material, sanitation of hall and surfaces. Maintenance of hall facility. Education of homeless on COVID-19. | x | - | - | - | - | 22 |

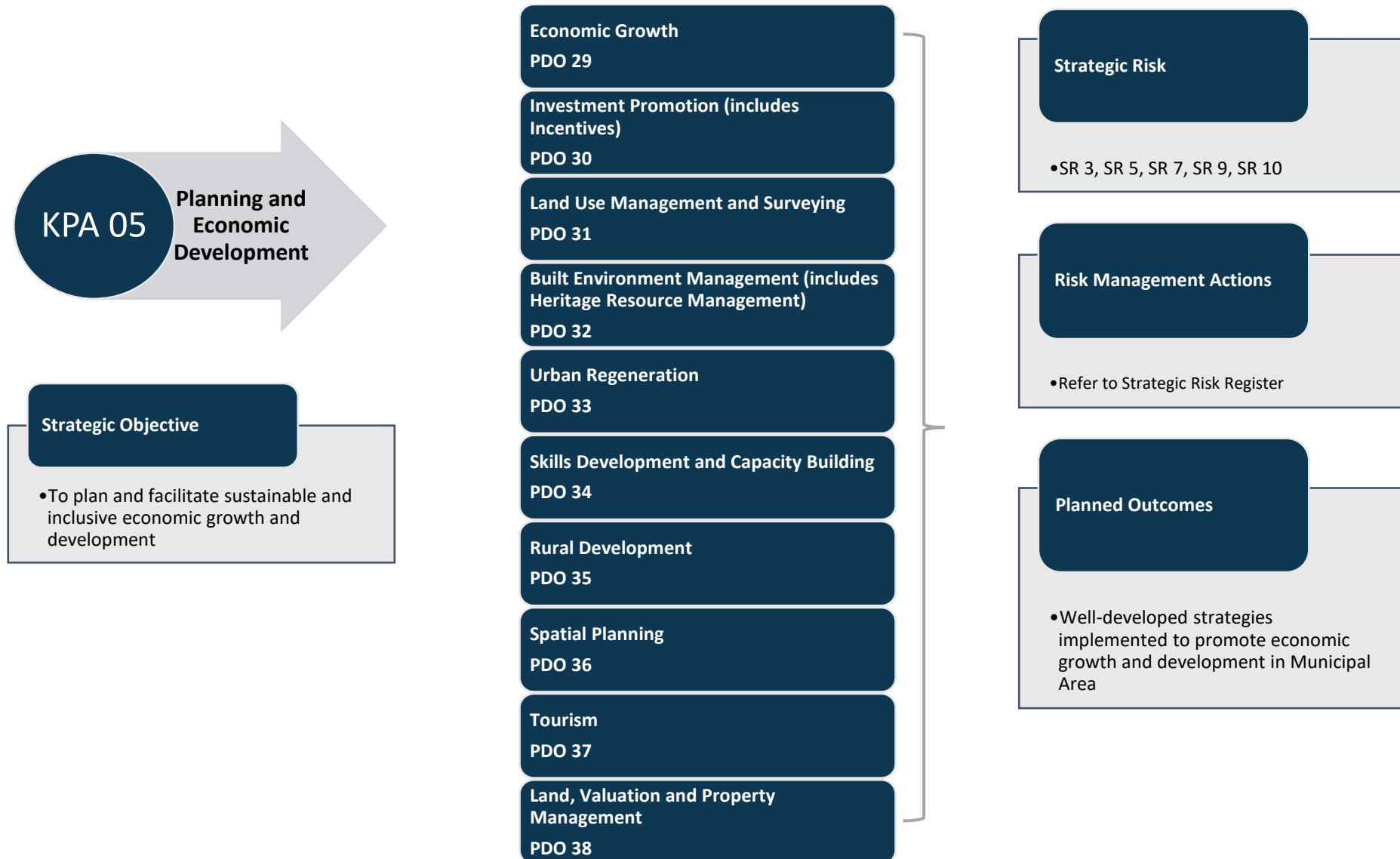
| CAPITAL PROJECTS (KPA 4) | | | | | | | |
|---|--|-------------|-------------|-------------|-------------|-------------|---------------------------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 24: Energy Supply Efficiency & Infrastructure | | | | | | | |
| ENERGY SUPPLY | | | | | | | |
| Additional electricity supply | Quality of supply (upgrading of SCADA system) | R1,000,000 | - | - | - | - | All wards |
| Illegal connections | Housing Project Electrification | R9,534,783 | R16,521,739 | R16,521,739 | R16,521,739 | R16,521,739 | 5, 6, 7, 14, 13, 24, 21 |
| Aged infrastructure and vandalism | Upgrade Dal Weide Substation; Switchgear & Energy Efficiency and Demand side Management | R10,927,794 | R7,500,000 | R7,500,000 | R7,500,000 | R7,500,000 | All wards |
| Replacing aged tools and equipment | Replace tools and equipment | R920,000 | - | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 25: Transport, Roads & Stormwater Infrastructure | | | | | | | |
| ROADS | | | | | | | |
| Large backlog in the upgrading of municipal roads exist | Backlog in reseal of streets: Programme: Reseal of streets in terms of the Roads Asset Management System (Pavement Management) | R6,000,000 | R9,528,406 | R11,983,768 | R11,983,768 | R10,983,768 | All wards |
| Large backlog in the upgrading of municipal roads exist | Upgrading of intersection at Wellington Industrial Park | R1,203,404 | - | - | - | - | 18 - All Wellington wards |
| Vandalism and backlog in site furniture and fencing | Closing of walkways & replacement of fencing at bridges | R490,000 | - | - | - | - | All wards |
| Sidewalk condition inadequate | Upgrading of sidewalks in accordance with budget by existing tenders | R2,500,000 | R0 | R0 | R0 | R0 | All wards |
| Surface condition of areas around flats inadequate | Upgrading of aprons around municipal rental stock | R1,000,000 | R0 | R0 | R0 | R0 | All wards |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| | | | | | | | |
|---|---|-------------|-------------|-------------|-------------|-------------|--|
| Large backlog in the upgrading of municipal roads exist | Upgrading of Oosbosch Street to dual carriageway: Project: Construction of upgrading by external tender | R14,288,000 | - | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 26: Water and Wastewater Services | | | | | | | |
| WATER AND SANITATION | | | | | | | |
| Aged infrastructure | Replacement of sewerage systems | R5,000,000 | R9,528,406 | R11,983,768 | R11,983,768 | R10,983,768 | 4,5,6,7,8,9,10,11,12,13,14,16,18,21,22,24,25,26,27,30,31,32,33 |
| Aged infrastructure | Refurbishment of Pentz Street Pump Station | R2,200,000 | - | - | - | - | 18 |
| Low capacity of Waste Water Treatment Works | Upgrading of Paarl WWTW Mechanical Inlet | R1,400,000 | - | - | - | - | 17 |
| Need for new network reticulation | Upgrading of Informal Settlements sewer reticulations | R1,000,000 | - | - | - | - | 5,6,7,8,9,10,11,12,13,14,16,20,21,22,24,25,27,30,31,32 |
| Need for new network reticulation | Upgrading of Informal Settlements water reticulation | R1,000,000 | - | - | - | - | 5,6,7,8,9,10,11,12,13,14,16,20,21,22,24,25,27,30,31, |
| Need for new network reticulation | Replace/Upgrade water reticulation system (Paarl/Wellington) | R9,095,000 | R14,528,406 | R11,983,768 | R11,983,768 | R13,983,768 | 1,5,6,7,8,12,13,14,15,16,20,21,22,24,25,27,31,32 |
| PRE-DETERMINED OBJECTIVE (PDO) 27: Solid Waste Management & Infrastructure | | | | | | | |
| SOLID WASTE MANAGEMENT | | | | | | | |
| Illegal dumping/area cleaning | Construction of Mini Drop-Off Facilities | R700,000 | - | - | - | - | All wards |
| Illegal dumping/area cleaning | Street refuse, Bulk refuse and Wheelie Bins | R1,100,000 | - | - | - | - | All wards |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| | | | | | | | |
|---|--|------------|-------------|-------------|------------|------------|-----------|
| Alternative to Landfill | Solid waste Diversion infrastructure | R4,000,000 | R6,000,000 | - | - | - | All wards |
| Landfill operation optimisation | Upgrading of Paarl Transfer Station | R1,500,000 | - | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 28: Municipal & Public Facilities | | | | | | | |
| MUNICIPAL FACILITIES | | | | | | | |
| Ageing Infrastructure | Safmarine Community Hall: Upgrading of hall | R160,000 | R350,000 | R400,000 | R1,550,000 | R500,000 | 11 |
| Development of enabling infrastructure | Wellington Town Hall & Facility Management equipment & machinery | - | R105,000 | R110,000 | R115,000 | R2,120,000 | 30 |
| Aged Infrastructure | Maintenance and upgrades to Corporate buildings | R1,000,000 | - | - | - | - | N/A |
| Aged Infrastructure | Upgrade of corporate facility aircons | R250,000 | R19,000,000 | R20,000,000 | - | - | All wards |
| Socio-economic circumstances | Establishment & upgrade of soup Kitchens | R170,000 | R555,000 | R410,000 | R265,000 | R70,000 | All wards |



| PROGRAMMES AND INITIATIVES (KPA 5) | | | | | | | |
|---|---|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 29: Economic Growth | | | | | | | |
| Scarcity of job opportunities and lack of economic opportunities | Implementation of the Integrated Economic Growth Strategy and the Rural Development Strategy | x | x | x | x | - | All wards |
| SMME and Entrepreneurship Development | Develop a mentoring and skills development programme for SMMEs and entrepreneurs | x | x | x | - | - | All wards |
| Informal Trading Economy Enhancement Strategy | Implementation of the Informal Trading Economy Enhancement Strategy | x | x | x | x | - | All wards |
| Addressing the digital divide and unemployment | Developing a digital economy strategy and implementation plan | - | - | - | x | - | All wards |
| Development of Small Business linkages | Supply Chain Policy Reforms - Implementation of Preferential Procurement Regulations Strategy/Policy | x | x | x | x | - | All wards |
| Development of Small Business linkages | Implementation of SMME virtual business support hub | x | x | x | x | - | All wards |
| Development of Small Business linkages | Develop and implement a local "Tradeworld" portal to facilitate localised procurement opportunities for SMMES | - | - | - | x | - | All wards |
| Enhancing Small Business support | Development of a Township Economy Strategy and implementation plan | x | x | x | x | - | All wards |
| Need for a Social Contribution Framework to drive Corporate Social Investment | Develop and implement a Corporate Social Investment Framework | x | x | x | x | - | All wards |
| Development of Small Business linkages | Establish a One-Stop Business Support Centre | - | - | x | x | - | All wards |
| Enhancing Small Business support | Establish an Incubator Hive at Wellington Industrial Park | - | x | x | x | - | All wards |
| Enhancing Small Business support | Establish a Business Hive in Ward 25 | - | - | x | x | - | Ward 25 |
| PRE-DETERMINED OBJECTIVE (PDO) 30: Investment Promotion | | | | | | | |
| Investor Facilitation | Implementation of Investment Incentive Policy | x | x | x | x | - | All wards |

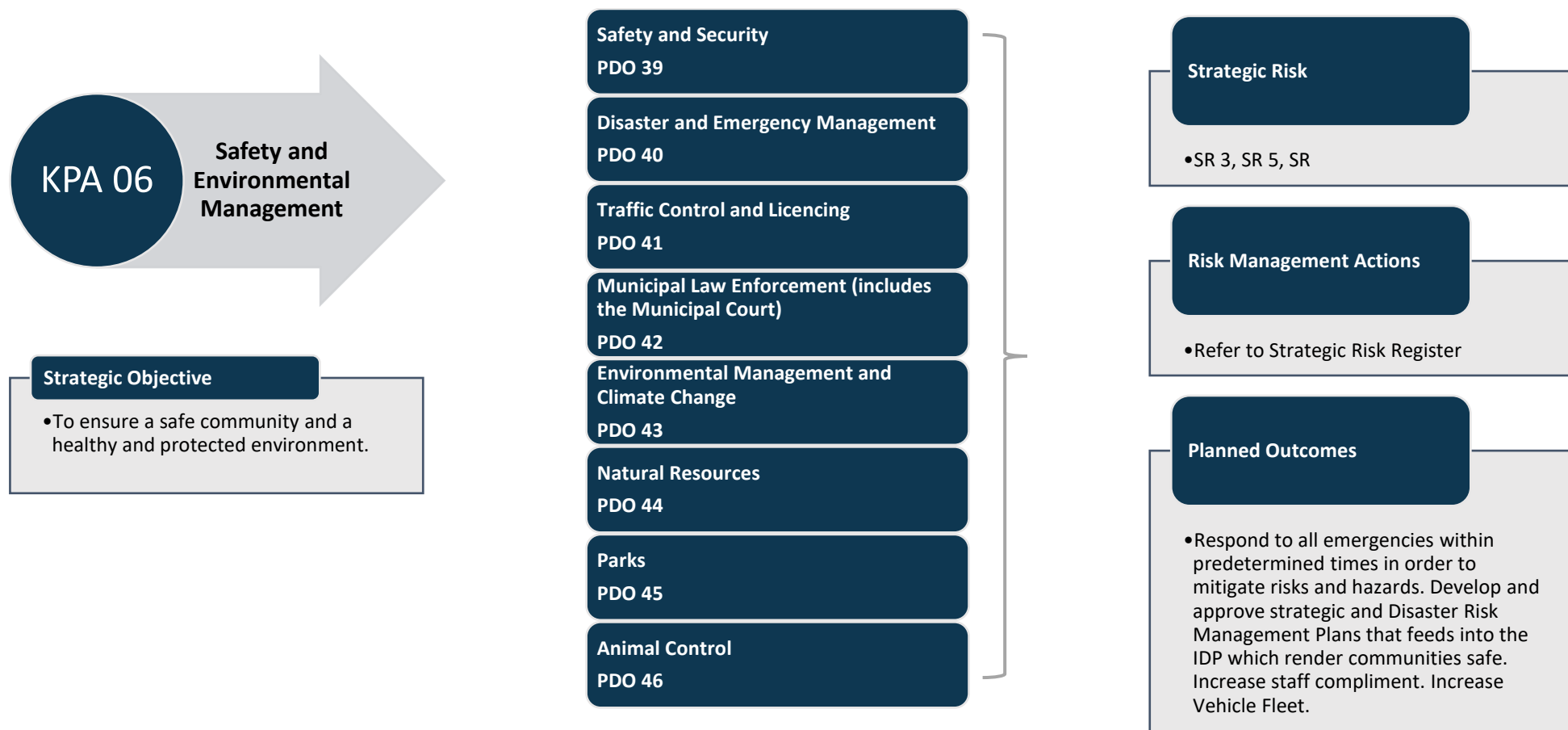
| PROGRAMMES AND INITIATIVES (KPA 5) | | | | | | | |
|---|---|----------------|----------------|----------------|----------------|----------------|--------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Investor Facilitation | Transactional Advisory services to facilitate investment promotion with prospectus which include 5 bankable priority projects | - | - | x | x | - | All wards |
| Investment Promotion | Develop and implement an Investment and Development marketing guide | x | x | x | x | x | All wards |
| Investment Promotion | Development of an Investment Promotion Strategy (identification of sector priorities-via IEGS process) | - | x | x | x | x | All wards |
| Investment Facilitation | Facilitate the development of business and industrial parks at Klapmuts, Wellington, Ben Bernhard and Waterfront | - | x | x | x | - | N/A |
| Investment Promotion | Support fibre roll-out plan | x | x | x | x | x | All wards |
| Investment Retention | Establish a database of businesses and investors with aligned monitoring and evaluation tool | - | - | x | x | - | All wards |
| Investment Retention | Implement an after-care service and conducting an annual business confidence survey | - | x | x | x | - | All wards |
| Investment Retention | Provide sufficient research support to enable investment decisions by companies | - | x | x | x | - | All wards |
| Investment Retention | Publish quarterly economic bulletins to assure investor confidence | - | x | x | x | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 31: Land Use Management and Surveying | | | | | | | |
| Land Use management of liquor outlets | Implementation of the Liquor Premises Policy | x | x | x | x | x | All wards |
| Expediting land use application processes via an electronic system | Implementation of the E-Land Use Management System | x | x | x | x | x | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 32: Built Environment Management (includes Heritage Resource Management and Building Control) | | | | | | | |
| Development of a Heritage Bylaw | Engage with HWC and Legal Services and approval of required Bylaw | - | - | - | x | - | All wards |

| PROGRAMMES AND INITIATIVES (KPA 5) | | | | | | | |
|---|---|---------|---------|---------|---------|---------|---|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Heritage Committees to be duly constituted | <ul style="list-style-type: none"> Formulate a terms of reference for the new heritage committees; Formulate code of conducted for the members of the heritage committees; and Formulate rules of proceeding of meeting of the heritage committees. | - | x | x | - | - | All wards |
| Need to have a single source of heritage assets | Develop and maintain a Heritage Register | - | - | - | x | - | All wards |
| Heritage areas require approval i.t.o. the NHRA | Obtain approval for specific Heritage Areas | - | - | x | x | - | All wards |
| Lack of a Cultural Heritage Strategy for the municipality | Develop a Cultural Heritage Strategy | - | - | x | - | - | All wards |
| Building Control Bylaw | Bylaw Review | - | x | - | - | - | All wards |
| Problem Premises Bylaw | Bylaw Review | - | x | - | - | - | All wards |
| Development of SOP's and SLA's to align with Drakenstein's Service Charter between municipal stakeholders | <ul style="list-style-type: none"> Beacon Inspections SOP; Trench Inspections SOP; Drainage Inspections SOP; Acquiring Building Plans SOP; Municipal Rental Stock Prior Plan SOP Submission Process SOP; and Demolition Applications SOP. | x | - | - | - | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 33: Urban Regeneration | | | | | | | |
| Investment Plan for the Paarl CBD, Mbekweni and Paarl East Area | Develop an Investment Plan for the Paarl CBD, Mbekweni and Paarl East Area and implement recommendation. | x | x | - | - | - | 4, 6, 8, 9, 12, 13, 14, 16, 19, 20, 21, 22, 24, 25, 26, 27 and 33 |
| Urban management | Finalise the Special Ratings Area Policy and Bylaws | x | - | - | - | - | All wards |
| Lack of Suitable/Diverse Housing and Need for Social Integration | Develop proposals within SDF and HSP for inner CBD housing opportunities | - | - | x | - | - | All wards |

| PROGRAMMES AND INITIATIVES (KPA 5) | | | | | | | |
|---|---|----------------|----------------|----------------|----------------|----------------|------------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Develop a SOP to follow to outline the requirements and responsibilities of the stakeholders. | Implementation of Wellington Urban Design Framework | - | - | x | - | - | Wellington wards |
| PRE-DETERMINED OBJECTIVE (PDO) 34: Skills Development and Capacity Building | | | | | | | |
| Integration and proper planning of the skills development value chain | Establishment of the Drakenstein Skills Development Forum | - | - | x | x | - | All wards |
| Integration and proper planning of the skills development value chain | Develop an Integrated Skills Development Plan | - | - | x | - | - | All wards |
| Financial assistance for youth to access education | Review of the Youth Employment Facilitation Plan | - | x | x | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 35: Rural Development | | | | | | | |
| Food security initiatives within the rural hinterland | Implementing of programmes focusing on Food security | x | x | x | x | x | Rural wards |
| Spatial planning in rural areas | Integration of rural areas in SDF, where appropriate initiatives will be identified and implemented | x | x | x | x | x | All wards |
| Financial assistance for youth to access education | Implementation of the rural bursary initiative | x | x | x | x | x | Rural wards |
| Economic opportunities | Drivers licence initiative for rural unemployed youth and learners. | x | x | x | x | x | Rural wards |
| PRE-DETERMINED OBJECTIVE (PDO) 36: Spatial Planning | | | | | | | |
| Exemption of certain appropriate areas from Act 70 of 1970 | Engage with National Department of Agriculture | x | x | x | - | - | All wards |
| New Municipal Spatial Development Framework | Compilation of the new 5 year Municipal Spatial Development Framework | - | - | x | x | x | All wards |

| PROGRAMMES AND INITIATIVES (KPA 5) | | | | | | | |
|--|--|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Municipal land for investment | Identification for land for investment purposes | x | x | x | x | x | All wards |
| Guidelines for the development of multi-storey social housing buildings | Develop guidelines for developers who intends on developing multi-storey social housing buildings | - | x | - | - | - | All wards |
| Cemetery Space | Negotiate with private property owners to acquire land for cemetery purposes | x | x | x | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 37: Tourism | | | | | | | |
| Focused Events and MICE Strategy | Development of a comprehensive Events and MICE (Meetings, Incentives, Conference & Events Strategy | - | - | - | x | - | All wards |
| Lack of Film Locations Policy | Development of a Film Locations Policy | x | x | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 38: Land Valuations and Property Management | | | | | | | |
| 2020 General Valuation Roll | Compile the 2020 General Valuation Roll | x | - | - | - | - | All wards |

| CAPITAL PROJECTS | | | | | | | |
|--|--|----------------|----------------|----------------|----------------|----------------|--------------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 29: Economic Growth | | | | | | | |
| ECONOMIC GROWTH | | | | | | | |
| SMME and Entrepreneurship Development | Refurbishment of Arendsnes | R50,000 | - | - | - | - | All Wards |
| SMME and Entrepreneurship Development | Software upgrade/website for SMME portal | R80,000 | - | - | - | - | All Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 36: Spatial Planning | | | | | | | |
| SPATIAL PLANNING | | | | | | | |
| Furniture and office equipment | Purchase of furniture/office equipment | R11,000 | - | - | - | - | All Wards |



| PROGRAMMES AND INITIATIVES (KPA 6) | | | | | | | |
|---|--|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 39: Safety and Security | | | | | | | |
| 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 |
| PRE-DETERMINED OBJECTIVE (PDO) 40: Disaster and Emergency Management | | | | | | | |
| Disaster Management Plan | To update the Disaster Management Plan for Drakenstein by: | | | | | | All Wards |
| COVID-19 Operational plan | <ul style="list-style-type: none"> Engaging with relevant stakeholders (internal and external); Developing operational plans for identified risks; and Annually review the plan and submit to Province Application: Provincial grant funding | x | x | x | x | - | |
| Turn-around strategic plan SANS | To develop a Turn-Around Strategic Plan in accordance to the SANS code to: <ul style="list-style-type: none"> Address staff shortage; Address the replacement of firefighting vehicles etc; Maintain a 24-hour control centre; Community awareness programmes; | x | x | x | x | - | All Wards |

| PROGRAMMES AND INITIATIVES (KPA 6) | | | | | | | |
|---|--|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| | <ul style="list-style-type: none"> Establish and coordinate a Volunteer programme; Annually review plan; and Establish a Disaster Management Forum. | | | | | | |
| PRE-DETERMINED OBJECTIVE (PDO) 41: Traffic control and Licensing | | | | | | | |
| Upgrade Dal Josaphat Traffic Centre | To upgrade and renovate the Dal Josaphat Traffic Centre | x | x | - | - | x | All wards |
| Traffic safety awareness | Programme: Traffic Safety Awareness Programme | x | x | x | x | x | All wards |
| Turn-around strategic plan | To develop a turn-around strategy for traffic and licensing services | x | - | - | - | - | All wards |
| Electronic MVR licensing renewal | To innovate an E-licensing renewal system | x | - | - | - | - | All |
| Provision of smart tools of the trade for traffic officers | Procurement of vehicles, body cameras, electronic handheld devices, etc | - | x | x | x | x | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 42: Municipal Law Enforcement | | | | | | | |
| Appointment of additional staff | To expand the current staff of Municipal Law Enforcement | x | x | x | - | - | All wards |
| Farm & neighbourhood watches relationships | To establish and strengthen the relationship between the farm and neighbourhood watches | x | x | x | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 43: Environmental Management and Climate Change | | | | | | | |
| Resilience conditions | Liaise with Civil Engineering Services for the finalisation of Resilience Conditions | N/A | x | - | - | - | All wards |
| Environmental education and awareness | Develop an environmental awareness strategy and implementation plan considering municipal staff, civil society, business and schools | x | x | x | x | x | All wards |
| Policy to promote green building | Update environmental Policy | x | x | - | - | - | All wards |
| Mainstreaming of climate change within the organisation | Include the implementation of 1 climate change initiative from the CCAP in the SDBIP of each Department and develop a green audit tool for monitoring Department's' carbon footprint | x | x | - | - | - | All wards |

| PROGRAMMES AND INITIATIVES (KPA 6) | | | | | | | |
|--|--|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 44: Natural Resources | | | | | | | |
| Bio-diversity: Protect environmental resources and balance service delivery and environmental protection | Align the SDF with EMF | x | x | x | - | - | All wards |
| Bio-diversity: Protect environmental resources and balance service delivery and environmental protection | Declaration of municipal conservation areas as stewardship sites/formal conservation areas | - | x | x | x | x | All wards |
| Air quality | Update Air Quality Management Plan | - | x | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 45: Parks & Open Spaces | | | | | | | |
| Upgrade parks | Upgrading of parks in Drakenstein | x | x | x | x | - | All |
| EPWP Programmes | Job creation for 200 beneficiaries (50 per quarter) | x | x | x | x | - | All Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 46: Animal Control | | | | | | | |
| 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 |

| CAPITAL PROJECTS | | | | | | | |
|--|--|------------|----------|------------|----------|----------|-----------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PREDETERMINED OBJECTIVE (PDO) 39: Safety & Security | | | | | | | |
| SAFETY & SECURITY | | | | | | | |
| CCTV Coverage | To install and commission CCTV cameras for Drakenstein buildings | R995,000 | R60,000 | R60,000 | R65,000 | R70,000 | All Wards |
| Operating a 24-hr Control room | Purchase Breda 60 for central control room and municipal court | R8,500,000 | - | - | - | - | All wards |
| Ageing office furniture | Replacement of office furniture | - | R100,000 | R100,000 | R150,000 | R170,000 | All wards |
| PREDETERMINED OBJECTIVE (PDO) 40: Disaster and Emergency Management | | | | | | | |
| DISASTER MANAGEMENT | | | | | | | |
| Provision of smart tools of the trade for traffic officers | Procurement of fire and rescue equipment. | R400,000 | R685,000 | R1,675,000 | R700,000 | R760,000 | All wards |
| Operating a 24-hr Control room | Upgrade of control room | - | R350,000 | R350,000 | R300,000 | R300,000 | All wards |
| Ageing facility for fire services | Upgrading of buildings and airconditioners | - | R265,000 | R270,000 | R275,000 | R280,000 | All wards |
| PREDETERMINED OBJECTIVE (PDO) 41: Traffic Control & Licensing | | | | | | | |
| TRAFFIC CONTROL & LICENSING | | | | | | | |
| Traffic licensing facilities and central traffic head quarters | Upgrade of Dal Josaphat traffic offices | R310,000 | - | - | - | - | All wards |
| PREDETERMINED OBJECTIVE (PDO) 42: Municipal Law Enforcement | | | | | | | |
| MUNICIPAL LAW ENFORCEMENT | | | | | | | |
| Law enforcement equipment | Equipment for law enforcement (Radios) & protective clothing | R1,300,000 | - | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 43: Environmental Management and Climate Change | | | | | | | |
| ENVIRONMENTAL MANAGEMENT AND CLIMATE CHANGE | | | | | | | |
| Improvement of Berg River Banks | Berg River improvement project | R175,000 | - | - | - | - | All wards |

| CAPITAL PROJECTS | | | | | | | |
|--|--|------------|---------|---------|---------|---------|-----------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Monitoring of air quality | Upgrade of Paarl Mountain reserve equipment and infrastructure | R100,000 | - | - | - | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 45: Parks & Open Spaces | | | | | | | |
| PARKS & OPEN SPACES | | | | | | | |
| Upgrade parks | Upgrading of parks in Drakenstein | R1,500,000 | - | - | - | - | All wards |
| Upgrade main roads | Upgrade main roads | R1,304,348 | - | - | - | - | N/A |

KPA 07

Social and
Community
Development

Strategic Objectives

- To facilitate social and community development

Health
PDO 47

Early Childhood Development
PDO 48

Gender, Elderly, Youth and Disabled
PDO 49

Sustainable Human Settlements
(Housing)
PDO 50

Sport and Recreation and Facilities
PDO 51

Arts and Culture
PDO 52

Libraries
PDO 53

Cemeteries and Crematoria
PDO 54

Strategic Risk

- SR 6, SR 7

Risk Management Actions

- Refer to Strategic Risk Register

Planned Outcomes

- Integrated Sustainable Human Settlement Plan that addresses the needs based on the available financial Resources. 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

| PROGRAMMES AND INITIATIVES (KPA 7) | | | | | | | |
|--|--|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 47: Health | | | | | | | |
| Participation in Health Forum meetings | Engagement Meetings with Stakeholders and the Department of Health | x | x | x | - | - | N/A |
| Awareness and education on the COVID 19 pandemic. Distribution of educational material to all sectors. | Integrated educational and awareness communication to all marginalised sectors | x | x | x | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 48: Early and Childhood Development | | | | | | | |
| Participation in Skills Development Workshops | Establishment of Centre of Excellence (Skills centre) | - | x | x | - | - | N/A |
| Apathy toward Municipal Projects and Programmes | Gender Empowerment | x | x | x | - | - | N/A |
| Apathy toward Municipal Projects and Programmes | Youth Development | x | x | x | - | - | N/A |
| Apathy toward Municipal Projects and Programmes | Elderly Support | x | x | x | - | - | N/A |
| Apathy toward Municipal Projects and Programmes | Support to the Disabled | - | x | x | - | - | N/A |
| Awareness and education on the COVID 19 pandemic. Distribution of educational material to all sectors. | Integrated educational and awareness communication to all marginalised sectors | x | x | x | - | - | All |
| PRE-DETERMINED OBJECTIVE (PDO) 49: Gender, Elderly, Youth and Disabled | | | | | | | |
| Apathy toward Municipal Projects and Programmes | Support to the disabled | x | x | x | x | - | N/A |
| Awareness and education on the COVID 19 pandemic. Distribution of educational material to all sectors. | Integrated educational and awareness communication to all marginalised sectors | x | x | x | - | - | All wards |

| PROGRAMMES AND INITIATIVES (KPA 7) | | | | | | | |
|---|---|---------|---------|---------|---------|---------|---|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Provision of space for activation of Arts and Culture forum Mbekweni | Evaluation of municipal or unused spaces in Mbekweni to be used by Arts and Culture sector | - | - | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 50: Sustainable Human Settlements (Housing) | | | | | | | |
| Repair and Upgrade of Rental Stock | Routine Maintenance of Rental Stock | x | x | x | x | - | 19,20,21,22, 24,25,26,27 |
| Repair and Upgrade of Rental Stock | Repair/Upgrade of Rental Stock | x | x | x | x | - | 19,20,21,22, 24,25,26,27 |
| Repair and Upgrade of Rental Stock | Paint My Story Project | x | x | x | x | - | 19,20,21,22, |
| Lack of Transfer/Alienation of Rental Stock to qualifying occupants | Transfer/Alienation of Rental Stock | x | x | x | x | - | 6,12,19,20,21 22,24,25,26, 27, 30 |
| Eviction Management Planning | Implementation of Eviction Management and Emergency housing plan (re-settlement land) | x | x | x | x | - | All wards |
| Emergency Housing Planning | Implementation of Emergency Housing Plan | x | x | x | x | - | All wards |
| Updated Housing Demand Database | Management of Housing Demand Database | x | x | x | x | - | All wards |
| Services in Informal Settlements | Maintenance of services in Informal Settlements | x | x | x | x | - | 1,5,6,8,12,14, 21,24,25,31, 32 |
| Plan and Implement the roll out of UISP (Upgrade of Informal Settlements) projects and emergency housing site | <ul style="list-style-type: none"> Finalise the appointment of NGO to assist with Social facilitation; Finalise feasibility reports for 12 identified informal settlements for upgrade; Implement upgrade of 12 identified settlements; Complete blocked UISP projects; and Identify further settlements for upgrade | x | x | x | x | - | 6,20,21,24,27 20,25,32 1,14,21,32,16 ,5,8,31,18 |

| PROGRAMMES AND INITIATIVES (KPA 7) | | | | | | | |
|--|---|---------|---------|---------|---------|---------|--|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| | <ul style="list-style-type: none"> Implementation and development of affordable housing opportunities. | | | | | | |
| Implementation of Social Housing Projects | <ul style="list-style-type: none"> Finalise Partnership agreements with SHI's; and Roll out of identified social housing projects within approved restructuring zones. | - | x | x | x | - | All wards 9,14,29 |
| Provision of serviced sites | <ul style="list-style-type: none"> Identify appropriate land for the implementation of serviced site concept; and Develop a Policy on serviced sites. | x | x | x | x | - | 1,13,31,32,20 1,13,31,32,20 |
| Housing Consumer Education (lack of education and awareness on roles and responsibilities as recipients of houses) | Implementation of housing consumer education and awareness campaigns | x | x | x | x | - | All wards |
| Rural Housing | <ul style="list-style-type: none"> Finalize the Rural Housing Policy; Identify sites for possible partnerships within rural areas; and Finalize the future use of the Nieuwedrift (Helpmekaar) site. | x | x | x | x | - | 1,3,17,25,28, 29,30,31 1,3,17,25,28, 29,30,21 17 |
| Addressing matters in relation to Employer assisted housing | Finalise a Policy for employer assisted housing | x | x | x | x | - | All wards |
| Conclusion of old incomplete projects | <ul style="list-style-type: none"> Implementation of actions to address defective roof in identified projects; and Submission of applications to apply for funding to complete incomplete projects. | x | x | x | x | - | 6,9,12,16 6,7,8,9,12,16, |
| Human Settlement Planning | <ul style="list-style-type: none"> Complete Human Settlement Plan and Strategy; and Roll Out recommendations from plan. | x | x | x | x | - | All wards |

| PROGRAMMES AND INITIATIVES (KPA 7) | | | | | | | |
|---|--|---------|---------|---------|---------|---------|---------------------------------------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Informal Settlements management | <ul style="list-style-type: none"> Appointment of two additional Informal Settlement Officers; Implementation of standard operating procedures to manage and monitor all informal settlements; and Establishment of Informal Settlement committees to improve communication and operations. | x | x | x | x | - | 1,5,6,8,12,14,16,20,21,27,24,25,31,32 |
| Maintenance of services in informal settlements | <ul style="list-style-type: none"> Appointment of maintenance contractor by Engineering Services department; and Implementation of monitoring processes and procedures to assess standard of services delivered by Contractor. | x | x | x | x | - | 1,5,6,8,12,14,21,24,25,31,32 |
| Maintaining/Update of demand database | Arrange housing demand update events for all rural areas | x | x | x | x | - | All wards |
| Eviction Management Planning | <ul style="list-style-type: none"> Identification of land for eviction settlement; and Development of land for eviction settlement. | x | x | x | x | - | All wards |
| Emergency housing planning and implementation | <ul style="list-style-type: none"> Procurement of service provider for emergency housing units; and Approval of Temporary Housing Policy. | x | x | x | x | - | All wards |
| Repair and Upgrade of Rental Stock | Identify rental units for major upgrade and implement via contractor (including paint my story project) | x | x | x | x | - | 19,20,21,22,24,25,26,27 |
| Alienation/transfer of rental stock to qualifying occupants | Identifying alienable rental units for transfer and submit report to Council to start transfer processes | x | x | x | x | - | 6,12,19,20,21,22,24,25,26,27, 30 |

| PROGRAMMES AND INITIATIVES (KPA 7) | | | | | | | |
|---|---|---------|---------|---------|---------|---------|-----------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Need for Emergency housing | Provision of emergency housing kits | x | x | x | x | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 51: Sport, Recreation and Facilities | | | | | | | |
| Gouda | Ongoing maintenance | x | x | x | x | - | 31 |
| Saron | Ongoing maintenance | x | x | x | x | - | 30 |
| Hermon | Ongoing maintenance | x | x | x | x | - | 31 |
| Antoniesvlei Swimming Pool- baboons, shebeen, staff housing, alien vegetation and swimming pool | Draw up baboon management plan, approach legal wrt shebeen and staff housing, major alien clearing program, upgrade of pool | x | x | x | x | - | 2 |
| Saron Swimming Pool - chalets and swimming pool | Legal to deal with evictees in chalets, upgrade pool | x | x | x | x | - | 30 |
| Orleans Spray Park - maintenance | Draw up sustainable maintenance plan | x | - | - | - | - | 22 |
| Sport Forum/Council | Finalization of MOU | x | - | - | - | - | All wards |
| Faure Street Stadium | Ongoing maintenance | x | x | x | x | - | 4 |
| PRE-DETERMINED OBJECTIVE (PDO) 52: Arts and Culture | | | | | | | |
| Support from Council for funding of Arts and Culture forum. | Support from Provincial Government and social investment partners | x | x | x | x | - | All wards |
| The provision of a space for the activation of Arts and Culture forum Mbekweni. | An evaluation of municipal or unused spaces in Mbekweni that can be used by the Arts and Culture sector | - | - | - | - | - | All wards |
| PRE-DETERMINED OBJECTIVE (PDO) 53: Libraries | | | | | | | |
| Need to develop reading, increase information literacy and focus on social awareness | Municipal-wide Program to develop reading, increase information literacy and focus on social awareness | x | x | x | x | - | All wards |
| Space for Rural libraries | Set up containerised library in Wagenmakers Valley | x | - | - | - | - | 7 |
| Space for Rural Libraries | Set up containerised library Nieuwedrift Valley | - | x | - | - | - | 17 |
| Space for Rural Libraries | Set up containerised library Groenberg | - | - | x | - | - | 31 |

| PROGRAMMES AND INITIATIVES (KPA 7) | | | | | | | |
|---|--|---------|---------|---------|---------|---------|-------|
| Core Components | Action | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 54: Cemeteries and Crematoria | | | | | | | |
| Bosman Street Cemetery - Alien Clearing | Major alien clearing operation | x | - | - | - | - | 4 |
| Hermon Cemetery - Drainage | Appoint consultant to draw up professional plans and implement | x | - | - | - | - | 31 |
| Gouda Cemetery - Maintenance | Appoint Maintenance Contractor | x | - | - | - | - | 31 |
| Saron Cemetery - Maintenance | Appoint Maintenance Contractor | x | - | - | - | - | 30 |

| CAPITAL PROJECTS (KPA 7) | | | | | | | |
|--|---|-------------|------------|------------|------------|----------|---|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| PDO 48: Early and Childhood Development | | | | | | | |
| EARLY AND CHILDHOOD DEVELOPMENT | | | | | | | |
| Need for new facilities | New ECD | - | R105,000 | R110,000 | R115,000 | R120,000 | All Wards |
| PRE-DETERMINED OBJECTIVE (PDO) 50: Sustainable Human Settlements | | | | | | | |
| HOUSING | | | | | | | |
| Planning and Implementation of New Housing Opportunities (BNG Housing) | Key Pipeline Projects: <ul style="list-style-type: none"> Continue Implementation of Vlakkeland Catalytic Project; Complete Planning of Simondium, Paarl East, Erf 557 and Saron IRDP projects; Finalize project pipeline with Provincial Human Settlements; and Schoongesight Emergency Housing. | R10,800,000 | - | R9,100,000 | - | - | 11 1, 27, 9,30 1, 6, 7, 9, 12, 20, 21, 24, 27 32 |
| Ageing infrastructure | Carterville watermeters | - | R100,000 | - | - | - | N/A |
| Ageing infrastructure | Loverslane Bulk Sewer | - | - | - | R3,000,000 | - | N/A |
| Ageing infrastructure | White City water & sewer | - | R2,000,000 | - | - | - | N/A |
| Ageing infrastructure | Fairyland/Siyahlala water & sewer | - | R3,000,000 | - | - | - | N/A |
| Aged rental stock | Upgrade of rental stock: Lantana sub-surface drainage | - | - | R2,500,000 | - | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 51: Sport, Recreation and Facilities | | | | | | | |
| SPORT, RECREATION & FACILITIES | | | | | | | |
| Need for new facilities | Development of De Kraal: Construction of rugby fields, netball courts, cricket fields, clubhouse, parameter fencing. | R5,086,957 | - | - | - | - | 19 |
| Need for new facilities | Construction of Fairyland sport facility | R1,300,000 | - | - | - | - | 32 |

| CAPITAL PROJECTS (KPA 7) | | | | | | | |
|--|--|------------|---------|---------|---------|---------|-----------|
| Core Components | Project Description | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | Wards |
| Ageing Infrastructure and need for new infrastructure | Orleans Sport Field | R1,100,000 | - | - | - | - | 24 |
| Ageing Infrastructure | Upgrade Swimming pools | R1,934,783 | - | - | - | - | All wards |
| Ageing Infrastructure | Dal Josaphat Stadium: Upgrade of netball courts Installation of fencing Installation of high mast lighting | R1,608,696 | - | - | - | - | 22 |
| Ageing Infrastructure | Tennis courts Huguenot upgrade | R900,000 | - | - | - | - | N/A |
| Ageing Infrastructure | Zanddrift fencing | R1,000,000 | - | - | - | - | N/A |
| PRE-DETERMINED OBJECTIVE (PDO) 54: Cemeteries and Crematoria | | | | | | | |
| CEMETRIES AND CREMATORIA | | | | | | | |
| Ageing Infrastructure | Upgrading of Parys Cemetery | R2,391,304 | - | - | - | - | N/A |

The following table depicts the list of Provincial Infrastructure Investment Projects in the Drakenstein Municipality for the MTEF period 2021/22 – 2023/24 per Department - *All amounts rounded to R'000

Table 93: Provincial Infrastructure Investment Projects in the Drakenstein Municipality

| Provincial Department | Nature of Investment | Funding Source | Project Name | Delivery Mechanism | 2021-22 | 2022-23 | 2023-24 | MTEF | Municipal PDO |
|-----------------------|--------------------------------|--------------------------------------|---|--------------------|---------|---------|---------|-------|-----------------------|
| Education | New or Replaced Infrastructure | Education Infrastructure Grant | Dal Josaphat PS (CWXXS1) | Individual Project | 20000 | 35000 | 25000 | 80000 | Provincial Competency |
| Education | New or Replaced Infrastructure | Education Infrastructure Grant | Ebenezer PS | Individual Project | 0 | 0 | 2000 | 2000 | Provincial Competency |
| Education | New or Replaced Infrastructure | Education Infrastructure Grant | Paarlzicht PS | Individual Project | 0 | 0 | 2000 | 2000 | Provincial Competency |
| Health | Non-Infrastructure | Health Facility Revitalisation Grant | Gouda - Gouda Clinic - HT - Replacement | Individual Project | 0 | 1000 | 400 | 1400 | 47 |
| Health | Non-Infrastructure | Health Facility Revitalisation Grant | Gouda - Gouda Clinic - OD QA - Replacement | Individual Project | 9 | 0 | 0 | 9 | 47 |
| Health | New or Replaced Infrastructure | Health Facility Revitalisation Grant | Gouda - Gouda Clinic - Replacement | Individual Project | 4200 | 14137 | 10 | 18347 | 47 |
| Health | Upgrading and Additions | Health Facility Revitalisation Grant | Paarl - Paarl Ambulance Station - Upgrade and additions incl wash bay | Individual Project | 0 | 0 | 81 | 81 | 47 |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| Provincial Department | Nature of Investment | Funding Source | Project Name | Delivery Mechanism | 2021-22 | 2022-23 | 2023-24 | MTEF | Municipal PDO |
|-----------------------|--------------------------------|--------------------------------------|---|--------------------|---------|---------|---------|-------|---------------|
| Health | Upgrading and Additions | Health Facility Revitalisation Grant | Paarl - Paarl CDC - Enabling work incl fencing to secure new site | Individual Project | 9625 | 1238 | 577 | 11440 | 47 |
| Health | New or Replaced Infrastructure | Health Facility Revitalisation Grant | Paarl - Paarl CDC - New | Individual Project | 2195 | 16500 | 34583 | 53278 | 47 |
| Health | Non-Infrastructure | Health Facility Revitalisation Grant | Paarl - Paarl Hospital - HT - New Obstetric Theatre in Maternity Unit | Individual Project | 200 | 2000 | 800 | 3000 | 47 |
| Health | Upgrading and Additions | Health Facility Revitalisation Grant | Paarl - Paarl Hospital - New Obstetric Theatre in Maternity Unit | Individual Project | 2082 | 739 | 97 | 2918 | 47 |
| Health | Non-Infrastructure | Equitable Share | Paarl - Paarl HT Hub - Infrastructure Support | Individual Project | 2375 | 2530 | 2700 | 7605 | 47 |
| Health | Non-Infrastructure | Equitable Share | Paarl - West Coast Maintenance Hub - Infrastructure Support | Individual Project | 5636 | 5452 | 5452 | 16540 | 47 |
| Health | Upgrading and Additions | Health Facility Revitalisation Grant | Wellington - Wellington CDC - Pharmacy Additions and Alterations | Individual Project | 1 | 0 | 0 | 1 | 47 |
| Health | Non-Infrastructure | Health Facility Revitalisation Grant | Wellington - Windmeul Clinic - HT - Upgrade and Additions (Alpha) | Individual Project | 0 | 543 | 957 | 1500 | 47 |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

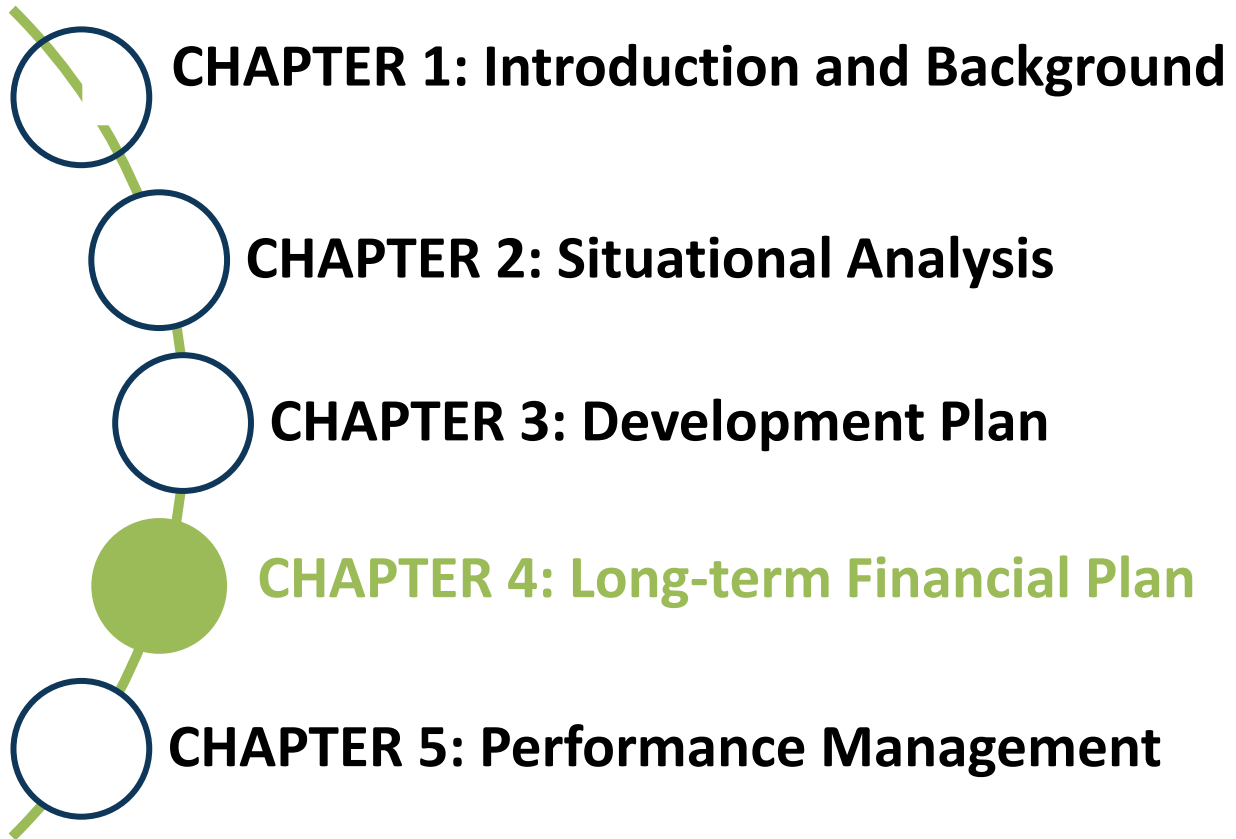
| Provincial Department | Nature of Investment | Funding Source | Project Name | Delivery Mechanism | 2021-22 | 2022-23 | 2023-24 | MTEF | Municipal PDO |
|-----------------------|------------------------------------|--------------------------------------|---|--------------------|---------|---------|---------|-------|---------------|
| Health | Upgrading and Additions | Health Facility Revitalisation Grant | Wellington - Windmeul Clinic - Upgrade and Additions (Alpha) | Individual Project | 153 | 1563 | 82 | 1798 | 47 |
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | Drakenstein: Paarl Dignified Informal Settlements - 298 - UISP | Individual project | 10800 | 6000 | 0 | 16800 | 50 |
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | Drakenstein: Paarl, Chester Williams: Planning 139 Sites - UISP | Individual project | 1476 | 5340 | 0 | 6816 | 50 |
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | Drakenstein: Paarl, Lovers Lane: Planning: 168 Sites - UISP | Individual project | 768 | 10080 | 0 | 10848 | 50 |
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | Fairylands | Individual project | 0 | 5200 | 0 | 5200 | 50 |
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | DHS: Drakenstein: Paarl: Vlakkeland: Planning - 3935 IRDP - Phase 1 | Packaged program | 6893 | 0 | 0 | 6893 | 50 |
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | Paarl Vlakkeland (Ph1.1 188 sites/188 units) | Packaged program | 58110 | 0 | 0 | 58110 | 50 |
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | Saron (350) | Individual project | 0 | 6000 | 0 | 6000 | 50 |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| Provincial Department | Nature of Investment | Funding Source | Project Name | Delivery Mechanism | 2021-22 | 2022-23 | 2023-24 | MTEF | Municipal PDO |
|----------------------------|---|-------------------------------------|---------------------------------|--------------------|---------|---------|---------|--------|---------------|
| Human Settlements | Infrastructure Transfers - Capital | Human Settlements Development Grant | Siyahlala | Individual project | 0 | 1950 | 0 | 1950 | 50 |
| Transport and Public Works | Rehabilitation, Renovations & Refurbishment | Provincial Roads Maintenance Grant | C1102 PRMG Reseal Windmeul | Individual Project | 227000 | 0 | 0 | 227000 | 25 |
| Transport and Public Works | Rehabilitation, Renovations & Refurbishment | Provincial Roads Maintenance Grant | C1105 PRMG Du Toit's kloof Pass | Individual Project | 0 | 85000 | 0 | 85000 | 25 |
| Transport and Public Works | Rehabilitation, Renovations & Refurbishment | Equitable Share | C1105 Reseal Du Toits Kloof | Individual Project | 30000 | 0 | 0 | 30000 | 25 |
| Transport and Public Works | Upgrading and Additions | Equitable Share | C1120 Pearl Valley | Individual Project | 25000 | 120000 | 45000 | 190000 | 25 |
| Transport and Public Works | Rehabilitation, Renovations & Refurbishment | Equitable Share | C1142 Rehab Simondium Reseal | Individual Project | 0 | 0 | 87224 | 87224 | 25 |
| Transport and Public Works | Rehabilitation, Renovations & Refurbishment | Equitable Share | C749.2 Paarl - Franschoek | Individual Project | 35000 | 0 | 0 | 35000 | 25 |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| Provincial Department | Nature of Investment | Funding Source | Project Name | Delivery Mechanism | 2021-22 | 2022-23 | 2023-24 | MTEF | Municipal PDO |
|----------------------------|-------------------------|-----------------|---------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Transport and Public Works | Upgrading and Additions | Equitable Share | Haasekraal DM | Individual Project | 1000 | 0 | 0 | 1000 | 25 |
| TOTAL | | | | | 442523 | 320272 | 206963 | 969758 | |



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.

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

The COVID-19 shock experienced in 2020 is estimated to have led to a 7.2% contraction in GDP growth in 2020. The economy has started to recover in response to improved global conditions and the easing of lockdown restrictions – and in the months ahead, a mass vaccine rollout will support a full reopening of the economy.

World output is expected to grow 5.5% and 4.2% in 2021 and 2022, respectively. In comparison, South Africa's output is expected to grow 3.3% in 2021 and 2.2% in 2022. While the rebound is seemingly impressive compared with the paltry growth rates seen over the last few years, this is still far below the emerging and developing market average of 6.3% in 2021 and 5% in 2022. South Africa's economy is expected to rebound in 2021 and 2022 and as most of the world's economies picks up pace, South Africa's growth is expected to moderate to 1.6% in 2023

Table 94: Economic growth in selected countries

| Region/country | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|------------|------------|-------------|------------|------------|
| Percentage | | | Estimate | Forecast | |
| World | 3.5 | 2.8 | -3.5 | 5.5 | 4.2 |
| Advanced economies | 2.2 | 1.6 | -4.9 | 4.3 | 3.1 |
| United States | 3.0 | 2.2 | -3.4 | 5.1 | 2.5 |
| Euro area | 1.8 | 1.3 | -7.2 | 4.2 | 3.6 |
| United Kingdom | 1.3 | 1.4 | -10.0 | 4.5 | 5.0 |
| Japan | 0.3 | 0.3 | -5.1 | 3.1 | 2.4 |
| Emerging and developing countries | 4.5 | 3.6 | -2.4 | 6.3 | 5.0 |
| Brazil | 1.3 | 1.4 | -4.5 | 3.6 | 2.6 |
| Russia | 2.5 | 1.3 | -3.6 | 3.0 | 3.9 |
| India | 6.1 | 4.2 | -8.0 | 11.5 | 6.8 |
| China | 6.8 | 6.0 | 2.3 | 8.1 | 5.6 |
| Sub-Saharan Africa | 3.3 | 3.2 | -2.6 | 3.2 | 3.9 |
| Nigeria | 1.9 | 2.2 | -3.2 | 1.5 | 2.5 |
| South Africa ¹ | 0.8 | 0.2 | -7.2 | 3.3 | 2.2 |
| World trade volumes | 3.9 | 1.0 | -9.6 | 8.1 | 6.3 |

1. National Treasury forecast

Source: IMF World Economic Outlook, January 2021

One of the major issues facing South Africa is ESKOM's inability to produce sufficient electricity. In the 2021/22 budget, it was announced that Government will relieve the short-term electricity constraint by amending schedule 2 of the Electricity Regulation Act (2006) to ease embedded generation regulations for firms and municipalities. This will be done within three months. Furthermore the Independent Power Producer Office

will announce successful bids received for emergency power to compensate for Eskom's capacity shortfall in the coming few weeks. Projects are expected to generate power from July 2022. Also, in October 2020, electricity regulations were amended to enable municipalities to procure power from Independent Power Producers (IPPs).

Based on this step, the Western Cape government announced that they are planning to spend almost R70 million in the next few years to help municipalities cut their ties with Eskom. In the Western Cape Provincial Budget for 2021/22 the province allocated R48.8 million over the medium term, and provided a further R20 million in the provincial reserves, for a new project to help municipalities generate and sell their own power, as well as buy electricity from IPPs.

In the next year, six municipalities will get assistance to start generating or buying their own power: Drakenstein together with Mossel Bay, Overstrand, Saldanha Bay, Stellenbosch, and Swartland. Among other interventions, the electricity distribution systems of the six municipalities will be technically evaluated to confirm whether the municipalities can support new electricity generation and energy trading.

This is a huge opportunity for the economy of Drakenstein Municipality, considering there are IPPs already operational in the municipal area.

4.4 FINANCIAL FRAMEWORK

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.

4.4.1 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 2021/22 to 2023/24 financial years, due to the economic climate grant funding will become less and less..

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.

4.4.2 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**, 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 2018 was 0.95:1; as at 30 June 2019 decreased to 0.61:1 and recovered to 0.89 at 30 June 2020. It is envisaged that it will be 0.95:1 at 30 June 2021 and thereafter 1.08:1 (2021/22), 1.19:1 (2022/23), 1.32:1 (2023/24), 1.40:1 (2024/25) and 1.50:1 (2025/26)
- The **debtors' turnover ratio**, which have a great impact on the liquidity of the Municipality, increased to 68.4 days at 30 June 2020 (due to the impact of COVID 19 on the economy) compared to 60.2 days at 30 June 2019 and 77.1 days as at 30 June 2018. The **debtors' turnover ratio** (before considering the provision for impairment) at 30 April 2021 stood at 62.8 days. Over the medium- and long-term the Municipality will attempt to decrease the debtors' turnover ratio to 65 days at the end of the 2021/2022, financial year, and to 64 days, 63 days, 62 days and 61 days at the end of the 2022/23, 2023/24, 2024/25 and 2025/26 financial years respectively.
- The debtor's turnover ratio (after provisions for bad debt impairment) increased to 46.5 days as at 30 June 2020 (due to the impact of COVID 19 on the economy) compared to 44.3 days as at 30 June 2019 and 47.8 days as at 30 June 2018. At 30 April 2021 this ratio stood at 41.6 days. Over the medium- and long-term the Municipality will attempt to decrease the debtors' turnover ratio (after provisions for bad debt impairment) to about 42 days over the MTREF period ending on 30 June 2026.
- 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. Due to the impact of the COVID-19 lockdown, the collection rate and the accompanying provision for doubtful debt has been reviewed and a provision for doubtful debt impairment of 2.7% of expected billed revenue (services and property rates) had been made. For each of the four outgoing years of the MTREF a provision of 2.6% (2022/23), 2.6% (2023/24), 2.7% (2024/25) and 2.7% (2025/26) has been made. 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.

4.4.3 Sustainability

Drakenstein needs to ensure that its operating budget is balanced and cash-funded through realistically anticipated revenue to be received/collected to cover operating expenditure. As there are limits on revenue, it is necessary to ensure that services are provided at levels that are affordable; and, that the full costs of service delivery are recovered. However, to ensure that households, which are too poor to pay for even a portion of their basic services, at least have access to these basic services; there is a need for the subsidisation of these households through an indigent support subsidy.

The operating budget should also generate reasonable and sustainable cash surpluses to assist with the financing of capital budget expenditure. Net financial liabilities (total liabilities fewer current assets) as a percentage of total operating revenue (capital items excluded) should be below acceptable target levels to ensure long-term financial sustainability. Current assets should be maintained and renewed or replaced in time to ensure that services are rendered at the desired quality levels over the long-term. For this purpose, a Long-Term Financial Sustainability Policy with three critical financial sustainability ratios was developed.

4.4.4 Effective and Efficient Use of Resources

In an environment of limited resources, it is essential that the Municipality make maximum use of the resources at its disposal by using them in an effective and efficient manner. Efficiency in operations and investment will increase poor people's access to basic services. It is therefore imperative for the operating budget to be compiled on the zero-base budget approach to eliminate any incremental approach on any once off expenditure incurred.

4.4.5 Accountability, Transparency and Good Governance

The Municipality is accountable to the people who provide the resources, for what they do with these resources. The budgeting process and other financial decisions should be open to public scrutiny and public participation. In addition, the accounting and financial reporting procedures must minimise opportunities for corruption. It is also essential that accurate financial information is produced within acceptable time-frames.

4.4.6 Equity and Redistribution

The Municipality must treat people fairly and justly when it comes to the provision of services. In the same way the Municipality should be treated equitably by national and provincial government when it comes to inter-governmental transfers. The "equitable share" from national government will be used primarily for targeted subsidies to poorer households. In addition, the Municipality will continue to cross-subsidise between high- and low-income consumers within a specific service or between services. Unfunded and underfunded mandates remain a financial burden to Drakenstein's customer base due to national and provincial transfers not following the functions that Drakenstein perform on behalf of national and provincial government.

4.4.7 Development and Investment

In order to deal effectively with backlogs in services, there is a need for the Municipality to maximise its investment in municipal infrastructure. Due to our financial constraints the underlying policies should encourage the maximum degree of private sector investment.

4.4.8 Macro-Economic Investment

As the Municipality plays a significant role in the Cape Winelands District Area, it is essential that it operates efficiently within the national and provincial macro-economic framework. Drakenstein's financial and developmental activities should therefore support national and provincial fiscal Policy.

4.4.9 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. In an independent study performed in August 2020, a maximum gearing ratio of 40%, a maximum debt service to total expense ratio of 8% and longer loan tenors, on average, in excess of 13 years was recommend, when Drakenstein aims to borrow again in the long-term.

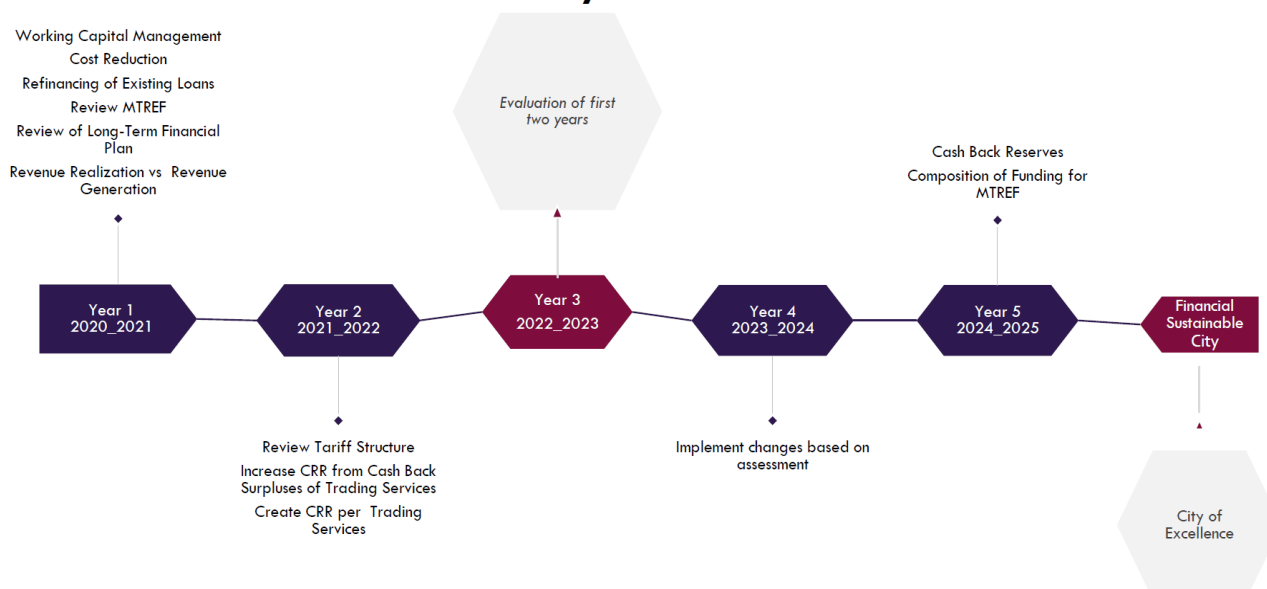
The manner in which the Municipality manages debt or takes on new debt to finance investment activities will have a significant impact on the solvency and long-term viability of the Municipality. Drakenstein aims at a maximum borrowing level of external loans that will not exceed 45% of the total operating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

4.5 FINANCIAL STRATEGIES

With the above framework as a background, strategies and programmes have been identified and form part of this Long-Term Financial Plan to achieve the desired objective and that is the financial viability and sustainability of the Municipality.

Figure 17: Long-Term Financial Plan

Plan over the next 5 years



A five (5) year turn-around plan/strategy was started in 2020/21. The aim in the 2020/21 year is to look at working capital management, cost reduction, refinancing of the existing loans, review of the MTREF, review of the long-term financial plan and focus on revenue realisation vs revenue generalisation.

The focus for 2021/22 will be on the review of the current tariff structures, the increase of the capital replacement reserve from cash-backed surpluses of trading services and the creation of capital replacement reserves per trading service (electricity, water, refuse and waste water).

The focus of 2022/23 will be on the evaluation of the focus areas identified for year 1 (2020/21) and year 2 (2021/22).

The focus of 2023/24 will be on the implementation of changes based on the assessment done in 2022/23

Lastly the focus of 2024/25 will be that sufficient cash backed reserves exist and that funding for the MTREF (2025/26 – 2027/28) will be formulated, as per the gearing strategy, Drakenstein will only borrow long term funding for capital expenditure in 2025/26 again.

The following sub-strategies are linked to the overall strategy, to ensure a financial sustainable city by 2025/2026: (See next page)

4.5.1 Revenue Raising Strategies

The following are some of the more significant programmes that have been identified:

- The implementation of the reviewed Credit Control and Debt Collection Policy and Indigent Support Policy. These policies and the relevant procedures detail all areas of customer care, credit control, indigent support and debt collection of the amounts billed to customers, including procedures for non-payment, etcetera. These policies also define the qualification criteria for an indigent household and the level of free basic services enjoyed by indigent households.
- The implementation of the reviewed Tariff Policy. This Policy will ensure that fair tariffs are charged in a uniform manner throughout the municipal area.
- The implementation of the reviewed Property Rates Policy. This Policy ensures that fair deferential rates and an updated valuation roll are applied to the entire municipal area and will aim to ensure that all properties are included in the Municipality's records. Furthermore, the Policy will ensure that valuations are systematically carried out on a regular basis for all properties.
- The implementation of the reviewed Writing-Off of Irrecoverable Debt Policy with special incentives to encourage outstanding debtors to pay a certain percentage of their outstanding debt and the Municipality to write-off a certain percentage of outstanding debt in terms of the approved Policy.
- The review and implementation of an improved Payment Strategy. This strategy aims at implementing innovative cost-effective processes to encourage consumers to pay their accounts in full on time each month, including increasing the methods of payment and implementing on-line pre-payment systems. It includes a revenue protection unit that implement and see to it that credit control actions in terms of Council's policies are enforced vigorously to improve payment percentage levels.
- The implementation of revenue enhancement strategies to ensure that all the properties in Drakenstein Municipality are levied all the required services. These strategies will ensure that revenue gaps are closed and that the municipality bills consumers for all services rendered.

In addition to the above, the revenue management programme under the leadership of the City Manager aims to raise and collect all revenue due to the municipality and has the following as focus areas:

- **Property Rates:** Monitoring the implementation of the 2021/22 - 2024/25 general and supplementary valuation rolls, by the appointed independent valuer.
- **Electricity Revenue:** Investigate the impact of consumers going "off-grid" on the electricity revenue and mitigating actions to reduce the effect on the revenue stream.
- **Water Revenue:** Investigate what measures can be implemented to curb water wastage in informal settlements as well as to reduce the high kiloliters consumed by indigent households.

- **Sanitation Revenue:** Investigate the tariff structure, as the base on which the tariff is calculated (i.e. number of toilets/urinals) are open to error due to a lack of credible information (i.e. human error, building plans outdated/non-existent, illegal toilets installed).
- **Refuse Removal Revenue:** Investigate the tariff structure of multiple removals per week – revenue versus cost of providing service.
- **Integration of GIS and Solar (financial system):** Report on the integration of GIS, spatial planning and SOLAR (financial system)
- **Traffic Fines & Bylaw Offences:** Investigate the implementation of AARTO & prosecution through the Municipal court of bylaw infringements.
- **Funding Options (Grants):** Investigate the possibility to obtain grants/funds from Provincial Government and other sources.
- **Optic Fibre Project:** Consider the implementation of a 5th utility in the form of an optic fibre service.
- **Saron Debtors – Project Plan:** Investigate alternative credit control measures in areas such as Saron, where traditional credit control measures, such as the blocking of pre-paid electricity, is not available.
- **Transfer of Rental Stock:** Investigate and obtain public participation into the transfer of rental stock to lessees.
- **Utilisation/Alienation of Land and Buildings:** Identify sites not required for basic services to be sold.
- **Financial Recovery Plan:** Focus on revenue and debtor's management to ensure that the municipality remains sustainable.

4.5.2 Expenditure Management and Cost Containment

The expenditure management and cost containment programme under the leadership of the City Manager focuses on the following expenditure and cost containment aspects to ensure that available resources are optimised for quality service delivery:

- **Fleet Management/Vehicle Hire/Mechanical Workshop:**
 - Monthly monitoring and reporting on the vehicles in the workshop for repair per department/ division;
 - Monthly monitoring and reporting on the Top 10 drivers with driver behaviour offences (CTrack) and discussion of driver behaviour with applicable drivers where required. Disciplinary action will be taken against drivers not using their municipal vehicle tags;
 - Monthly reporting on driver accidents per department for the last twelve months;
- **Fuel and Tyre Management:**
 - Monitoring of the monthly expenditure report on petrol/diesel/tyres; and

- Considering the moving of the fuel tanks (new fuel tanks to be installed at the new municipal stores site opposite the mechanical workshop) versus the procurement of fuel from private entrepreneurs or e-fuel system.
- **Stores Issues:** This includes an investigation by the Stores Task Team (STT) on how the stores system will be decentralised and if organisational structure changes are needed.
- **Office Furniture and Equipment:** This includes monitoring that no additional furniture will be purchased, but rather that broken furniture should be repaired and re-used.
- **Telephone Expenditure:** This includes reporting on a detailed level on telephone expenditure per department and per employee.
- **Photocopy Expenditure:**
 - Monthly monitoring and reporting of budgeted and actual photocopy expenditure; and
 - Placing of a moratorium on the leasing of photocopier machines.
- **Security Services:**
 - Monthly monitoring and reporting on budgeted and actual security services expenditure;
 - Implementation of alarm systems versus the reduction of armed bodies (security guards); and
 - Extra security measures include beams, panic buttons etcetera.
- **Overtime:** This includes monthly monitoring and reporting on overtime.
- **Standby Allowances:** This includes monthly monitoring and reporting on standby allowances.
- **Catering/Refreshments:** This includes the review of budgeted funds for catering and refreshments.
- **Events:** This includes reducing event expenditure and rather providing in-kind support to events.
- **Consultants:** This includes monthly monitoring and reporting on budgeted and actual consultants' expenditure.
- **Rehabilitation/Development of Landfill Sites:** This includes an investigation into the rehabilitation of landfill sites through development initiatives.
- **External Leasing of Properties:** This includes an investigation into the renewal/upgrading of own properties, as well as purchase of properties being leased, to reduce property lease expenditure.
- **Financial Recovery Plan:** Identify areas of expenditure (operational and capital), where further budget cuts and reduction of losses can be made.

4.5.3 Asset Management Strategies and Programmes

The municipality's Asset Management Committee (AMC) has selected certain initial priority PDOs, based on self-assessment of Drakenstein Municipality's current asset management "maturity".

These focus areas are:

- Strategy management;
- Information management;
- Technical information;
- Organisation and development; and
- Work planning and control.

Drakenstein Municipality also considers risk management to be a key component for its business continuity and will devote the required effort and resources to ensure that the risks faced by the organisation in the course of its business activities, are appropriately identified, measured, evaluated and managed. The Municipality applies control and safeguards to ensure that assets are protected against improper use, loss, theft, malicious damage or accidental damage. The existence of assets is physically verified from time-to-time, and measures adopted to control their use. Significant assets are insured in accordance with the municipality's approved Insurance Management Policy. All insured assets are handled in terms of the Insurance Management Policy as agreed with the appointed Insurance Brokers.

4.5.4 Other Financial Management Strategies and Programmes

The following are some of the more significant programmes that have been identified:

- The post-implementation review of the municipal Standard Chart of Accounts (mSCOA);
- Integration of all computerised systems and acquisition of hardware and software required. The integration of computerised systems and acquisition of the required hardware and software within the Municipality to ensure that information is accurate, relevant and prompt, which in turn will facilitate the smooth running and effective management of the Municipality;
- Development of an mSCOA compliant Medium-Term Revenue and Expenditure Framework (MTREF) Budget;
- Development and implementation of a uniform budget reporting framework compliant with National Treasury's Municipal Budget and Reporting Regulations. Implementation of a budget module on the financial system;
- Review and update asset, budget and accounting policies and procedures;
- Training and development of financial and other staff. The aim of this project will be to ensure that the financial and other staff members receive the training they require to ensure a cost-effective and efficient service to the Municipality and its customers; and
- Enhance budgetary controls and timeliness of financial data. Building the capacity of the Budget and Treasury Office to ensure that financial information for reporting purposes is generated timeously. It will also include the monitoring and reporting on budget variances.

4.5.5 Capital Financing Strategies and Programmes

The following are some of the more significant programmes that have been identified:

- The monitoring of the Borrowing Policy. This Policy ensures that any external borrowings taken up by the Municipality will be done in a responsible manner and that the repayment and servicing of such debt will be affordable.
- The development and implementation of a Policy for accessing alternate finance (including donor finance), specifically seen in the current situation where a moratorium has been placed on the municipality to enter into any long-term debt until 2025/26. Also refer to the discussion on grant funding in section 4.11.2.
- The review Prioritisation Model for Capital Assets Investment Policy for the prioritisation of capital projects in line with the capital prioritisation and monitoring software purchased by the municipality. Implementation and monitoring of the capital prioritisation & monitoring software programme and database with all identified needs costed and linked to a ward or an area of the Municipality. It needs to be noted at this stage that national and provincial government programmes and grant funding often influences the capital investment programme of Drakenstein. This is something that the Municipality has little control over.

4.6 FINANCIAL POLICIES

4.6.1 General Financial Philosophy

The financial philosophy of Drakenstein is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services for the citizens of Drakenstein.

It is the goal of the Municipality to achieve a strong financial position with the ability to withstand local and regional economic impacts; to adjust efficiently to the community's changing service requirements; to effectively maintain, improve and expand the Municipality's infrastructure; to manage the Municipality's budget and cash flow to the maximum benefit of the community; to prudently plan, coordinate and implement responsible and sustainable community development and growth; and, to provide a high level of fire and other protective services to assure public health and safety.

Based on the financial framework, financial strategies and the general financial philosophy statement, 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).

4.6.2 Budget-Related Policies

The annual budget is the central financial planning document, directed by the IDP that embodies all revenue and expenditure decisions. It establishes the level of services to be provided by each department. The budget will be subject to monthly control and be reported to Council with recommendations of actions to be taken to achieve the budget goals. The budget will be subject to a mid-term review, which will result, if needed, in a Revised Budget. These principles are embedded in the **Budget and Management Oversight Policy**.

The **Virement Policy** allows the City Manager and his administration to transfer funds from one vote to another vote within Policy directives to improve effective and efficient service delivery.

Adequate maintenance and replacement of the Municipality's assets (property, plant and equipment) will be provided for in the annual budget as far as funding is available. It will be informed by Council's **Asset Management Policies**.

The budget shall balance recurring operating expenses to recurring operating revenues. The budget will have revenue plans based on realistically anticipated revenue to be collected and expenditure figures. Plans will be included to achieve maximum revenue collection percentages. More about this when the revenue raising policies are discussed below.

4.6.3 Capital Infrastructure Investment Policies

The Municipality has established and implemented a comprehensive ten-year Capital Expenditure Framework (CEF). The CEF will be updated annually and could be extended to even twenty years to ensure that bulk infrastructure services and internal infrastructure services together with the foreseen funding sources are planned in an integrated and coordinated manner. This will include bulk and internal services for human settlement programmes. A comprehensive ten-year CEF will be updated for the 2021/22 financial year to be approved by Council.

An annual capital investment budget will be developed and adopted by the Drakenstein Municipality as part of the annual budget. The Municipality make all capital improvements in accordance with the CEF and IDP. This is done based on the developed Prioritisation Model for Capital Assets Investment Policy. Drakenstein also has a **Developer Contribution Policy** aimed to generate additional funding from developers to assist in the upgrading of bulk infrastructure services.

Un-expensed capital project budgets shall not be carried forward to future fiscal years unless the project expenditure is committed or funded from grant funding and approved external loans. Routine capital needs will be financed from current revenues (Capital Replacement Reserve) as opposed to the issuance of long-term debt. The Municipality will maintain all assets at a level adequate to protect the Municipality's capital investment and to minimise future maintenance and replacement costs.

4.6.4 Revenue Policies

The Municipality will estimate annual revenues through a conservative, objective and analytical process based on realistically anticipated revenue to be collected. The Municipality will consider market rates and charges levied by other public and private organisations for similar services in establishing rates, fees and charges. Drakenstein will set fees and user charges at a level that fully supports the total direct (primary) and indirect (secondary) costs of operations. Tariffs will be set to reflect the developmental and social policies of Council. These principles are embedded in the reviewed **Tariff Policy**.

Drakenstein will implement and maintain a property valuation system based on market values of all properties within its boundaries as well as periodically review the cost of activities supported by user fees to determine the impact of inflation and other cost increases. Fees will be adjusted where appropriate to reflect these increases. These principles and the raising of property rates are contained in the **Property Rates Policy**.

The Municipality will continue to identify and pursue grants and appropriations from province, central government and other agencies that are consistent with the Municipality's goals and strategic plan and to eradicate unfunded and underfunded mandates.

4.6.5 Credit Control Policies and Procedures

Drakenstein will follow an aggressive policy of collecting revenues from those who can afford to pay for their services. For this purpose, the **Credit Control and Debt Collection Policy** and the **Indigent Support Policy** were developed and reviewed. Therefore, the **Writing-off of Irrecoverable Debt Policy** with incentives was developed to reduce the outstanding debt with the aim to get households and other consumers out of their spiral of debt over the next three financial years. It seems that this approach is working slowly but surely as more and more household customers start using these incentives.

4.6.6 Supply Chain Management

The **Supply Chain Management Policy** will ensure that goods and services are procured compliant with legislative requirements in a fair, equitable, transparent, competitive and cost-effective way. It includes the disposal of goods or assets not needed anymore for basic service delivery and it must be read in conjunction with Council's **Assets Transfer Policy**.

Contract management was a focus area in the past financial years and will receive even more attention during 2021/22 with the purchase of new contract management software. This unit ensures that contracts awarded to service providers to render services are managed and monitored appropriately.

4.6.7 Investment Policies

In terms of Section 13(2) of the Municipal Finance Management Act each Municipality must establish an appropriate and effective **Cash Management and Investment Policy**. Investments of the Municipality shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the Municipality to meet daily cash flow demands and conform to all state and local requirements governing the investment of public funds.

The preservation of principal is the foremost objective of the investment program. Drakenstein will continue the current cash management and investment practices, which are designed to emphasise safety of capital first, sufficient liquidity to meet obligations second, and the highest possible yield third. These principles are embedded in the **Cash Management and Investment Policy** of Council.

4.6.8 Debt Management Policies

Drakenstein shall incur debt only when necessary to meet a public need and when funding for such projects is not available from current revenues or other sources. Long-term borrowing will be used to finance capital improvements as approved in the Municipality's CEF. Capital projects financed through the incurring of debt shall be financed for a period not to exceed the expected useful life of the project. The Municipality will not incur debt to finance current operations. Lease-purchase obligations, capital outlay notes or other debt instruments may be used as a medium-term method of borrowing for the financing of vehicles, computers, other specialised types of equipment, or other capital improvements. All these principles are embedded in the **Borrowing Policy** of Council.

4.6.9 Asset Management Policies

The objective of the Asset Management Policies is to define the asset management intent of Drakenstein, including the life-cycle management, accounting and administrative policies and procedures relating to physical assets (immoveable and movable assets) and computer software (intangible assets) of Drakenstein Municipality. The principles and Policy statements are embedded in the **Asset Management Policy (AMP)** and **Financial Asset Management Policy (FAMP)** of Council.

4.6.10 Long-Term Financial Sustainability Policy

Financial sustainability over the long-term has to do with the maintenance of high priority expenditure programs, both operating and capital, to ensure program sustainability and desired quality of services to be rendered. There must also be rates and service charges stability and predictability in the overall rate burden by ensuring reasonable rates and service charges to fund programs. Fair sharing in the distribution of council resources and the attendant taxation between current and future ratepayers (intergenerational equity) must also be promoted to ensure that the current generation are not over-burdened for the use of infrastructure by future generations – in other words sound long-term financial management. Based on the above three elements financial sustainability by Drakenstein is defined as follows:

“Drakenstein’s long-term financial performance and financial position is sustainable where long-term planning and budgeting as well as infrastructure levels and standards are met without any substantial unplanned increases in property rates and service charges or inconvenient disruptive cuts to services”

Three key financial indicators or ratios were developed to 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.

The entire above-mentioned are embedded in the developed **Long-Term Financial Sustainability Policy** approved by Council.

4.6.11 Cost Containment Policy

The object of the Cost Containment Policy, in line with the MFMA and the Cost Containment Regulations, is to ensure that resources of Drakenstein Municipality are used effectively, efficiently and economically by implementing cost containment measures.

The Policy provides for the application of principles, as defined in the Cost Containment Regulations, to Drakenstein Municipality and is applicable to all officials and political office bearers. Included in the **Cost Containment Policy** are guidelines with regard to:

- Use of consultants;
- Vehicles used for political office bearers;
- Travel and subsistence;
- Domestic accommodation;
- Use of credit cards;
- Sponsorships, events and catering;
- Communication;
- Conferences, meetings and study tours; and
- Other related expenditure items.

4.6.12 Accounting Policies

The principles on which Drakenstein operate with regard to the presentation, treatment and disclosure of financial information forms part of the **Accounting Policy** adopted in the compiled yearly annual financial statements.

4.7 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 (**2020/2030 LREF 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 95: 2020/2030 LREF Key Budget Projection

| 2021/2031 LTREF KEY BUDGET PROJECTIONS | | | | | | | | | | | | |
|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| SERIAL NUMBER | DESCRIPTION | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 |
| COLUMN REFERENCE | A | C | D | E | F | G | H | I | J | K | L | M |
| 1 | GROWTH PARAMETERS | | | | | | | | | | | |
| 2 | Growth (GDP) | 0.90% | 3.30% | 1.90% | 1.90% | 1.90% | 1.90% | 1.90% | 1.90% | 1.90% | 1.90% | 1.90% |
| 3 | Headline inflation rates | 3.30% | 3.90% | 4.20% | 4.40% | 4.40% | 4.40% | 4.40% | 4.40% | 4.40% | 4.40% | 4.40% |
| 4 | REVENUE INCREASES | | | | | | | | | | | |
| 5 | Property rates | 7.50% | -2.00% | 7.50% | 7.50% | 7.50% | 7.50% | 7.50% | 7.50% | 7.50% | 7.50% | 7.50% |
| 6 | Refuse removal services revenue increase | 7.80% | 7.50% | 7.80% | 7.80% | 7.80% | 7.80% | 7.80% | 7.80% | 7.80% | 7.80% | 7.80% |
| 7 | Sanitation services revenue increase | 8.30% | 6.00% | 8.30% | 8.30% | 8.30% | 8.30% | 9.76% | 9.76% | 9.76% | 9.76% | 9.76% |
| 8 | Water services revenue increase | 6.90% | 6.00% | 6.90% | 6.90% | 6.90% | 6.90% | 7.49% | 7.49% | 7.49% | 7.49% | 7.49% |
| 9 | Electricity life line consumers | 6.22% | 14.59% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% |
| 10 | Electricity domestic consumers | 4.90% | 14.59% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% | 6.43% |
| 11 | Electricity revenue increase | 6.22% | 14.59% | 6.43% | 6.43% | 6.43% | 6.43% | 6.65% | 6.65% | 6.65% | 6.65% | 6.65% |
| 12 | GEARING | | | | | | | | | | | |
| 13 | Gearing Ratio (NT formula) | 68.54% | 62.77% | 56.48% | 50.09% | 44.17% | 38.40% | 39.61% | 40.36% | 41.45% | 41.83% | 42.89% |
| 14 | Interest and Redemption as a % of total operating revenue (conditional grants excluded) | 8.06% | 7.40% | 8.99% | 8.32% | 7.76% | 7.29% | 6.82% | 7.05% | 7.07% | 6.83% | 6.81% |
| 15 | EMPLOYEE RELATED COSTS | | | | | | | | | | | |
| 16 | Wage bill cost-of-living increases | 6.50% | 6.50% | 6.15% | 6.15% | 6.15% | 6.15% | 5.28% | 5.28% | 5.28% | 5.28% | 5.28% |
| 17 | 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% |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| 2021/2031 LTREF KEY BUDGET PROJECTIONS | | | | | | | | | | | | |
|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| SERIAL NUMBER | DESCRIPTION | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 |
| COLUMN REFERENCE | A | C | D | E | F | G | H | I | J | K | L | M |
| 18 | BULK PURCHASES | | | | | | | | | | | |
| 19 | Bulk Purchases - Electricity | 8.75% | 17.80% | 8.90% | 8.90% | 8.90% | 8.90% | 8.90% | 8.90% | 8.90% | 8.90% | 8.90% |
| 20 | Bulk Purchases - Water | 22.19% | 5.00% | 4.10% | 4.10% | 4.10% | 4.10% | 4.10% | 4.10% | 4.10% | 4.10% | 4.10% |
| 21 | OTHER EXPENDITURE | | | | | | | | | | | |
| 22 | Contracted Services | 47.34% | 2.10% | 18.30% | -15.43% | 3.86% | 3.72% | 3.72% | 3.72% | 3.72% | 3.72% | 3.72% |
| 23 | Depreciation and Amortisation | 11.27% | 0.97% | 1.39% | 2.03% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 24 | Impairment Loss | 2.34% | -39.70% | 3.84% | 4.07% | 4.32% | 4.58% | 4.58% | 4.58% | 4.58% | 4.58% | 4.58% |
| 25 | Inventory Consumed | -26.06% | -2.59% | 3.47% | 4.90% | 18.85% | -4.98% | -4.98% | -4.98% | -4.98% | -4.98% | -4.98% |
| 26 | Operating Leases | 25.07% | -7.28% | 3.02% | 5.65% | 3.86% | 4.75% | 4.75% | 4.75% | 4.75% | 4.75% | 4.75% |
| 27 | Operational Cost | 16.71% | 12.92% | 3.10% | 5.77% | 2.07% | 5.55% | 5.55% | 5.55% | 5.55% | 5.55% | 5.55% |
| 28 | GRANTS: NATIONAL DEPARTMENTS | | | | | | | | | | | |
| 29 | Equitable share (R'000) | 178,332 | 171,259 | 183,640 | 185,945 | 185,945 | 185,945 | 185,945 | 185,945 | 185,945 | 185,945 | 185,945 |
| 30 | Equitable share % growth | 9.21% | 4.13% | 7.23% | 1.26% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Integrated Urban Development Grant (R'000) | 58,649 | 59,256 | 39,773 | 41,344 | 41,344 | 41,344 | 41,344 | 41,344 | 41,344 | 41,344 | 41,344 |
| 32 | Other grants (National and Provincial)(R'000) | 158,950 | 73,715 | 76,666 | 38,356 | 37,371 | 37,371 | 37,371 | 37,371 | 37,371 | 37,371 | 37,371 |

4.8 SITUATIONAL ANALYSIS: FINANCIAL HEALTH OVERVIEW

The liquidity levels of the organisation are under strain but have started to improve in 2020/21, in spite of the temporary decrease in 2019/20 due to the effects of the COVID-19 lockdown.

The municipality has introduced a revenue management, expenditure management and cost containment programme under the leadership of the City Manager to raise and collect all revenue due to the municipality. Included in the programme is a focus on expenditure management and cost containment to ensure that available resources are optimised for quality service delivery. 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 2022/23. 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 five financial years. The increase of the municipality’s revenue base is expected to reduce the current gearing ratio from 74.5% (2019/20 Audited) to an estimated 36.9% in the 2025/26 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.

4.9 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.

4.9.1 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 2021/22 financial year (pink colour);
- The last four outgoing financial years of the MTREF (no colour) (2022/23 to 2025/26); and
- The last five outgoing years of the LTREF (blue colour) (2026/27 to 2030/31).

4.9.2 Analysis of Projected Operating Revenue

In the table below, on the anticipated operating revenue for 2021/22 is estimated at R2.705 billion or R105.5 million (4.1%) more than the 2020/2021 approved adjustments budget revenue of R2.600 billion.

The graph below depicts that Drakenstein's main operating revenue source is their service charges (electricity, water, refuse removal and sanitation charges) of R1.841 billion that represents 68.0% of operating revenue for the 2021/2022 financial year. This source of revenue is projecting revenue of R2.408 billion by year five and R3.389 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 52.2% or R1.412 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. To counter the revenue loss associated with consumers moving off-grid, the municipality has already in prior years introduced higher basic fees for these systems connected to the municipal grid and 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.

Table 96: Operating Revenue per Category

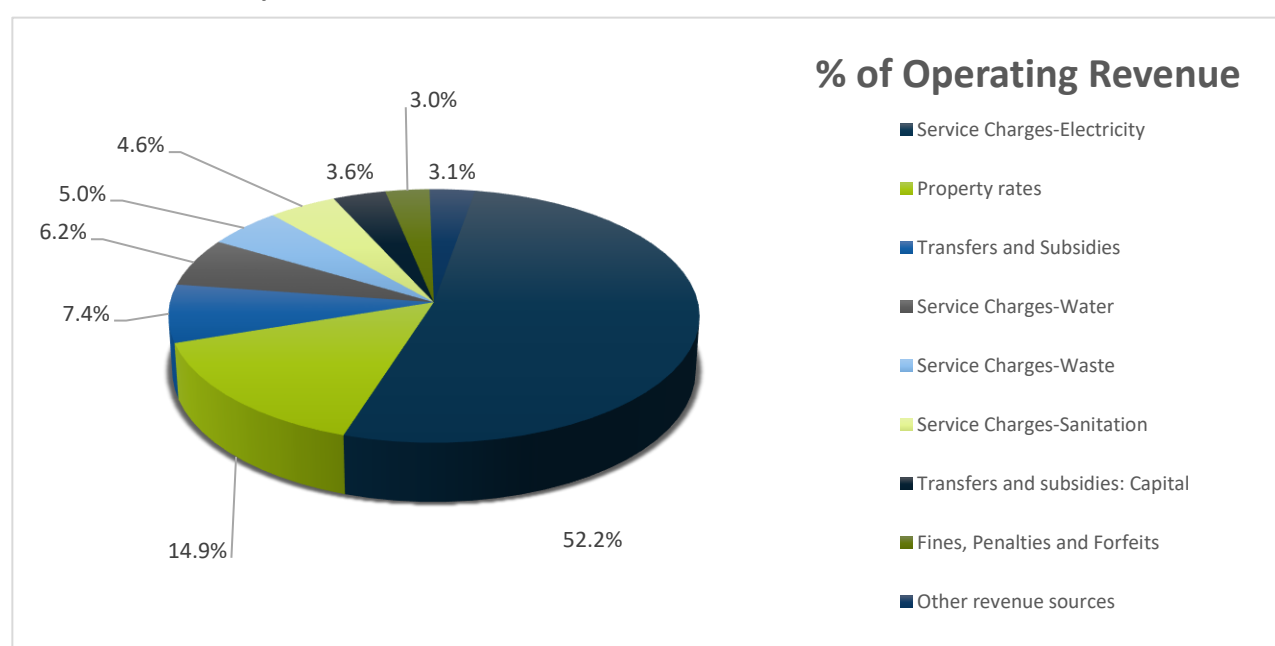
| 2021/2022 LONG TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER REVENUE CLASSIFICATIONS | | | | | | | | | | | | | | | | |
|--|----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------|--|---|---|---|---|---|---|---|---|---|---|
| Serial Number | Description | Audited Expenditure 2017/2018 R'000 | Audited Expenditure 2018/2019 R'000 | Audited Expenditure 2019/2020 R'000 | Original Budget 2020/2021 R'000 | 2020/2021 Revised Operating Budget R'000 | Approved 2021/2022 Operating Budget R'000 | 2022/2023 Indicative Operating Budget R'000 | 2023/2024 Indicative 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 |
| Column Reference | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P |
| 1 | Property rates | (245,517) | (271,147) | (311,892) | (331,537) | (342,977) | (403,841) | (440,023) | (474,334) | (507,846) | (545,934) | (586,879) | (630,895) | (678,213) | (729,078) | (783,759) |
| 2 | Service Charges-Electricity | (968,420) | (1,019,090) | (1,171,403) | (1,249,790) | (1,245,779) | (1,411,764) | (1,499,801) | (1,599,390) | (1,706,198) | (1,819,873) | (1,941,122) | (2,070,448) | (2,208,392) | (2,355,525) | (2,512,462) |
| 3 | Service Charges-Sanitation | (84,208) | (95,321) | (116,384) | (126,900) | (121,818) | (124,877) | (134,736) | (147,940) | (162,630) | (178,540) | (196,006) | (215,181) | (236,231) | (259,341) | (284,711) |
| 4 | Service Charges-Waste | (85,034) | (101,139) | (124,370) | (135,188) | (126,864) | (136,379) | (146,591) | (161,368) | (173,955) | (187,523) | (202,150) | (217,917) | (234,915) | (253,238) | (272,991) |
| 5 | Service Charges-Water | (188,588) | (167,820) | (163,949) | (164,548) | (157,334) | (167,485) | (178,451) | (191,863) | (206,462) | (222,068) | (238,854) | (256,908) | (276,328) | (297,215) | (319,681) |
| 6 | Agency Services | | 0 | 0 | | (14,123) | (14,123) | (14,547) | (14,983) | (15,433) | (15,896) | (16,373) | (16,864) | (17,370) | (17,891) | (18,428) |
| 7 | Fines, Penalties and Forfeits | (92,938) | (75,253) | (82,126) | (79,896) | (137,673) | (80,625) | (80,625) | (80,625) | (80,625) | (80,625) | (80,625) | (80,625) | (80,625) | (80,625) | (80,625) |
| 8 | Gains | (4,622) | (1,979) | (1,894) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | Gains on disposal of PPE | 24,306 | (13,398) | 2,707 | (2,000) | (2,000) | (22,572) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| 10 | Interest - External Investments | 0 | 0 | (6,153) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) | (6,000) |
| 11 | Interest, Dividends and Rent on | (40,536) | (25,138) | (7,274) | (10,339) | (8,214) | (8,214) | (8,814) | (9,459) | (10,150) | (10,893) | (11,690) | (12,546) | (13,464) | (14,449) | (15,506) |
| 12 | Licences or Permits | (3,332) | (3,463) | (5,695) | (3,351) | (3,351) | (3,214) | (3,214) | (3,214) | (3,214) | (3,214) | (3,214) | (3,214) | (3,214) | (3,214) | (3,214) |
| 13 | Other Revenue | (28,841) | (39,531) | (31,575) | (41,062) | (28,928) | (23,630) | (23,006) | (23,886) | (24,591) | (25,326) | (26,084) | (26,864) | (27,668) | (28,496) | (29,348) |
| 14 | Rental from Fixed Assets | (8,541) | (9,509) | (15,983) | (15,557) | (5,826) | (5,213) | (4,774) | (4,301) | (3,792) | (3,245) | (2,777) | (2,376) | (2,033) | (1,740) | (1,489) |
| 15 | Transfers and Subsidies | (142,918) | (211,613) | (193,366) | (265,053) | (226,517) | (200,111) | (236,306) | (204,316) | (204,316) | (204,316) | (204,316) | (204,316) | (204,316) | (204,316) | (204,316) |
| 16 | Transfers and subsidies: Capital | (151,870) | (150,160) | (180,714) | (168,149) | (172,226) | (97,133) | (56,107) | (53,458) | (52,473) | (52,473) | (52,473) | (52,473) | (52,473) | (52,473) | (52,473) |
| 17 | Total Operating Revenue | (2,021,061) | (2,184,560) | (2,410,071) | (2,599,369) | (2,599,632) | (2,705,180) | (2,834,994) | (2,977,138) | (3,159,684) | (3,357,926) | (3,570,562) | (3,798,628) | (4,043,240) | (4,305,600) | (4,587,002) |

Water represents 6.2% or R167.5 million of operating revenue followed by refuse removal revenue (5.0%) and sanitation revenue (4.0%).

The second highest operating revenue source is property rates with an amount of R403.8 million that represents 14.9% of operating revenue. This revenue source increases to R545.9 million by year five and R783.8 million by year ten.

Operating government grants of R200.1 million are the third highest operating revenue source and represents 7.4% 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. Notably the operating grants have decreased since 2019/20, due to the impact of COVID19 on the economy and the National Fiscus.

Graph 3: Operating Revenue Distribution for the 2021/2022 Financial Year



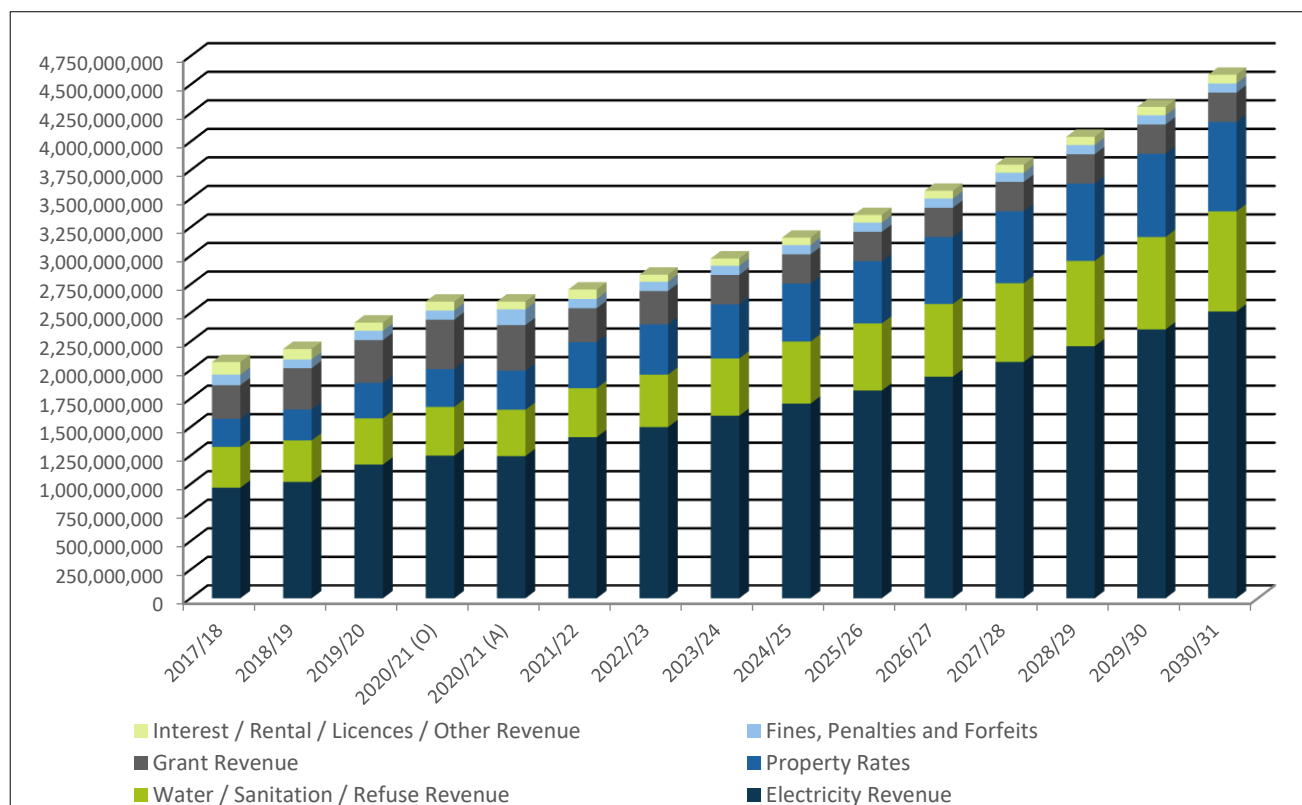
Operating revenue shown in the graph above is further broken down and depicted in the graph below for the MTREF and LTREF. The revenue sources are clustered into five main revenue sources. Electricity revenue (dark blue colour) is clearly the main source of revenue. Water/sanitation/refuse revenue (green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

Trends over the years suggest that electricity revenue represented 46.8% of operating revenue in 2017/18 compared with the 47.9% of the 2020/21 adjustments budget, the 52.2% for 2021/22 and the estimated 54.2% in 2025/26 and 54.8% in 2030/2031. Electricity revenue remains the main revenue source for the Municipality.

Water, sanitation and refuse removal revenue represented 17.3% of operating revenue in 2017/18 compared with the 15.6% of the 2020/21 adjustments budget, the 15.8% for 2021/22 and the estimated 17.5% in 2025/26 and 19.9% in 2030/31.

Property rates revenue represented 11.9% of operating revenue in 2017/18 compared with the 13.2% of the 2020/21 adjustments budget, the 14.9% for 2021/2022 and the estimated 16.3% in 2025/26 and 17.1% in 2030/31.

Graph 4: Operating Revenue in Main Revenue Clusters



Grant revenue represented 14.2% of operating revenue in 2017/18 compared with the 15.3% of the 2020/21 adjustments budget, the 11.0% in 2021/22 and the estimated 7.6% in 2025/26 and 5.6% in 2030/31. 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 judged 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.

4.10 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 2021/22 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.

4.10.1 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 2021/22 financial year (pink colour);
- The last four outgoing financial years of the MTREF (no colour) (2022/23 to 2025/26); and
- The last five outgoing years of the LTREF (blue colour) (2026/27 to 2030/31).

4.10.2 Analysis of Operating Expenditure

The total operating expenditure forecasted for the 2021/22 financial year (table below) reflects an increase of 5.1% to an amount of R2.661 billion compared with the projected operating expenditure of R2.531 billion for the 2020/21 adjustment budget. Operating expenditure forecasts an increase of 7.2%, 3.5%, 4.7% and 5.3% to R3.254 billion in year five and to R4.302 billion in year ten.

Drakenstein's main operating expenditure category is their bulk electricity purchases of R972.9 million that represents 36.6% (graph below) of total **operating expenditure for the 2021/22** financial year. This expenditure category is projecting an expenditure of R1.368 billion by year five and R2.095 billion by year ten. As mentioned before bulk electricity purchases grow at a higher percentage than the percentage in electricity tariff increases.

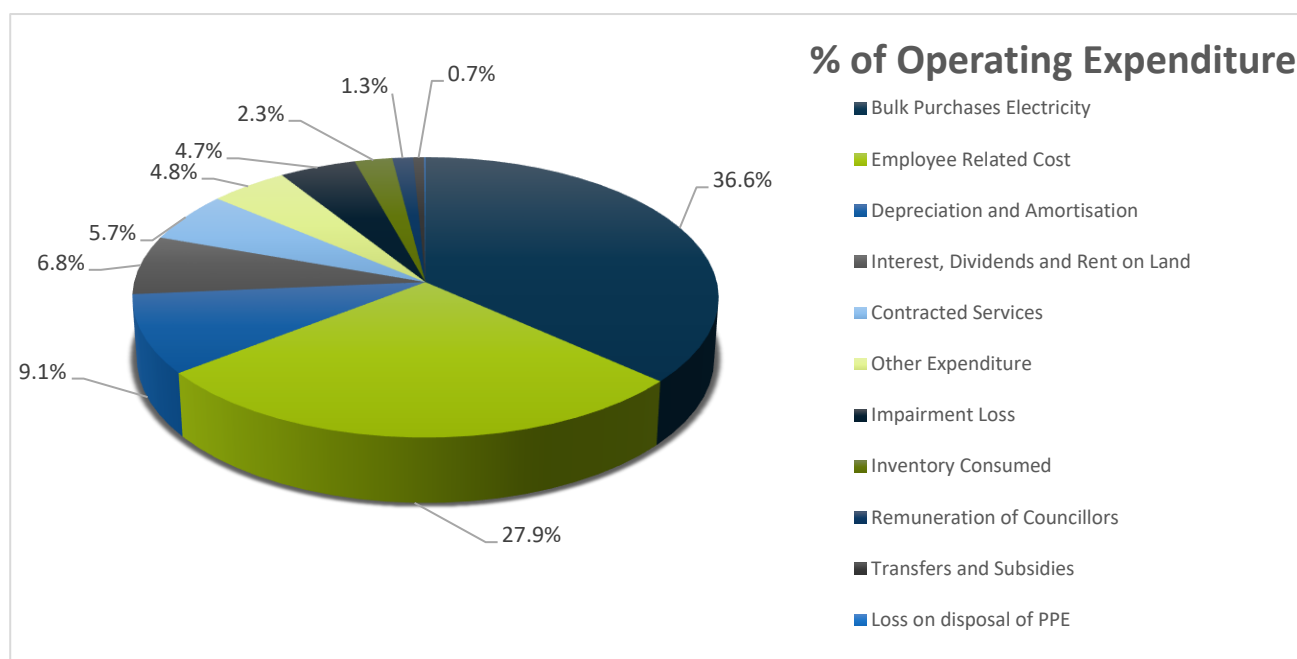
The second highest operating expenditure category is employee related costs with an amount of R743.4 million that represents 27.9% of total operating expenditure. This expenditure category increases to R914.1 million by year five and R1.183 billion by year ten. MFMA Circular No 71 of 17 January 2015 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.

Depreciation on capital assets is the third highest operating expenditure category with an amount R242.7 million that represents 9.1% of total operating expenditure. This expenditure category increase to R251.1 million by year five and R251.1 million by year ten.

Interest on external loans are the fourth highest operating expenditure category with an amount of R180.3 million that represents 6.8% of total operating expenditure. This expenditure category decreases to R147.4 million by year five and increases to R197.8 million by year ten. It should be noted that Bulk water purchased will henceforth be treated as Inventory Consumed (Water), in accordance with MFMA circular 108.

Table 97: Operating Expenditure by Category

| 2021/2022 LONG TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER EXPENDITURE CLASSIFICATIONS | | | | | | | | | | | | | | | | |
|---|---------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------|--|---|---|---|---|---|---|---|---|---|---|
| Serial Number | Description | Audited Expenditure 2017/2018 R'000 | Audited Expenditure 2018/2019 R'000 | Audited Expenditure 2019/2020 R'000 | Original Budget 2020/2021 R'000 | 2020/2021 Revised Operating Budget R'000 | Approved 2021/2022 Operating Budget R'000 | 2022/2023 Indicative Operating Budget R'000 | 2023/2024 Indicative 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 |
| Column Reference | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P |
| 1 | Bulk Purchases Electricity | 632,001 | 673,708 | 768,631 | 835,891 | 825,891 | 972,890 | 1,059,477 | 1,153,771 | 1,256,456 | 1,368,281 | 1,490,058 | 1,622,673 | 1,767,091 | 1,924,362 | 2,095,630 |
| 2 | Bulk Purchases Water | 2,739 | 4,306 | 9,820 | 12,000 | 12,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | Contracted Services | 183,179 | 148,047 | 143,553 | 211,507 | 147,323 | 152,526 | 177,945 | 150,492 | 156,306 | 162,113 | 168,136 | 174,383 | 180,862 | 187,582 | 194,551 |
| 4 | Depreciation and Amortisation | 223,736 | 212,294 | 216,017 | 240,352 | 240,352 | 242,691 | 246,074 | 251,074 | 251,074 | 251,074 | 251,074 | 251,074 | 251,074 | 251,074 | 251,074 |
| 5 | Employee Related Cost | 564,969 | 657,224 | 665,366 | 688,196 | 704,136 | 743,377 | 783,287 | 824,656 | 868,221 | 914,099 | 962,402 | 1,013,257 | 1,066,799 | 1,123,170 | 1,182,520 |
| 6 | Impairment Loss | 128,635 | 105,608 | 153,488 | 157,075 | 208,152 | 125,514 | 130,331 | 135,641 | 141,502 | 147,978 | 154,751 | 161,834 | 169,241 | 176,987 | 185,087 |
| 7 | Interest, Dividends and Rent on | 132,450 | 158,386 | 178,731 | 182,312 | 182,312 | 180,316 | 176,320 | 166,959 | 158,790 | 147,443 | 135,486 | 148,088 | 158,349 | 171,594 | 197,811 |
| 8 | Inventory Consumed | 38,421 | 57,697 | 55,892 | 41,327 | 50,043 | 48,973 | 50,441 | 52,914 | 62,887 | 59,756 | 56,781 | 53,954 | 51,268 | 48,715 | 46,290 |
| 9 | Inventory Consumed Water | 0 | 0 | 0 | 0 | 0 | 12,492 | 13,004 | 13,537 | 14,092 | 14,670 | 15,272 | 15,898 | 16,550 | 17,228 | 17,934 |
| 10 | Loss on disposal of PPE | 0 | 9,089 | (392) | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| 11 | Losses | 864 | 2,339 | 93 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Remuneration of Councillors | 28,062 | 29,945 | 31,027 | 31,709 | 31,709 | 33,640 | 34,650 | 35,689 | 36,760 | 37,863 | 38,998 | 40,168 | 41,373 | 42,615 | 43,893 |
| 13 | Transfers and Subsidies | 10,532 | 22,541 | 16,657 | 9,460 | 10,161 | 18,118 | 50,210 | 30,210 | 10,210 | 10,210 | 10,210 | 10,210 | 10,210 | 10,210 | 10,210 |
| 14 | Other Expenditure | 106,235 | 111,709 | 87,087 | 103,356 | 116,462 | 128,050 | 128,414 | 134,870 | 132,767 | 138,616 | 144,723 | 151,098 | 157,755 | 164,705 | 171,961 |
| 15 | Total Operating Expenditure | 2,051,823 | 2,192,894 | 2,325,970 | 2,515,184 | 2,530,541 | 2,660,587 | 2,852,153 | 2,951,813 | 3,091,065 | 3,254,103 | 3,429,891 | 3,644,637 | 3,872,572 | 4,120,242 | 4,398,963 |

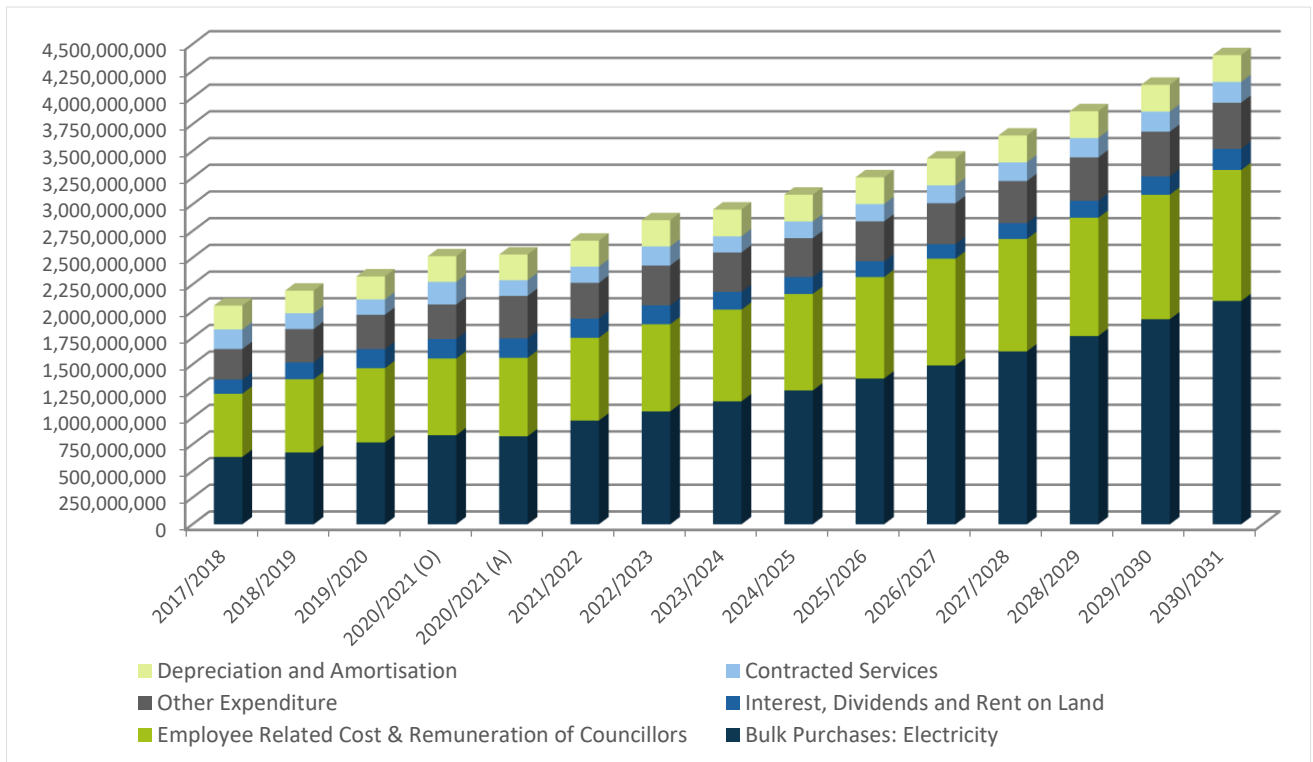
Graph 5: Operating Expenditure Distribution for the 2021/2022 Financial Year

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. Contracted services, inventory and other (grey) are the second highest cluster of expenditure type followed by employee related costs (green colour), operational cost (light blue colour), depreciation on capital assets (light green colour) and finance charges (blue colour).

It is clear from the graph 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 6: 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.

4.11 OPERATING BUDGET RESULTS

In the table below, the operating budget (capital grants revenue and expenditure excluded) forecasted for the 2021/22 financial year reflects an operating surplus of R44.6 million. This position should change into a more balanced budget and an operating surplus in 2025/26 to the amount of R103.8million.

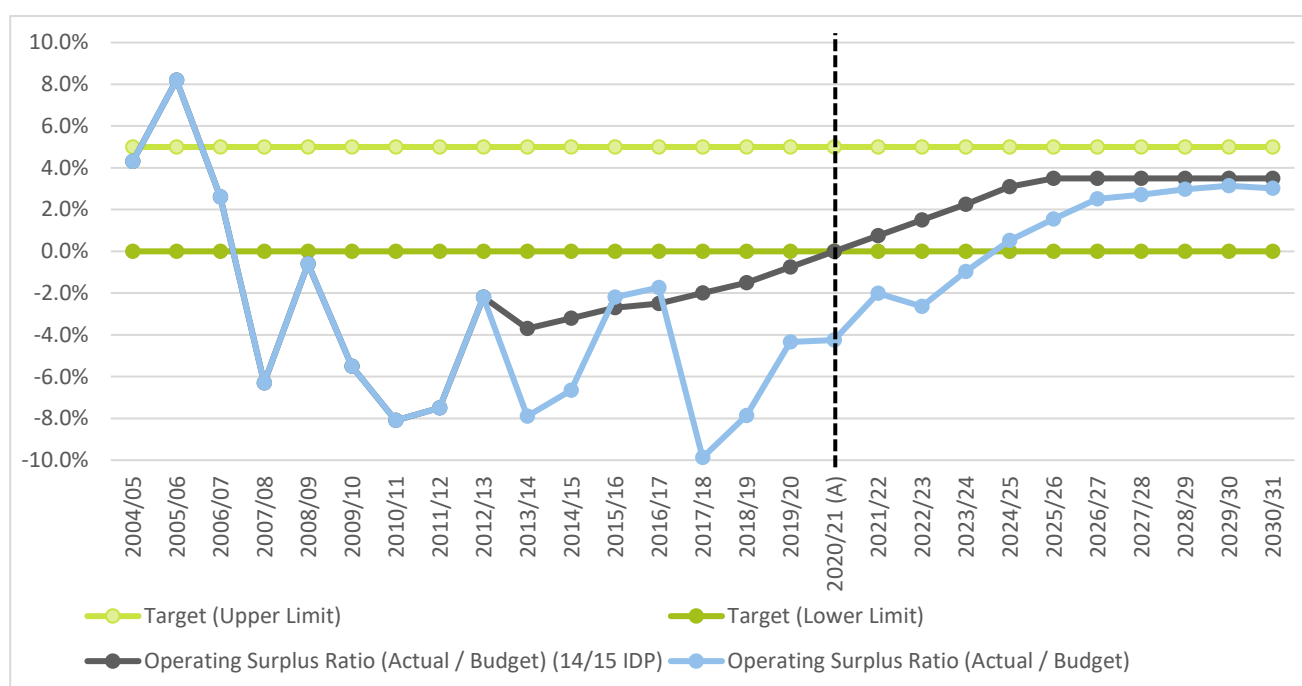
The long-term aim is to generate operating surpluses and even higher cash surpluses through economic growth and development. These cash surpluses will be used to build the Capital Replacement Reserve (CRR) for the funding of future capital expenditure. The more Drakenstein fund from own funds the less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

Table 98: Operating Surplus

| 2021/2022 LONG TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) | | | | | | | | | | | | | | | | |
|---|-----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------|--|---|---|---|---|---|---|---|---|---|---|
| Serial Number | Description | Audited Expenditure 2017/2018 R'000 | Audited Expenditure 2018/2019 R'000 | Audited Expenditure 2019/2020 R'000 | Original Budget 2020/2021 R'000 | 2020/2021 Revised Operating Budget R'000 | Approved 2021/2022 Operating Budget R'000 | 2022/2023 Indicative Operating Budget R'000 | 2023/2024 Indicative 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 |
| Column Reference | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P |
| 1 | Total Operating Expenditure | 2,051,823 | 2,192,894 | 2,325,970 | 2,515,184 | 2,530,541 | 2,660,568 | 2,852,134 | 2,951,795 | 3,091,046 | 3,254,085 | 3,429,777 | 3,644,338 | 3,872,000 | 4,119,313 | 4,397,596 |
| 2 | Total Operating Revenue | (2,021,061) | (2,184,560) | (2,410,071) | (2,599,369) | (2,599,632) | (2,705,180) | (2,834,994) | (2,977,138) | (3,159,684) | (3,357,926) | (3,570,562) | (3,798,628) | (4,043,240) | (4,305,600) | (4,587,002) |
| 3 | Operating (Surplus)/Deficit | 30,762 | 8,334 | (84,101) | (84,185) | (69,092) | (44,612) | 17,140 | (25,343) | (68,638) | (103,841) | (140,785) | (154,290) | (171,240) | (186,287) | (189,406) |

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 blue line that Drakenstein Municipality's operating results until the 2010/11 financial year was moving downwards towards a financial unsustainable position. The blue line represents the current expected trend, whereas the grey line indicates the Operating Surplus Ratio as reported in the 2014/15 reviewed IDP.

Graph 7: Operating Surplus Ratio



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 2020/25 MTREF 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 on **Capital Expenditure per Standard Classification** shows a significant improvement in the operating budgeted deficit for the 2021/22 financial year compared with the 2020/21 adjustments budgeted deficit.

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 MTREF budget, as to ensure that budgeted anticipated revenue is realistic and secure.

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

4.12 CAPITAL EXPENDITURE

Capital expenditure budgeting will be done through the Capital Assets Prioritisation software from 2022/23. This software is currently being set up and will ensure that scarce available financial sources are allocated to capital projects that will have the biggest impact on the outputs and outcomes that will improve the quality of

life of Drakenstein's customer base. This model will also ensure that sufficient funds are made available for the renewal of dilapidated infrastructure to ensure on-going quality service delivery.

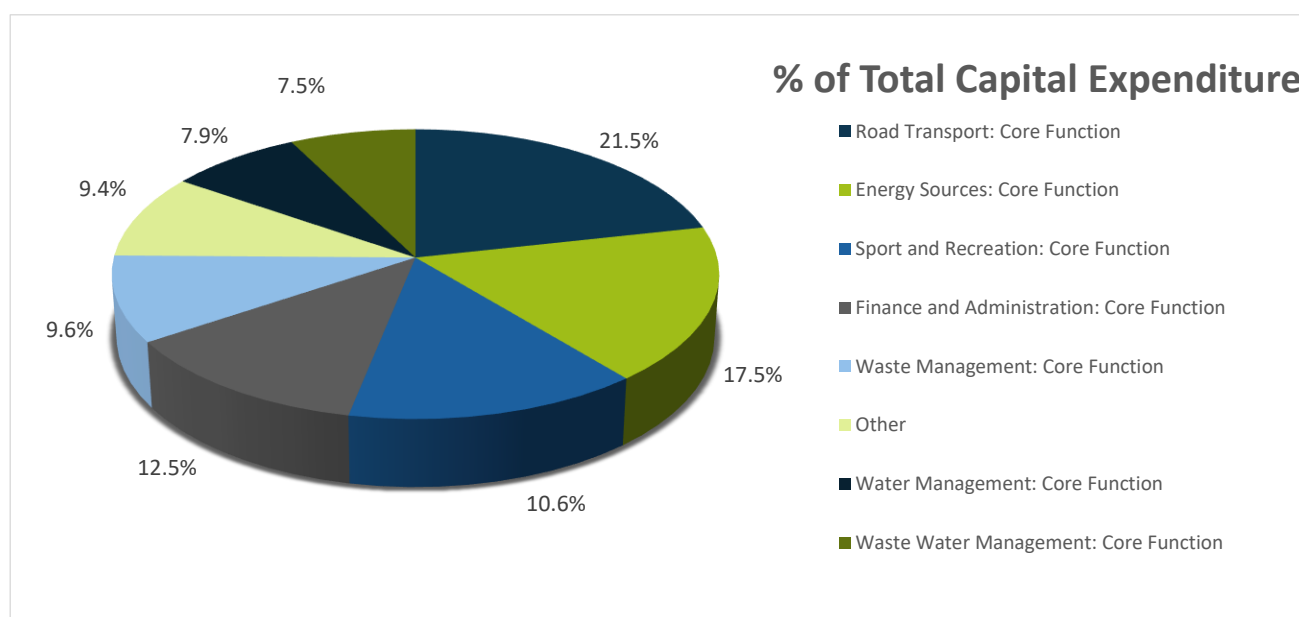
4.12.1 Capital Expenditure by Standard Classification

The table below (*Capital Expenditure Distribution per Standard Classification for the 2021/2022 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; waste water management; and, waste management.

The amounts in the table below and the percentages in the graph on *Operating Surplus Ratio* 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.

Graph 8: Capital Expenditure Distribution per Standard Classification for the 2021/2022 Financial Year



4.12.2 Analysis of the MTREF Capital Expenditure

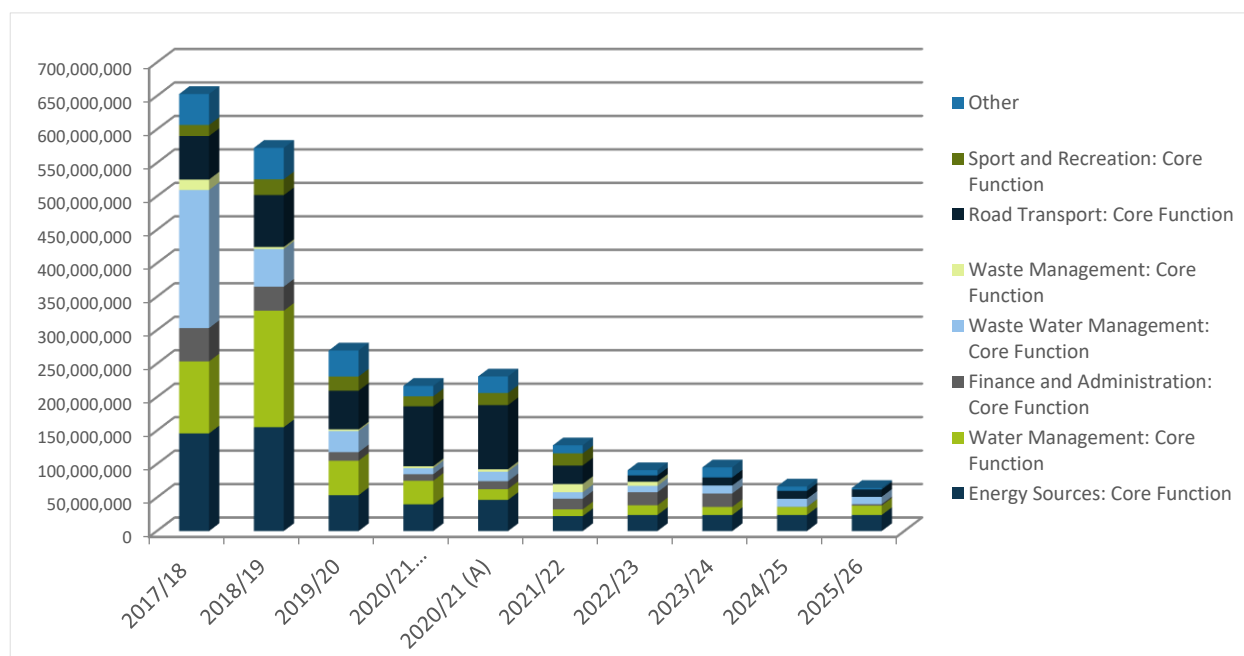
Total capital expenditure forecasted for the 2021/22 financial year amounts to R128.1 million compared with the projected capital expenditure of R231.0 million for the 2020/21 financial year (revised budget). Capital expenditure forecasts for the outer financial years amounts to R91.0 million (2022/23), R95.1 million (2023/24), R66.6 million (2024/25) and R64.4 million in year five (2025/26). The capital programme also shows capital projects to the amount of R4.218 billion which cannot be accommodated in the next five financial years.

It should be noted that the capital expenditure budget has been considerably decreased over the MTREF, if compared to the spending in the past five years. This is due to the moratorium on the taking up of loans until 2025/2026, the accumulation of internal reserves for capital replacement over the MTREF and the decrease in capital grants due to the economic impact of COVID-19.

For the 2021/2022 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 2021/2022 Financial Year**), are as follows: Electricity receives 17.5% of the capital budget, roads 21.5%, sport and recreation 10.6%, finance and administration 12.5%, waste 9.6%, other 9.4% (housing, community and social services, public safety and etcetera), water 7.9% and waste water 7.5%.

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, waste water 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 9: Capital Expenditure per Standard Classification



DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

Table 99: MTREF Capital Expenditure by Standard Classification (GFS)

| 2021/2022 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER GOVERNMENT FINANCIAL STATISTICS | | | | | | | | | | | | |
|---|--|-------------------------------|-------------------------------|-------------------------------|---------------------------|----------------------------------|---------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|---|---|
| Serial Number | Description | Audited Expenditure 2017/2018 | Audited Expenditure 2018/2019 | Audited Expenditure 2019/2020 | Original Budget 2020/2021 | Revised Capital Budget 2020/2021 | 2021/2022 Tabled Capital Budget | 2022/2023 Approved Capital Budget | 2023/2024 Indicative Capital Budget | 2024/2025 Indicative Capital Budget | Draft 2025/2026 Indicative Capital Budget | Draft 2026/2027 and onwards Indicative Capital Budget |
| Column Reference | A | B | C | D | E | F | G | I | J | K | L | M |
| 1 | Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums | 388,286 | 1,609,565 | 1,618,168 | 4,900,000 | 809,000 | - | - | - | - | - | 8,011,930 |
| 2 | Community and Social Services: Core Function - Community Halls and Facilities | 9,874,046 | 2,545,661 | 122,797 | 100,000 | - | 160,000 | 455,000 | 510,000 | 1,665,000 | 620,000 | 7,060,000 |
| 3 | Community and Social Services: Non-core Function - Agricultural | 158,625 | 219,682 | - | - | - | - | - | - | - | - | 1,070,000 |
| 4 | Community and Social Services: Non-core Function - Cultural Matters | 1,145,741 | 347,302 | 459,508 | - | - | 170,000 | 660,000 | 520,000 | 380,000 | 190,000 | 12,772,000 |
| 5 | Community and Social Services: Non-core Function - Libraries and Archives | - | 61,540 | 160,808 | - | - | - | - | - | - | - | - |
| 6 | Energy Sources: Core Function - Electricity | 145,925,422 | 155,203,667 | 53,542,646 | 39,950,000 | 46,527,499 | 22,382,577 | 24,021,739 | 24,021,739 | 24,021,739 | 24,021,739 | 928,658,661 |
| 7 | Executive and Council: Core Function - Mayor and Council | 3,241,573 | 73,122 | 2,607 | - | - | - | - | - | - | - | - |
| 8 | Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive | 596,864 | 142,860 | 97,205 | 120,000 | 336,545 | - | - | - | - | - | 10,230,000 |
| 9 | Finance and Administration: Core Function - Administrative and Corporate Support | 5,365,493 | 7,313,136 | 3,809,203 | 3,208,900 | 4,329,413 | 8,911,500 | 100,000 | 100,000 | 150,000 | 2,170,000 | 25,396,125 |
| 10 | Finance and Administration: Core Function - Budget and Treasury Office | 5,014 | 1,020 | - | - | - | - | - | - | - | - | - |
| 11 | Finance and Administration: Core Function - Finance | 509,251 | 402,452 | 853,478 | - | - | 250,000 | - | - | - | - | 984,375 |
| 12 | Finance and Administration: Core Function - Fleet Management | 30,939,233 | 13,215,034 | 167,165 | 1,083,543 | 1,083,543 | 4,090,000 | 19,450,000 | 20,000,000 | - | - | 253,612,177 |
| 13 | Finance and Administration: Core Function - Human Resources | 90,260 | 1,961,956 | - | - | - | - | - | - | - | - | - |
| 14 | Finance and Administration: Core Function - Information Technology | 4,310,221 | 5,691,407 | 6,208,077 | 2,367,294 | 5,237,897 | 2,530,000 | - | - | - | - | 32,426,912 |
| 15 | Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media Co-ordination | 18,019 | 24,773 | 206,280 | - | 21,154 | 196,000 | - | - | - | - | - |
| 16 | Finance and Administration: Core Function - Property Services | 5,871,914 | 6,471,754 | 577,548 | 1,010,399 | 482,389 | - | - | - | - | - | 7,520,000 |
| 17 | Finance and Administration: Core Function - Supply Chain Management | 2,708,508 | 871,820 | 912,081 | 2,082,860 | 800,870 | - | - | - | - | - | - |
| 18 | Finance and Administration: Non-core Function - Risk Management | 30,194 | - | 30,000 | - | - | - | - | - | - | - | - |
| 19 | Housing: Non-core Function - Housing | 30,707,680 | 38,737,059 | 33,732,642 | 8,687,291 | 22,657,581 | 10,800,000 | 5,100,000 | 11,600,000 | 3,000,000 | - | 62,307,600 |
| 20 | Internal Audit: Core Function - Governance Function | 10,068 | 59,506 | - | - | - | - | - | - | - | - | - |
| 21 | Other: Core Function - Tourism | - | - | 210,000 | - | - | - | - | - | - | - | 2,250,000 |
| 22 | Planning and Development: Core Function - Economic Development/Planning | 16,689 | 165,848 | 151,747 | - | - | 5,000 | - | - | - | - | 3,239,726 |
| 23 | Planning and Development: Core Function - Project Management Unit | - | - | 130,995 | 150,000 | 150,000 | - | 215,000 | - | - | - | - |
| 24 | Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement, and City Engineer | 115,845 | - | - | - | - | - | - | - | - | - | - |
| 25 | Public Safety: Core Function - Fire Fighting and Protection | 5,543 | 2,988,448 | 2,183,527 | 1,637,600 | 786,500 | 895,000 | 1,435,000 | 2,430,000 | 1,415,000 | 1,490,000 | 12,520,000 |
| 26 | Road Transport: Core Function - Police Forces, Traffic and Street Parking Control | 621,839 | 441,491 | 605,211 | 2,110,000 | 1,666,540 | 2,110,000 | - | - | - | - | 4,050,000 |
| 27 | Road Transport: Core Function - Roads | 64,400,084 | 77,076,695 | 57,165,823 | 87,394,552 | 94,237,892 | 25,481,404 | 9,528,406 | 11,983,768 | 11,983,768 | 10,983,768 | 658,236,893 |
| 28 | Sport and Recreation: Core Function - Community Parks (including Nurseries) | 329,703 | 753,904 | 865,220 | 775,000 | 991,775 | - | - | - | - | - | 12,200,000 |
| 29 | Sport and Recreation: Core Function - Recreational Facilities | 2,884,230 | 2,195,451 | 4,082,520 | 6,900,163 | 8,680,048 | 3,934,783 | - | - | - | - | 1,739 |
| 30 | Sport and Recreation: Core Function - Sports Grounds and Stadiums | 13,231,584 | 20,667,858 | 16,219,397 | 7,341,292 | 8,327,939 | 14,191,305 | - | - | - | - | 14,835,000 |
| 31 | Waste Management: Core Function - Solid Waste Disposal (Landfill Sites) | - | - | - | - | - | 4,000,000 | 6,000,000 | - | - | - | - |
| 32 | Waste Management: Core Function - Solid Waste Removal | 15,592,655 | 2,896,791 | 2,539,340 | 3,000,000 | 3,567,894 | 8,100,000 | - | - | - | - | 64,281,930 |
| 33 | Waste Management: Core Function - Street Cleaning | - | 190,000 | - | - | - | 200,000 | - | - | - | - | - |
| 34 | Waste Water Management: Core Function - Public Toilets | - | - | - | - | - | - | - | - | - | - | - |
| 35 | Waste Water Management: Core Function - Sewerage | 123,920 | - | 2,320 | - | - | - | - | - | - | - | - |
| 36 | Waste Water Management: Core Function - Waste Water Treatment | 206,196,348 | 56,164,519 | 31,527,414 | 8,915,000 | 14,203,210 | 9,600,000 | 9,528,403 | 11,983,768 | 11,983,768 | 10,983,768 | 1,073,413,767 |
| 37 | Water Management: Core Function - Water Distribution | 107,563,292 | 174,039,211 | 51,574,113 | 35,238,539 | 16,122,424 | 10,095,000 | 14,528,406 | 11,983,768 | 11,983,768 | 13,983,768 | 1,023,299,587 |
| 38 | Grand Total | 652,978,143 | 572,533,531 | 269,757,843 | 216,972,433 | 231,020,113 | 128,102,569 | 91,021,954 | 95,133,043 | 66,583,043 | 64,443,043 | 4,218,378,422 |

4.13 LONG TERM CAPITAL EXPENDITURE FUNDING

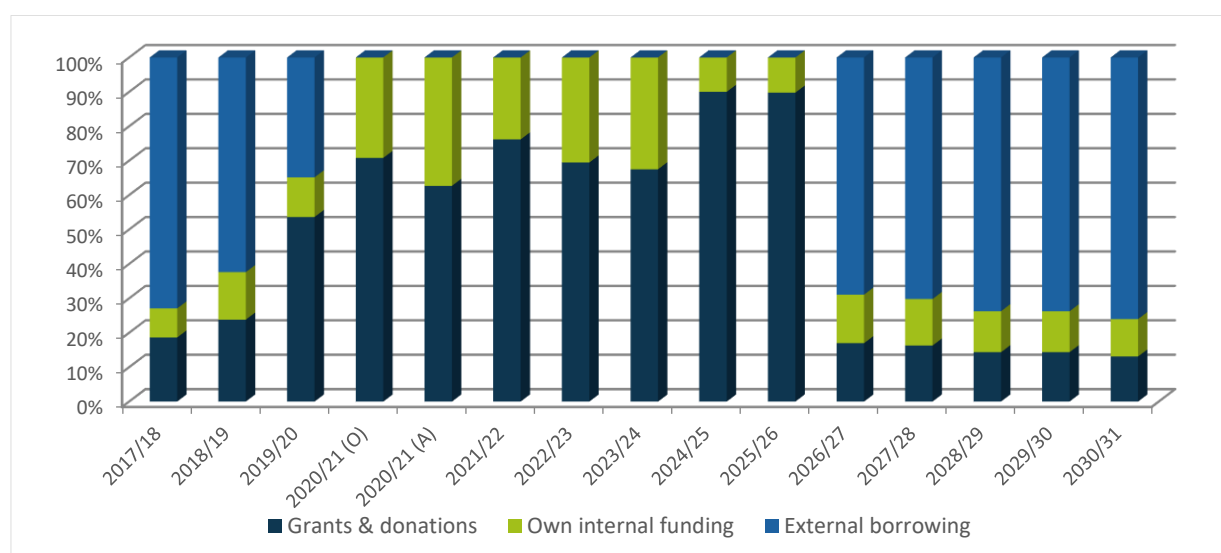
Capital expenditure is funded through own revenue, grants and donations from outside stakeholders and external borrowings. Own revenue can only be generated through operating budget surpluses, but, this means that Drakenstein's customer base must pay for it through property rates and service charges 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 ten years (LTREF) under review are set out in the table (*Capital Expenditure per Funding Source (LTREF Affordability Envelope)*) and the graph below (*Capital Expenditure per Funding Source (LTREF Affordability Envelope)*). The available funding from all sources over the LTREF is referred to as the affordability envelope. In the graph below it is clear that external borrowings (light 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 2021/22 until 2025/26, but will once again be from 2026/27 to 2030/31. It also clearly shows that own funding (green colour) is becoming the only other funding source for the MTREF. These reserves need to be rebuilt as from the 2021/22 financial year. Therefore, the decision to limit capital funding from own funds to R50 million per year until 2030/31. Grant funding (dark blue colour) fluctuates depending on the success of business plan applications for grant funding from government and funding agency programmes.

Table 100: Capital Expenditure per Funding Source (LTREF Affordability Envelope)

| 2021/2022 LTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER FUNDING SOURCE | | | | | | |
|--|-------------------------------------|-----------------------------|----------------|-------------|---------|-----------------------|
| Serial Number | Financial Year | Capital Replacement reserve | External loans | Grants | Other | Capital Budget Totals |
| Column | A | B | C | D | E | G |
| 1 | Audited Expenditure 2017/2018 | 55,073,136 | 476,218,758 | 121,686,249 | - | 652,978,143 |
| 2 | Audited Expenditure 2018/2019 | 78,266,756 | 357,114,628 | 136,348,449 | 803,698 | 571,729,833 |
| 3 | Audited Expenditure 2019/2020 | 31,085,427 | 93,963,326 | 144,709,089 | - | 269,757,843 |
| 4 | Original Budget 2020/2021 | 63,300,476 | - | 153,671,957 | - | 216,972,433 |
| 5 | Revised Capital Budget 2020/2021 | 86,264,232 | - | 144,755,881 | - | 231,020,113 |
| 6 | 2021/2022 Indicative Capital Budget | 31,720,000 | - | 96,382,569 | - | 128,102,569 |
| 7 | 2022/2023 Indicative Capital Budget | 34,915,000 | - | 63,773,000 | - | 98,688,000 |
| 8 | 2023/2024 Indicative Capital Budget | 41,675,000 | - | 61,329,000 | - | 103,004,000 |
| 9 | 2024/2025 Indicative Capital Budget | 14,110,000 | - | 60,344,000 | - | 74,454,000 |
| 10 | 2025/2026 Indicative Capital Budget | 11,970,000 | - | 60,344,000 | - | 72,314,000 |
| 11 | 2026/2027 Indicative Capital Budget | 50,000,000 | 245,000,000 | 60,344,000 | - | 355,344,000 |
| 12 | 2027/2028 Indicative Capital Budget | 50,000,000 | 260,000,000 | 60,344,000 | - | 370,344,000 |
| 13 | 2028/2029 Indicative Capital Budget | 50,000,000 | 310,000,000 | 60,344,000 | - | 420,344,000 |
| 14 | 2029/2030 Indicative Capital Budget | 50,000,000 | 310,000,000 | 60,344,000 | - | 420,344,000 |
| 15 | 2030/2031 Indicative Capital Budget | 50,000,000 | 350,000,000 | 60,344,000 | - | 460,344,000 |

Graph 10: Capital Expenditure per Funding Source (LTREF Affordability Envelope)



4.14 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 table below, the majority of capital expenditure for the MTREF relates to PDO 26: Water & sanitation services and infrastructure (26.2%); PDO 24: Energy supply and infrastructure (26.6%); and, PDO 25: Transport, roads and storm water infrastructure (15.7%).

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 and the funding source for the 2021/22 year, as set out in Chapter 3 of the IDP.

As can be seen from the Table on ***Capital Expenditure per Pre-Determined Objectives and source of funding*** below, the majority of capital expenditure for the 2020/2021 year relates to PDO 25: Transport, roads and storm water infrastructure, specifically for the completion of the widening of Oosbosch Street to a dual carriageway, inclusive of an additional two lane bridge over the Bergriver. Of the total budget for this project, 80% will be funded from a Provincial transport grant, as Oosbosch Street connects two jointly significant roads, namely Bergriver Boulevard and Jan van Riebeeck in Paarl.

Table 101: Capital Expenditure per Pre-Determined Objectives

| 2021/22 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER PRE-DETERMINED OBJECTIVE | | | | | | | |
|--|--------|--|-----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Serial Number | PDO | PDO Description | Approved 2021/2022 Capital Budget | 2022/2023 Indicative Capital Budget | 2023/2024 Indicative Capital Budget | 2024/2025 Indicative Capital Budget | 2025/2026 Indicative Capital Budget |
| Column Referen | A | B | C | D | E | F | D |
| 1 | PDO 6 | Communications (Internal and External) | 196,000 | - | - | - | - |
| 2 | PDO 15 | Supply Chain Management | 250,000 | - | - | - | - |
| 3 | PDO 21 | Systems & Technology | 2,530,000 | 75,000 | 75,000 | 75,000 | 80,000 |
| 4 | PDO 23 | Equipment & Fleet Management | 7,840,000 | 665,000 | - | - | - |
| 5 | PDO 24 | Energy Supply & Infrastructure | 22,382,577 | 24,021,739 | 24,021,739 | 24,021,739 | 24,021,739 |
| 6 | PDO 25 | Transport, Roads & Stormwater Infrastructure | 25,481,404 | 9,528,406 | 11,983,768 | 11,983,768 | 10,983,768 |
| 7 | PDO 26 | Water & Sanitation Services & Infrastructure | 19,695,000 | 24,056,809 | 23,967,536 | 23,967,536 | 24,967,536 |
| 8 | PDO 27 | Solid Waste Management & Infrastructure | 7,300,000 | 6,000,000 | - | - | - |
| 9 | PDO 28 | Municipal & Public Facilities | 1,580,000 | 20,010,000 | 20,920,000 | 1,930,000 | 2,690,000 |
| 10 | PDO 29 | Economic Growth | 130,000 | - | - | - | - |
| 11 | PDO 36 | Spatial Planning | 11,500 | - | - | - | - |
| 12 | PDO 39 | Safety & Security | 9,495,000 | 160,000 | 160,000 | 215,000 | 240,000 |
| 13 | PDO 40 | Disaster and Emergency Management | 400,000 | 1,300,000 | 2,295,000 | 1,275,000 | 1,340,000 |
| 14 | PDO 41 | Traffic Control & Licensing | 310,000 | - | - | - | - |
| 15 | PDO 42 | Municipal Law Enforcement | 1,300,000 | - | - | - | - |
| 16 | PDO 43 | Environmental Management and Climate Change | 275,000 | - | - | - | - |
| 17 | PDO 45 | Parks & open Space | 2,804,348 | - | - | - | - |
| 18 | PDO 48 | Early and Childhood Development | - | 105,000 | 110,000 | 115,000 | 120,000 |
| 19 | PDO 50 | Sustainable Human Settlements (Housing) | 10,800,000 | 5,100,000 | 11,600,000 | 3,000,000 | - |
| 20 | PDO 51 | Sport, Recreation and Facilities | 12,930,436 | - | - | - | - |
| 21 | PDO 54 | Cemeteries and Crematoria | 2,391,304 | - | - | - | - |
| 22 | Total | | 128,102,569 | 91,021,954 | 95,133,043 | 66,583,043 | 64,443,043 |

Table 102: Capital Expenditure per Pre-Determined Objectives and source of funding

| 2021/22 CAPITAL BUDGET EXPENDITURE PER PRE-DETERMINED OBJECTIVE AND SOURCE OF FUNDING | | | | | |
|---|--------|--|---------------------|------------------------|-----------------------------------|
| Serial Number | PDO | PDO Description | Funding Source: CRR | Funding Source: Grants | Approved 2021/2022 Capital Budget |
| Column Referen | A | B | C | D | E |
| 1 | PDO 6 | Communications (Internal and External) | 196,000 | - | 196,000 |
| 2 | PDO 15 | Supply Chain Management | - | 250,000 | 250,000 |
| 3 | PDO 21 | Systems & Technology | 1,530,000 | 1,000,000 | 2,530,000 |
| 4 | PDO 23 | Equipment & Fleet Management | 2,840,000 | 5,000,000 | 7,840,000 |
| 5 | PDO 24 | Energy Supply & Infrastructure | 4,920,000 | 17,462,577 | 22,382,577 |
| 6 | PDO 25 | Transport, Roads & Stormwater Infrastructure | 2,990,000 | 22,491,404 | 25,481,404 |
| 7 | PDO 26 | Water & Sanitation Services & Infrastructure | 2,000,000 | 17,695,000 | 19,695,000 |
| 8 | PDO 27 | Solid Waste Management & Infrastructure | 2,800,000 | 4,500,000 | 7,300,000 |
| 9 | PDO 28 | Municipal & Public Facilities | 1,580,000 | - | 1,580,000 |
| 10 | PDO 29 | Economic Growth | 130,000 | - | 130,000 |
| 11 | PDO 36 | Spatial Planning | 11,500 | - | 11,500 |
| 12 | PDO 39 | Safety & Security | 9,495,000 | - | 9,495,000 |
| 13 | PDO 40 | Disaster and Emergency Management | 400,000 | - | 400,000 |
| 14 | PDO 41 | Traffic Control & Licensing | 310,000 | - | 310,000 |
| 15 | PDO 42 | Municipal Law Enforcement | 1,300,000 | - | 1,300,000 |
| 16 | PDO 43 | Environmental Management and Climate Change | 117,500 | 157,500 | 275,000 |
| 17 | PDO 45 | Parks & open Space | - | 2,804,348 | 2,804,348 |
| 18 | PDO 50 | Sustainable Human Settlements (Housing) | - | 10,800,000 | 10,800,000 |
| 19 | PDO 51 | Sport, Recreation and Facilities | 1,100,000 | 11,830,436 | 12,930,436 |
| 20 | PDO 54 | Cemeteries and Crematoria | - | 2,391,304 | 2,391,304 |
| 21 | Total | | 31,720,000 | 96,382,569 | 128,102,569 |

4.14.1 External Borrowings

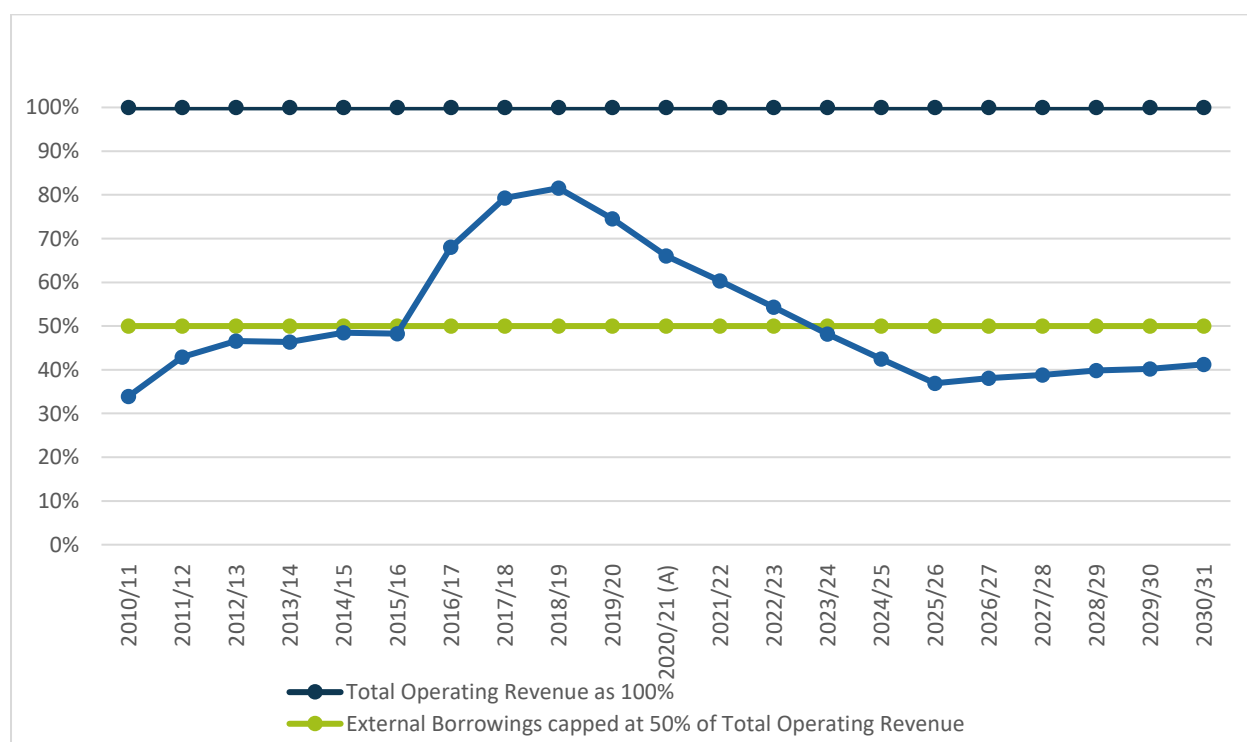
External borrowing as a funding source is capped at 50% of total operating revenue (excluding conditional grants) as per Council's External Borrowing Policy. Due to development opportunities and pressures, Council allowed investment in infrastructure through external borrowings that has led the capped 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 66.0% at the end of the 2020/21 financial year, before decreasing to 60.4% (2021/22), 54.3% (2022/23), 48.2% (2023/24), 42.5% (2024/25) and 36.9% (2025/26) 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.

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.

Graph 11: External Borrowings as a Percentage of Total Operating Revenue



4.14.2 Grant Funding

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). The sub-committee reports in monthly intervals to the Revenue Management, Expenditure Management and Cost Containment Committee.

The following grant applications are in process and current grant programmes are pending:

- **DBSA IIPSA funding:** R27.9 million grants received for planning activities. Successful implementation may result in Drakenstein Municipality being eligible for possible additional grant funding from DBSA.
- The grant availability agreement was extended to 30 June 2021 due to delays relating to COVID-19 lockdown period.
- **Department of Environmental Affairs – Operation Phakisa:** Operation Phakisa is a Presidential programme established to support the implementation of the National Development Plan to promote the SA economy through various waste management initiatives which contributes to the GDP of the country through job creation; reducing negative environmental impact; formalization & protection of informal workers; and economic transformation. The following 5 proposals were submitted as listed in the table below:

Programme is awaiting funding confirming to proceed

Table 103: Projects - Operation Phakisa

| PROJECT NAME | AMOUNT |
|---|----------------------|
| Wellington Landfill Site: Material Recovery Facility (MRF)/Transfer Station | R 43,700,000 |
| Wellington Landfill Site: Provision of Sustainable alternative disposal methods for organic food waste (Biogas Plant) | R 18,300,000 |
| Wellington WWTW: Re-Use of Effluent | R 167,000,000 |
| Drakenstein Lightweight Bricks Manufacturing using Recycled Polystyrene | R 52,900,000 |
| Recycling Awareness campaign | R 1,200,000 |
| TOTAL VALUE OF APPLICATIONS | R 283,100,000 |

- **Department of Human Settlements:** Funding for Simondium - Innovative Technology “Bubbler Sewer System”.

Feedback received: DoHS are overcommitted with projects, and as a result was forced to implement budget cuts. With the Department's inability to be able to contribute towards bulks, did not consider this in the budgeting process for 2021/22.

- **Department of Energy (DoE)/DBSA Support Programme:** Drakenstein identified as a pilot for the roll-out of a DBSA grant for electricity backlog eradication, for operational and capital projects. Implementation of this programme has been delayed due to funding constraints.
- **Department of Water & Sanitation (DWS) Water Services Infrastructure Grant (WSIG):** Funding application for Water Demand Management approved in principle for approximately R5 million.
Funding has been approved and gazetted as follows:
2021/22: R4,095,000
2022/23: R5,000,000
- **Neighbourhood Development Partnership Programme (NDPG):** Funding support and approval to proceed with planning processes, received from National Treasury.
- **DBSA Vumela Bulk Infrastructure Financing Product:** First meeting held in March 2021 regarding the possibility of this innovative funding solution for the Paarl South bulk sanitation upgrades.
- **IDIS Private Development Funding Programme (PDFP):** PDFP was developed by IDIS to unlock Foreign Direct Investment (FDI) for projects to assist South African municipalities. Funding invested is not a loan and does not require any repayments. Municipality to provide security to unlock funding at no cost. Security provided is a "pledge" by the municipality to keep/maintain a percentage of its fixed assets owned above an agreed threshold level for a period of 5 years.
 - Example: If the fixed assets owned by municipality is valued at R10 billion, and the municipality decides it is comfortable to pledge 30% (R3 billion), FIVE times the pledge value will be unlocked for projects to be implemented over a 5-year period (5 x R3 billion = R15 billion)
 - The municipality is in the process of having internal discussions regarding the viability of exploring this funding option.

4.14.3 The 10 Year Capital Expenditure Framework and Addressing the Funding GAP

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.

Table 104: 2021/31 10 Year Capital Expenditure Framework

| 2021/31 CAPITAL EXPENDITURE FRAMEWORK | | | | | | | | | | | |
|---------------------------------------|------------------------------------|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Serial Number | Infrastructure Type | Approved 2021/2022 Budget R'000 | 2022/2023 Indicative 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 |
| Column Reference | A | B | C | D | E | F | G | H | I | J | K |
| 1 | Basic Services | 1,000 | 0 | 0 | 0 | 0 | 11,471 | 10,671 | 10,671 | 10,671 | 10,671 |
| 2 | Water | 11,295 | 17,528 | 11,984 | 11,984 | 13,984 | 305,051 | 256,065 | 237,069 | 232,420 | 273,795 |
| 3 | Waste Water | 7,900 | 11,528 | 11,984 | 11,984 | 10,984 | 243,828 | 216,838 | 212,651 | 139,775 | 181,557 |
| 4 | Energy/Electricity | 22,383 | 24,022 | 24,022 | 24,022 | 24,022 | 341,838 | 326,089 | 291,604 | 273,127 | 263,439 |
| 5 | Roads/Streets and Stormwater | 25,092 | 9,528 | 11,984 | 11,984 | 10,984 | 254,901 | 230,436 | 229,686 | 227,020 | 217,958 |
| 6 | Transport | 0 | 0 | 0 | 0 | 0 | 1,000 | 1,000 | 1,000 | 1,000 | 0 |
| 7 | Solid Waste | 11,800 | 6,000 | 0 | 3,000 | 0 | 89,880 | 84,599 | 105,626 | 102,793 | 77,468 |
| 8 | Housing | 10,800 | 105 | 11,710 | 115 | 120 | 49,298 | 46,078 | 22,978 | 19,675 | 0 |
| 9 | Social and Economic Infrastructure | 19,255 | 1,490 | 2,385 | 2,360 | 1,100 | 101,815 | 56,606 | 55,116 | 52,324 | 36,414 |
| 10 | Other | 18,578 | 20,820 | 21,065 | 1,135 | 3,250 | 287,439 | 240,797 | 235,783 | 182,961 | 157,462 |
| 11 | Grand Total | 128,103 | 91,022 | 95,133 | 66,583 | 64,443 | 1,686,521 | 1,469,179 | 1,402,186 | 1,241,766 | 1,218,765 |

The table 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 R134.4 million will contribute 30.2% of the total capital budget of R400.6 million over the 2021/26 MTREF. Grants will contribute R310.9 million or 69.8% of the total capital budget. No external borrowings will be entered into.

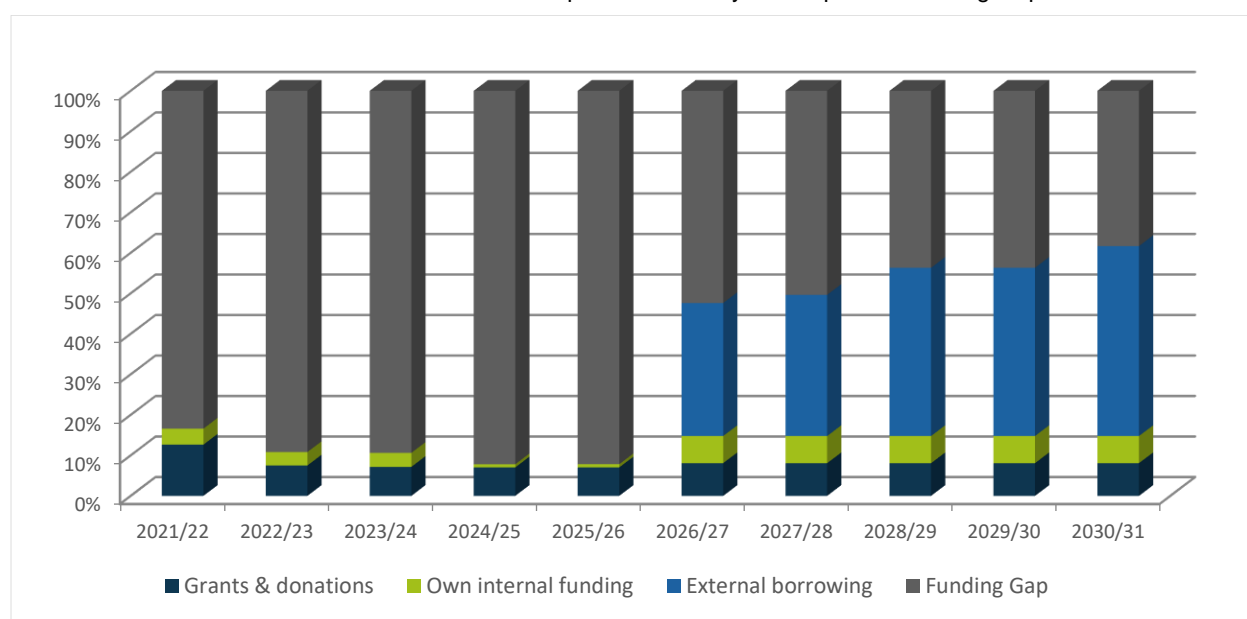
Table 105: Available Funding Sources (LTREF Affordability Envelope)

| AVAILABLE FUNDING SOURCES TO BE USED FOR THE PRIORITISATION MODEL FOR CAPITAL ASSET INVESTMENT | | | | | | | | | | | | | |
|--|---|-----------------------------|------------------|----------------|------------------|--|------------------|-------------------|------------------|-------------|------------------|-----------------------|------------------|
| Serial Number | Financial Year | Capital Replacement reserve | % of Total Capex | External Loans | % of Total Capex | Prioritised Capex (Prioritisation Model) | % of Total Capex | Total Own Funding | % of Total Capex | Grants | % of Total Capex | Capital Budget Totals | % of Total Capex |
| Column Reference | A | B | C | D | E | F | G | H | I | J | K | L | M |
| 1 | 2021/2022 | 31,720,000 | 24.8% | - | 0.0% | 31,720,000 | 24.8% | 31,720,000 | 24.8% | 96,382,569 | 75.2% | 128,102,569 | 100.0% |
| 2 | 2022/2023 | 34,915,000 | 38.4% | - | 0.0% | 34,915,000 | 38.4% | 34,915,000 | 38.4% | 56,106,954 | 61.6% | 91,021,954 | 100.0% |
| 3 | 2023/2024 | 41,675,000 | 43.8% | - | 0.0% | 41,675,000 | 43.8% | 41,675,000 | 43.8% | 53,458,043 | 56.2% | 95,133,043 | 100.0% |
| 4 | 2024/2025 | 14,110,000 | 21.2% | - | 0.0% | 14,110,000 | 21.2% | 14,110,000 | 21.2% | 52,473,043 | 78.8% | 66,583,043 | 100.0% |
| 5 | 2025/2026 | 11,970,000 | 18.6% | - | 0.0% | 11,970,000 | 18.6% | 11,970,000 | 18.6% | 52,473,043 | 81.4% | 64,443,043 | 100.0% |
| 6 | MTREF | 134,390,000 | 30.2% | - | 0% | 134,390,000 | 30.2% | 134,390,000 | 30.2% | 310,893,652 | 69.8% | 445,283,652 | 100% |
| 7 | 2026/2027 | 50,000,000 | 14.1% | 245,000,000 | 68.9% | 295,000,000 | 83.0% | 295,000,000 | 83.0% | 60,344,000 | 17.0% | 355,344,000 | 100.0% |
| 8 | 2027/2028 | 50,000,000 | 13.5% | 260,000,000 | 70.2% | 310,000,000 | 83.7% | 310,000,000 | 83.7% | 60,344,000 | 16.3% | 370,344,000 | 100.0% |
| 9 | 2028/2029 | 50,000,000 | 11.9% | 310,000,000 | 73.7% | 360,000,000 | 85.6% | 360,000,000 | 85.6% | 60,344,000 | 14.4% | 420,344,000 | 100.0% |
| 10 | 2029/2030 | 50,000,000 | 11.9% | 310,000,000 | 73.7% | 360,000,000 | 85.6% | 360,000,000 | 85.6% | 60,344,000 | 14.4% | 420,344,000 | 100.0% |
| 11 | 2030/2031 | 50,000,000 | 10.9% | 350,000,000 | 76.0% | 400,000,000 | 86.9% | 400,000,000 | 86.9% | 60,344,000 | 13.1% | 460,344,000 | 100.0% |
| 12 | LTREF Grand | 384,390,000 | 15.5% | 1,475,000,000 | 60% | 1,859,390,000 | 75.2% | 1,859,390,000 | 75.2% | 612,613,652 | 24.8% | 2,472,003,652 | 100% |
| 13 | | | | | | | | | | | | | |
| 14 | Capital budget (LTFP affordability envelope) for the next five (2021/2022 - 2025/2026) years to address IDP needs = | | | | | | | | | | | 445,283,652 | 5.97% |
| 15 | LTFP affordability envelope for years six (2026/2027) to ten (2030/2031) to address IDP needs = | | | | | | | | | | | 2,026,720,000 | 27.15% |
| 16 | IDP needs in capital programme that could not be addressed in years one (2021/2022) to ten (2030/2031) = | | | | | | | | | | | 4,991,697,604 | 66.88% |
| 17 | Total capital programme based on CEF needs = | | | | | | | | | | | 7,463,701,256 | 100.00% |

The five-year MTREF indicates that the capital programme of R445.3 million in terms of the affordability envelope will only address 6.0% of Drakenstein's total capital programme needs of R7.464 billion as indicated in the Ten Year Capital Expenditure Framework. Over the LTREF this improves to 33.1% of the total capital programme needs in terms of the affordability envelope, but still leaving a funding gap of 66.9% over the LTREF.

The funding gap, based on the average capital need over the LTREF less the available funding per the affordability envelope is indicated in the graph below. Based on the forecasted MTREF, the average funding gap in 2021/22 is 83.4%, increasing to 89.2% in 2022/23, further increasing to 89.4% 2023/24 and 92.2% 2024/25 and 2025/26, before decreasing to 38.3% in 2030/31. The large funding gaps between 2021/22 and 2025/26 is due to the moratorium placed on the taking up of external loans, as discussed earlier in the chapter.

Table 106: LTREF Capital Affordability Envelope and Funding Gap



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.

4.15 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 storm water 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.

During 2019/20 the municipality acquired a Capital Project Prioritisation & Monitoring Software, which was necessitated by the inclusion of the municipality as part of the intermediate city programme receiving 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 Municipality is in the process of configuring the software for the Drakenstein area and projects linked to the IDP.

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.

The software acquired assists the municipality to improve the management of capital projects planning, budgeting and prioritisation and reporting. The tool encompasses several features, including being able to assist with the respective life cycle phases of the capital projects and prioritisation of capital budgets.

The software would necessitate the updating of the current Prioritisation Model for Capital Assets, as it now provides for a multi-tiered approach to prioritisation, and application of prioritisation of strategic outcomes, budget capping based on collective strategic targets and consideration of investment requirements based on the outputs of long-term sector planning and asset management systems.

The quality of the current Prioritisation Model for Capital Assets that is performed is normally limited by the granularity of data and the availability/adequacy of information.

The new software, as the process of information management is enhanced, will allow for improved prioritisation. Furthermore, the software will be used to ensure, prior to prioritisation, that projects are prepared to a level where in the originator of future capital projects can:

- Demonstrate that the proposed project meets the functional requirements and objectives, and is aligned to meet the need it seeks to address;
- Aligns the proposed projects to the city's strategic programmes and KPAs, already demonstrating how these projects could contribute and align towards meeting of the city's strategic objectives;
- Demonstrate that the proposed project is properly planned and ready to be implemented, should it receive budget;
- Ascertain the capital and operational expenditure of the proposed project, to a sufficient level of accuracy, over the full project life-cycle;
- Ascertain accessibility to grants, impact on municipal revenue and expenditure; and
- Determine and document any risks and concerns that may result in project failure, inclusive of a plan to manage or eliminate such risks.

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 2021/2022 will receive 59.0% of the total capital budget. Over the MTREF basic services infrastructure will receive 49.0% (2022/23), 50.0%; (2023/24), 58.5% (2024/25) and 55.8%% (2025/26) of the total capital budget.

Social and economic infrastructure will receive 23.5% of the total capital budget. Over the MTREF social and economic infrastructure will receive 20.8% (2022/23), 20.8% (2023/24), 29.8% (2024/25) and 28.9% (2025/26) of the total capital budget.

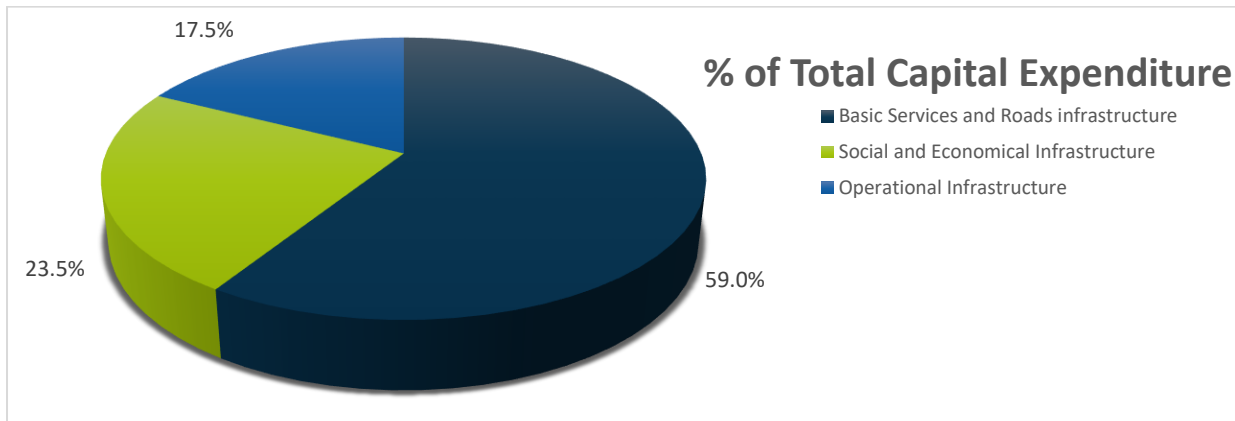
Operational infrastructure will receive 17.5% of the total capital budget. Over the MTREF operational infrastructure will receive 30.2% (2022/23), 29.2% (2023/24), 11.7% (2024/25) and 15.3% (2025/26) of the total capital budget.

Table 107: Allocations per Infrastructure Type

| 2021/2022 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER INFRASTRUCTURE TYPE AND FUNDING | | | | | | | | | | | |
|---|--|-----------------------------------|----------------|-------------------------------------|----------------|-------------------------------------|----------------|-------------------------------------|----------------|-------------------------------------|----------------|
| Serial Number | Infrastructure Type / Funding Source | Approved 2021/2022 Capital Budget | Distribution % | 2022/2023 Indicative Capital Budget | Distribution % | 2023/2024 Indicative Capital Budget | Distribution % | 2024/2025 Indicative Capital Budget | Distribution % | 2025/2026 Indicative Capital Budget | Distribution % |
| Column Reference | A | B | C | D | E | F | G | H | I | J | K |
| 1 | Basic Services and Road Infrastructure | 75,604,198 | 59.0% | 44,585,215 | 49.0% | 47,551,304 | 50.0% | 38,951,304 | 58.5% | 35,951,304 | 55.8% |
| 2 | Grants | 66,514,198 | 51.9% | 39,585,215 | 43.5% | 35,951,304 | 37.8% | 35,951,304 | 54.0% | 35,951,304 | 55.8% |
| 3 | Prioritised Funds | 9,090,000 | 7.1% | 5,000,000 | 5.5% | 11,600,000 | 12.2% | 3,000,000 | 4.5% | - | 0.0% |
| 4 | Social & Economical Infrastructure | 30,065,871 | 23.5% | 18,931,739 | 20.8% | 19,831,739 | 20.8% | 19,816,739 | 29.8% | 18,641,739 | 28.9% |
| 5 | Grants | 26,560,871 | 20.7% | 16,521,739 | 18.2% | 17,506,739 | 18.4% | 16,521,739 | 24.8% | 16,521,739 | 25.6% |
| 6 | Prioritised Funds | 3,505,000 | 2.7% | 2,410,000 | 2.6% | 2,325,000 | 2.4% | 3,295,000 | 4.9% | 2,120,000 | 3.3% |
| 7 | Operational Infrastructure | 22,432,500 | 17.5% | 27,505,000 | 30.2% | 27,750,000 | 29.2% | 7,815,000 | 11.7% | 9,850,000 | 15.3% |
| 8 | Grants | 3,307,500 | 2.6% | - | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% |
| 9 | Prioritised Funds | 19,125,000 | 14.9% | 27,505,000 | 30.2% | 27,750,000 | 29.2% | 7,815,000 | 11.7% | 9,850,000 | 15.3% |
| 10 | Grand Total | 128,102,569 | 100.0% | 91,021,954 | 100.0% | 95,133,043 | 100.0% | 66,583,043 | 100.0% | 64,443,043 | 100.0% |

For the 2021/22 financial year the distribution is as depicted in the following graph.

Graph 12: Capital Expenditure Distribution for the 2021/2022 Financial Year



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.

4.16 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.

4.16.1 Operating Surplus Ratio

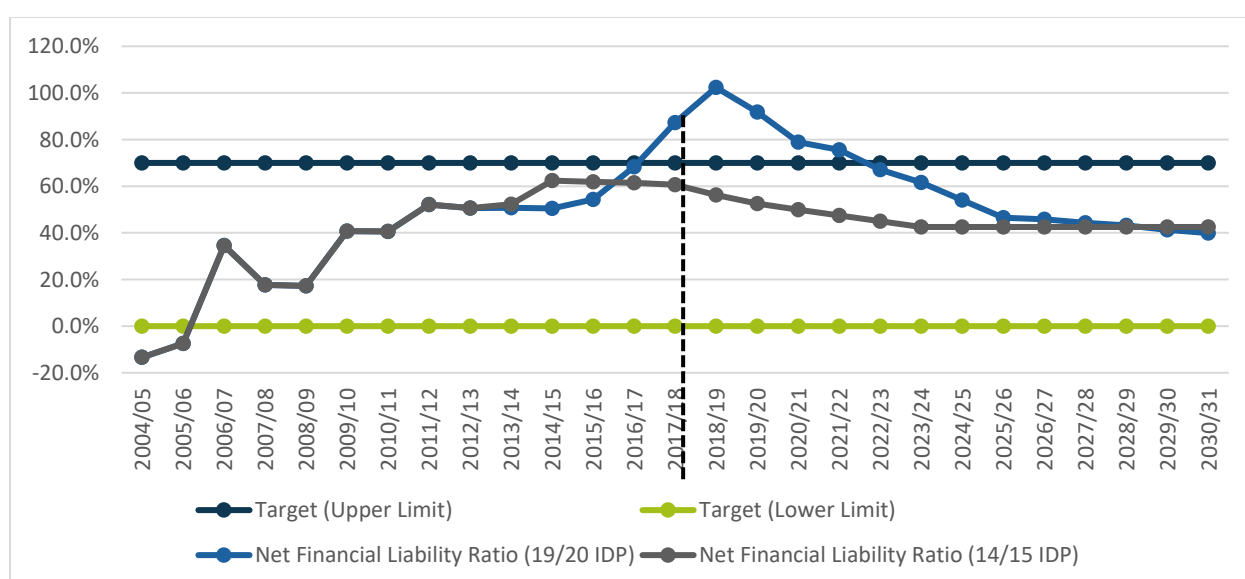
In the above the operating surplus ratio was discussed in detail. The discussions included envisaged actions to get closer to a balanced budgeted and an operating surplus above 0% by 2025/26. This view needs to be intensified to rather reach a balanced budget by 2023/24. The intension is to increase this operating surplus to about 4.5% in 2030/31 to become less dependable on external borrowings on the long-term.

4.16.2 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 2021/22 due to the extensive investment in revenue generating infrastructure (electricity, water and waste water) as discussed in detail in the paragraph above. During 2021/22 till 2025/26 it will decrease significantly due to the moratorium on the taking up of long-term borrowings.

Graph 13: Net Financial Liability Ratio



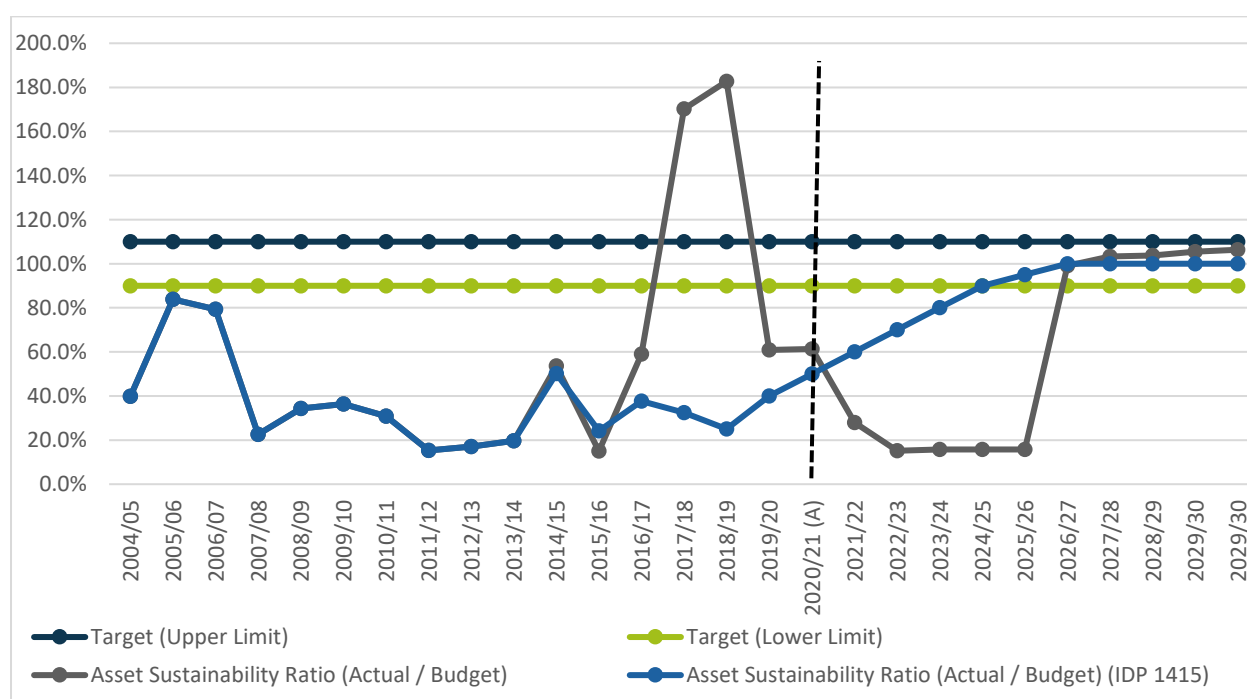
The only way to reduce the net financial liability ratio is to reduce the gearing ratio to below 50% over the long-term as depicted in the graph (*External borrowings as a percentage of total operating revenue*) above. This however goes together with the assumption that the operating budget must yield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

4.16.3 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 2021/2026 MTREF capital budget 4% (2021/22), 6% (2022/23), 5% (2023/24), 16% (2024/25) and 16% (2025/26) 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 lower than this norm. The reason for this is the significant decrease in the capital budget over the MTREF due to the moratorium on the taking up of new loans. Drakenstein Municipality also do not get their fair share of government grants for a developing municipality compared with other secondary and intermediary cities. Due to the Municipality's dependency on capital grants over the next five years, there is a distinct possibility that the incentive portion of the IUDG allocations might decrease over the next few financial years.

Graph 14: Asset Sustainability Ratio



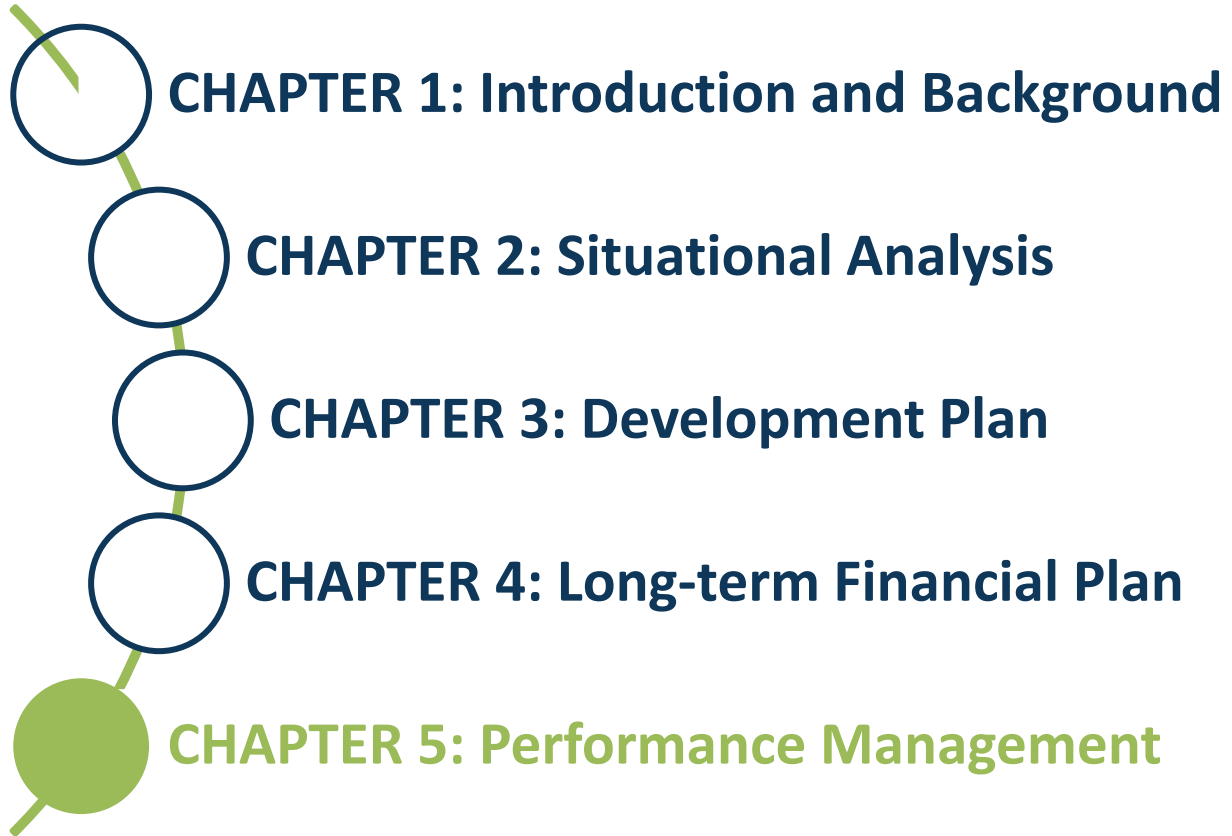
The graph above, illustrates the effect of the reduction of the capital budget over the MTREF. Current capital expenditure spending trends project that existing infrastructure are not being renewed/replaced sufficiently or maintained efficiently to prevent future renewal “backlogs”. If future renewal “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 ratio decreases up to 2025/26, before it stabilises over the last five outer years reaching the acceptable limits of between 90% and 110% by 2030/31.

4.17 CONCLUSION

The continued improvement and development of an effective financial planning process aids the actualisation of fulfilling its facilitating role to capacitate the community to build a prosperous future for all. This Long-Term Financial Plan with its financial framework, financial strategies and financial Policy framework contribute to ensuring that Drakenstein remains financially viable and sustainable and that quality municipal services are provided economically to all communities within its area of jurisdiction. The multi-year Long-Term Financial Plan contains realistic and credible revenue and expenditure forecasts which should provide a sound basis for improved financial management and institutional development as well as service delivery improvements and implementation. The strategy towards cash backing and balanced operating budgets will certainly ensure the sustainability of the Municipality over the short-, medium- and long-term.



CHAPTER 5: PERFORMANCE MANAGEMENT

5.1 INTRODUCTION

The Drakenstein 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 Monitoring and Evaluation and Job Description Efficiency.

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 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 DM. 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 (2017-2022) is implemented.

5.1.1 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.

5.1.2 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.

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 SDBIP that must be made public as detailed in MFMA Circular 13. The top layer of the 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.

5.2.1 Circular 88

Due to the pilot process in the 2021/22 financial year, 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 should 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 reviews/updates from 2021/22 onwards;
- 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 (2021/22, with potential quarterly targets depending on the frequency of the indicator); and
- NO targets should be set for compliance indicators as these are tracked for monitoring purposes only.

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.

5.3.2 Quarterly Reporting

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.

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.

5.4 MONITORING AND THE ADJUSTMENTS BUDGET PROCESS

The section 71 and 72 budget monitoring reports required under the MFMA 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 make a decision 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. In simple terms, funds can be transferred within a vote but any movements between votes can only be agreed by an adjustments budget.

5.4.1 Job Description Efficiency (JDE)

JDE is a component of the Performance Management System (PMS) in Drakenstein.

The JDE tool was developed in order to ensure that staff are committed in delivering excellent services to our local communities with the relevant support from managers/supervisors. The tool will also assist in enhancing service delivery.

The Job description is utilised to monitor the efficiency of employees and is the contract between the employee and employer for service delivery.

The benefits of the JDE are as follows:

- Coaching and mentoring opportunities;
- Improvement of communication between line manager/supervisors and subordinates;
- Identification of areas of improvement/development;
- Identification of development initiatives (WSP);
- Rectification of job descriptions;
- Identification of tools of trade; and
- Recognition of staff exceeding expectation.

5.4.2 Monitoring and Evaluation (M&E)

M&E is an integral component of the Performance Management System (PMS) in Drakenstein.

The municipality focuses on the provision of services to the community and the optimal use of resources. M&E as a unit was introduced to ensure effective day-to-day service delivery implementation and the tracking thereof. It forms part of the City Manager's office, and is outcomes orientated and has outputs tailor-made for the Drakenstein municipal needs.

Our practical approach includes the implementation of the following initiatives:

- The "management by walking about" (MBWA) approach. This includes the physical visiting of municipal facilities, infrastructure and service delivery hotspot areas by the City Manager and the responsible senior management;
- Municipal focused discussions e.g. finance, service delivery and human capital/ICT meetings;
- The promotion of automisation and the utilisation of innovation to improve services delivery and portfolio of evidence feedback. This includes the usage of video clips and drone footage in assessing and addressing situations; and

- The creation of action and accountability orientated minute keeping.

Performance Management, Monitoring and Evaluation and Job Description Efficiency (JDE) ensures that municipal performance covers the formal and informal management of performance. These combined create an efficient and effective environment and workforce.

5.5 FIVE- YEAR TOP LAYER SDBIP

Table 108: The tables below outline the five-year performance scorecard of the municipality

| KEY PERFORMANCE AREA (KPA) 1: Good Governance | | | | | | | | | | | | | | | | | | | | |
|---|---|--|--|---|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| Strategic Objective: | | | To ensure good governance and the active participation of all relevant stakeholders. | | | | | | | | | | | | | | | | | |
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI002 | PDO 01. Governance Structures | Submission of Audit Committee reports to Council | Output | <u>Internal Audit</u> | <u>Number of quarterly Audit Committee reports submitted to Council</u> | <u>100%</u> | 95% | 95% | 95% | 4 | <u>100%</u> | All | 100% | | | NKPA 2 | NDP 11 | PSO 5 | CWDM 3 | Outcome |
| | | | | | | | | | | | | | | | | | | | | |
| KPI004 | PDO 02. Risk Management | Investigation of all formally reported fraud, theft and corruption cases | Output | <u>Risk Management</u> | <u>Percentage % of formally reported fraud, theft and corruption investigations initiated within 30 days after receipt</u> | 100% | 100% | 100% | 100% | 100% | 100% | All | 100% | | | NKPA 2 | NDP 12 | PSO 5 | CWDM 3 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI005 | PDO 03. Stakeholder Participation | IDP and Budget annual stakeholder consultation | Programme | <u>IDP and Performance Management</u> | IDP / Budget / SDF time schedule (process plan) submitted to Council | 74 | <u>66</u> | <u>43</u> | <u>33</u> | <u>1</u> | <u>1</u> <u>33</u> | All | 43 | | | NKPA 2 | NDP 11 | PSO 5 | CWDM 3 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI007 | PDO 05. Intergovernme ntal Relations (IGR) | <u>Development of International & Intergovernmental Relations (I&IGR) Policy</u> | Programme | Corporate Services | <u>Number of I&IGR policies submitted to MayCo by 31 December</u> | New KPI | <u>1</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | All | N/A | | | NKPA 2 | NDP 11 | PSO 5 | CWDM 3 | Output |

KEY PERFORMANCE AREA (KPA) 1: Good Governance

| Strategic Objective: | | | To ensure good governance and the active participation of all relevant stakeholders. | | | | | | | | | | | | | | | | | | |
|----------------------|---|---|--|--|--|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|--------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator | |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | | |
| KPI009 | PDO 07. Marketing (Branding and Website) | <u>Submission of Marketing & Branding Plan to MayCo</u> | Key Initiative | | <u>Communication and Marketing</u> | <u>Number of Marketing & Branding Plans submitted to MayCo by 30 June</u> | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 4 | NDP 5 | PSO 5 | CWDM 2 | Output |
| KPI010 | PDO 07. Marketing (Branding and Website) | Standardisation of marketing and branding | Key Initiative | | <u>Communication and Marketing</u> | Number of standardised branding initiatives implemented by 30 June | New KPI | <u>N/A</u> 4 | 4 | N/A | N/A | N/A | All | N/A | | | NKPA 5 | NDP 11 | PSO 5 | CWDM 3 | Output |

KEY PERFORMANCE AREA (KPA) 2: Financial Sustainability

| Strategic Objective: | | | To ensure financial sustainability in order to meet the statutory requirements. | | | | | | | | | | | | | | | | | |
|----------------------|--|--|---|--|---|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI011 | PDO 09. Revenue Management | Raise / collect operating budget revenue as per approved budget | Input | | <u>Financial Services</u> Percentage of total Annual Operating Budget revenue raised / received by 30 June | 101.63% | 98% | 98% | 98% | 98% | 95% 98% | All | 98% | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Input Outcome |
| | | | | | | | | | | | | | | | | | | | | |
| KPI015 | PDO 11. Budgeting / Funding | Submission of the MTREF (aligned to the IDP) to Council for 31 May | Input | | Financial Services <u>Number of MTREFs submitted for approval to Council by 31 May</u> | 1 | 1 2 | 1 2 | 1 2 | 1 2 | 1 2 | All | 1 | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Input |
| KPI016 | PDO 11. Budgeting / Funding | Submission of the Adjustments Budget to Council for approval by 28 February | Input | | Financial Services <u>Number of Adjustments Budgets submitted for approval to Council by 28 February</u> | 1 | 1 | 1 | 1 | 1 | 1 | All | 1 | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Input |
| | | | | | | | | | | | | | | | | | | | | |
| KPI017 | PDO 12. Capital Expenditure | <u>Actual expenditure on the</u> <u>approved Capital Budget</u> <u>for the municipality by 30</u> <u>June (MFMA, S10(c))</u> | Output | | <u>Financial Services</u> Percentage of approved Capital Budget <u>actually</u> spent by 30 June | 99.69% | 90% | 90% | 90% | 90% | 90% | All | 90% | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Outcome |
| KPI020 | PDO 14. Financial Viability | <u>Ratio in respect of Debtor</u> <u>Payment Days (Collect all</u> <u>billed revenue to ensure</u> <u>that sufficient cash is</u> <u>generated to meet</u> <u>Drakenstein’s debt and</u> <u>operating commitments)</u> | Outcome | | Financial Services Net Debtors Days Ratio ((Gross Debtors – Bad Debt Provision) / Billed Revenue)) x 365 (<u>Target</u> <u>Number of days), measured</u> <u>quarterly</u> | New KPI | ≤45 | ≤45 | <50 | <50 | <50 | All | 45 | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Outcome |
| | | | | | | | | | | | | | | | | | | | | |

KEY PERFORMANCE AREA (KPA) 2: Financial Sustainability

| Strategic Objective: | | | To ensure financial sustainability in order to meet the statutory requirements. | | | | | | | | | | | | | | | | | |
|----------------------|--|---|---|--------------------|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI022 | PDO 16: Financial Reporting | Submit the Annual Financial Statements by 31 August to the Office of the Auditor-General | Output | Financial Services | <u>Number of Annual Financial Statements submitted to the Auditor General by 31 August</u> | 1 | 1 | 1 | 1 | 1 | 1 | All | 1 | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Output |
| KPI023 | PDO 16: Financial Reporting | <u>Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MFMA, Reg. S10(g)(iii))</u> | Outcome | Financial Services | <u>Cost coverage ratio (Available cash + investments) / Monthly fixed operating expenditure, measured annually</u> | 4.63 | >3.0 | >3.0 | >1.0 | >1.0 | >1.0 3.0 | All | >3.0 | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Output |
| KPI024 | PDO 16. Financial Reporting | <u>Financial viability measured in terms of the municipality's ability to meet its service debt obligations (NKPI Proxy - MFMA, Reg. S10(g)(i))</u> | Outcome | Financial Services | Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments due within the year)) <u>measured annually</u> | 8.69 | >6.7 | >6.7 | >6.7 | >6.7 | >6.7 | All | >6.7 | | | NKPA 4 | NDP 11 | PSO 5 | CWDM 3 | Outcome |
| KPI025 | PDO 16. Financial Reporting | <u>Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MFMA, Reg. S10(g)(iii))</u> | Outcome | Financial Services | Service debtors to revenue ratio – (Total outstanding service debtors / revenue received for services) <u>measured annually</u> | 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: Financial Sustainability

| Strategic Objective: | | | To ensure financial sustainability in order to meet the statutory requirements. | | | | | | | | | | | | | | | | | | |
|----------------------|--|---|---|--|---------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|-------------------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator | |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | | |
| KPI115 | PDO14: Financial Viability | Updated Indigent Register (NKPI Proxy - MFMA, Reg. S10(b a)) | Output | | Financial Services | Percentage of all qualifying indigent applications processed by 30 June | 100% | 100% | 100% | 100% | 100% | 100% | All | 100% | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 1 | Output Outcome |

KEY PERFORMANCE AREA (KPA) 3: Institutional Transformation

| Strategic Objective: | | | To transform the municipality into an effective and efficient organization. | | | | | | | | | | | | | | | | | |
|----------------------|---|---|---|----------------------|---|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI026 | PDO 17. Organisation al 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 (NKPI Proxy - MFMA, Reg. S10(e)) | Output | 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 | 1 | 2 | 2 | 2 | 2 | 2 | All | 2 | | | NKPA 5 | NDP 1 | PSO 1 | CWDM 1 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI028 | PDO 18. Human Capital and Skills Development | 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 | All | N/A | | | NKPA | NDP 7 | PSO 2 | CWDM 1 | Output |
| KPI116 | PDO 18. Human Capital and Skills Development | The percentage of the municipality's budget actually spent on implementing its workplace skills plan (NKPI Proxy - MFMA, Reg. S10(f)) | Output | Corporate Services | Percentage of the municipality's approved budget actually spent on implementing its workplace skills plan by 30 June | New KPI | 0.07% | 0.07% | 98% | 98% | 98% 0.07% | All | 0.07% | | | NKPA 5 | NDP 7 | PSO 5 | CWDM 3 | Output |
| KPI029 | PDO 19. Project and Programme Management | Submit a Project Management Policy to MayCo for approval | Activity | Engineering Services | Number of Project Management policies submitted to MayCo by 30 September | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 5 | NDP 11 | PSO 5 | CWDM 3 | Output |

KEY PERFORMANCE AREA (KPA) 3: Institutional Transformation

| Strategic Objective: | | | To transform the municipality into an effective and efficient organization. | | | | | | | | | | | | | | | | | |
|----------------------|--|--|---|--------------------------------------|---|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI099 | PDO 19. Project and Programme Management | Develop and implement a Project Management Policy | Activity | <u>Engineering Services</u> | A Project Management Policy developed and implemented by 30 June | New KPI | N/A | 1 | N/A | N/A | N/A | All | | | | NKPA 5 | NDP 11 | PSO 5 | CWDM 3 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI030 | PDO 20. Performance Management and Monitoring and Evaluation | Submit the Mid-year <u>MFMA</u> S72 report to the Mayor | Output | IDP and Performance Management | Number of Mid-year <u>MFMA S72</u> Reports submitted to the Mayor by 25 January | 1 | 1 | 1 | 1 | 1 | 1 | All | 1 | | | NKPA 2 | NDP 11 | PSO 5 | CWDM 3 | Output |

KEY PERFORMANCE AREA (KPA) 4: Physical 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 (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator | |
| | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | | |
| KPI100 | PDO 08: Customer relations Management | Submit a Service Charter to MayCo | Activity | IDP and Performance Management | Number of Service Charters submitted to MayCo by 31 March | New KPI | 1 | N/A | N/A | N/A | 1 | All | N/A | | | NKPA 5 | NDP 11 | PSO 5 | CWDM 3 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI037 | PDO 24. Energy Supply Efficiency and Infrastructure | 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 | 3.99% | <10% | <10% | <10% | <10% | <10% | All | <10% | | | NKPA 4 | NDP 2 | PSO 4 | CWDM 1 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI041 | PDO 25. Transport, Roads and Stormwater Infrastructure | Submit to Council a Draft an Integrated Public Transport Network Plan and submit to Council | Key Initiative | Engineering Services | Number of Draft Integrated Public Transport Network Plans submitted to Council by 30 June | New KPI | N/A | 1 | 1 | N/A | N/A | All | N/A | | | NKPA 3 | NDP 2 | PSO 3 | CWDM 1 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI045 | PDO 26. Water and Wastewater Services | Submit to MayCo a Water and Sanitation Study in rural wards | Key Initiative | Engineering Services | Number of Water and Sanitation Studies submitted to MayCo by 31 December | New KPI | N/A | 1 | N/A | N/A | N/A | 1, 3, 17, 18, 25, 28, 29, 30, 31, | N/A | | | NKPA 3 | NDP 2 | PSO 3 | CWDM 1 | Output |
| KPI119 | PDO 26. Water and Wastewater Services | 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 | 99% | 95% | 95% | 95% | 95% | 90% 95% | All | 95% | | | NKPA 3 | NDP 2 | PSO 3 | CWDM 1 | Outcome |

KEY PERFORMANCE AREA (KPA) 4: Physical 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 (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator | |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | | |
| KPI120 | PDO 26. Water and Wastewater Services | Waste water quality managed and measured quarterly i.t.o the SANS Accreditation physical and micro parameters | Outcome | | Engineering Services | Percentage waste water quality compliance as per analysis certificate measured quarterly | 80.62% | 80% | 80% | 80% | 75% | 75% 80% | All | 80% | | | NKPA 3 | NDP 2 | PSO 3 | CWDM 1 | Outcome |
| | | | | | | | | | | | | | | | | | | | | | |
| KPI047 | PDO 27. Solid Waste Management and Infrastructure | 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 | New KPI | N/A | 2 | 1 | 1 | 1 2 | All | 2 | | | NKPA 3 | NDP 2 | PSO 3 | CWDM 1 | Output |

KEY PERFORMANCE AREA (KPA) 5: Planning and Economic Development

| Strategic Objective: | | | To plan and facilitate sustainable and inclusive economic growth and development | | | | | | | | | | | | | | | | | | | |
|----------------------|---|--|--|--|---|--|----------------|----------------|----------------|----------------|----------------|-------|-------------|-------|----------------|--------------|-------------|----------|-----------|--------------------|--------|----------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator | | |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | | | |
| KPI053 | PDO 29. Economic Growth | 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 | 1,000 | 1,250 | 1,800 | 1,750 | 2,000 | All | 2,000 | v | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 1 | Outcome Output |
| KPI054 | PDO 29. Economic Growth | Submit to the Portfolio Committee (Planning Services)/ MayCo a Informal Economy Enhancement Strategy | Key Initiative | | Planning, Development and Human Settlements | Number of Informal Economy Enhancement Strategies submitted to the Portfolio Committee (Planning Services)/ MayCo by 31 December | New KPI | N/A | 1 | N/A | N/A | N/A | All | N/A | v | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 1 | Output |
| KPI057 | PDO 29. Economic Growth | Implementation of the Informal Economy Enhancement Strategy | Programme | | Planning, Development and Human Settlements | Number of Informal Economy Enhancement Strategy initiatives implemented by 30 June | New KPI | N/A | 1 | 1 | 1 | 1 | All | 1 | v | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 1 | Output |
| KPI107 | PDO 24. Energy Supply Efficiency and Infrastructure | 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 | New KPI | 100% | 100% | 100% | 100% | 100% | All | 100% | | | | NKPA4 | NDP5 | PSO4 | CWDM 3 | Outcome |
| KPI108 | PDO 26. Water and Wastewater services | Provision of basic service delivery to Drakenstein Residents (NKPI | 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 |

KEY PERFORMANCE AREA (KPA) 5: Planning and Economic Development

| Strategic Objective: | | | To plan and facilitate sustainable and inclusive economic growth and development | | | | | | | | | | | | | | | | | |
|----------------------|---|---|--|----------------------|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| | | Proxy - MFMA, Reg. S10(a)) | | | | | | | | | | | | | | | | | | |
| KPI109 | PDO 26. Water and Wastewater services | 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 |
| KPI110 | PDO 27. Solid Waste Management and Infrastructure | 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 |
| KPI111 | PDO 24. Energy Supply Efficiency and Infrastructure | Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a)) | Output | Engineering Services | Number of new electricity connections installed in the registered informal settlements | New KPI | 50% | 520 | 250 | 60% | 30 60% | All | 70% | | | NKPA4 | NDP5 | PSO4 | CWDM 3 | Outcome |
| KPI112 | PDO 26. Water and Wastewater services | Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a)) | Output | Engineering Services | Number of new/upgraded sanitation service points (toilets) provided to registered informal settlements | New KPI | 100% | 100% 75 45 | 100% | 100% | 20 100% | All | 100% | | | NKPA4 | NDP5 | PSO4 | CWDM 3 | Outcome |

KEY PERFORMANCE AREA (KPA) 5: Planning and Economic Development

| Strategic Objective: | | | To plan and facilitate sustainable and inclusive economic growth and development | | | | | | | | | | | | | | | | | |
|----------------------|---|--|--|--|---|---------------------------------|-------------------|--------------------------|--------------------------|-------------------|--------------------------|------------|----------------|------|----------------|--------------|-------------|-------------|---------------|--------------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI113 | <u>PDO 26. Water and Wastewater services</u> | Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a)) | <u>Output</u> | Engineering Services | <u>Number of new/upgraded water service points (taps) provided to registered informal settlements</u> | <u>New KPI</u> | <u>100%</u> | <u>100%</u> <u>14</u> | <u>100%</u> <u>10</u> | <u>100%</u> | <u>6</u> <u>100%</u> | <u>All</u> | <u>100%</u> | | | <u>NKPA4</u> | <u>NDP5</u> | <u>PSO4</u> | <u>CWDM 3</u> | <u>Outcome</u> |
| KPI114 | <u>PDO 27. Solid Waste Management and Infrastructure</u> | Provision of basic service delivery to Drakenstein Residents (NKPI Proxy - MFMA, Reg. S10(a)) | <u>Output</u> | Engineering Services | <u>Number of registered informal settlements receiving a refuse collection service</u> | | | | <u>41</u> | <u>41</u> | <u>41</u> <u>100%</u> | <u>All</u> | <u>100%</u> | | | <u>NKPA4</u> | <u>NDP5</u> | <u>PSO4</u> | <u>CWDM 3</u> | <u>Outcome</u> |
| | | | | | | | | | | | | | | | | | | | | |
| KPI058 | PDO 30. Growth and Investment Promotion (includes incentives) | <u>Submit a draft Integrated Economic Growth Framework to the Portfolio Committee (Planning Services)/ MayCo</u> | Key Initiative | <u>Planning, Development and Human Settlements</u> | <u>Number of draft Integrated Economic Growth Frameworks submitted to the Portfolio Committee (Planning Services)/ MayCo by 30 June</u> | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 1 | Output |
| KPI059 | PDO 30. Growth and Investment Promotion (includes incentives) | Submit to Council the Investment Incentive Policy | Key Initiative | <u>Planning, Development and Human Settlements</u> | <u>Number of Investment Incentive Policies submitted to Council by 30 June</u> | New KPI | <u>N/A</u> | <u>1</u> | N/A | N/A | N/A | All | N/A | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 1 | Output |

KEY PERFORMANCE AREA (KPA) 5: Planning and Economic Development

| Strategic Objective: To plan and facilitate sustainable and inclusive economic growth and development | | | | | | | | | | | | | | | | | | | |
|---|---|---|----------------|---|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------|---------------------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years 2022/23 | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | | | | | | | | |
| KPI125 | PDO 30. Growth and Investment Promotion (includes incentives) | Submit a Final Integrated Economic Growth Strategy to the Portfolio Committee (Planning Services)/ MayCo | Key Initiative | Planning, Development and Human Settlements | Number of Draft Final Integrated Economic Growth Strategies submitted to the Portfolio Committee (Planning Services)/ MayCo by 30 June | New KPI | N/A | 1 | N/A | N/A | All | N/A | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 1 | Output |
| KPI060 | PDO 31. Land Use Management and Surveying | Develop an Electronic Land Use Management Process | Project | Planning, Development and Human Settlements | Electronic Land Use Management Process developed by 30 June | New KPI | N/A | N/A | 1 | N/A | All | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |
| KPI103 | PDO 31. Land Use Management and Surveying | Drafting of a Local SDF for Klapmuts | Programme | Planning, Development and Human Settlements | Number of progress reports for Klapmuts Local SDF submitted to the Portfolio Committee (Planning Services)/ MayCo by 30 June | New KPI | 1 | N/A | N/A | N/A | Wards | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |
| KPI126 | PDO 31. Land Use Management and Surveying | Submit to the Portfolio Committee (Planning Services)/ MayCo a Final Local Spatial Development Framework (SDF) for Klapmuts | Programme | Planning, Development and Human Settlements | Number of Final Local SDFs for Klapmuts submitted to the Portfolio Committee (Planning Services)/ MayCo by 30 June | New KPI | N/A | 1 | N/A | N/A | Wards | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |

KEY PERFORMANCE AREA (KPA) 5: Planning and Economic Development

| Strategic Objective: | | | To plan and facilitate sustainable and inclusive economic growth and development | | | | | | | | | | | | | | | | | |
|----------------------|---|--|--|--|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------------------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI063 | PDO 32. Built environment Management (includes Heritage Resource Management) | Submit to the <u>Portfolio Committee (Planning Services)/ MayCo</u> a report on the improvement of the Building Plan Application Process | Programme | <u>Planning, Development and Human Settlements</u> | <u>Number of Building Plan Application Improvement Process reports submitted to the Portfolio Committee (Planning Services)/ MayCo by 31 December</u> | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |
| KPI127 | PDO 32. Built <u>environment Management (includes Heritage Resource Management)</u> | Submit to the <u>Portfolio Committee (Planning Services) / MayCo</u> a <u>Ou Tuin Heritage Report</u> | Programme | <u>Planning, Development and Human Settlements</u> | <u>Number of Ou Tuin Heritage Reports submitted to the Portfolio Committee (Planning Services) / MayCo by 31 December</u> | New KPI | N/A | 1 | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI064 | PDO 33. Urban Regeneration | Develop a Local Spatial Development Framework (LSDF) for the Klein Drakenstein Road and Lady Grey Street | Activity | <u>Planning, Development and Human Settlements</u> | <u>Number of Progress Reports for the Local Spatial Development Framework for the Klein Drakenstein Road and Lady Grey Street submitted to the Portfolio Committee (Planning Services) / MayCo by 31 March</u> | New KPI | 1 | N/A | N/A | N/A | N/A | 4, 19, 20, 22, 23, 26, 27 & 33 | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |
| KPI132 | PDO 33. Urban Regeneration | <u>Develop a Local Spatial Development Framework (LSDF) for the Klein Drakenstein Road and Lady Grey Street</u> | Programme | <u>Planning, Development and Human Settlements</u> | <u>Number of Final Local Spatial Development Frameworks (LSDF) for the Klein Drakenstein Road and Lady Grey Street submitted to the Portfolio Committee (Planning Services) / MayCo by 31 March</u> | 1 | N/A | 1 | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | |

KEY PERFORMANCE AREA (KPA) 5: Planning and Economic Development

| Strategic Objective: | | | To plan and facilitate sustainable and inclusive economic growth and development | | | | | | | | | | | | | | | | | |
|----------------------|--|---|--|--|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI066 | PDO 34. Skills Development and Capacity Building | Conduct a Drakenstein wide Skills Development Survey | Activity | <u>Planning, Development and Human Settlements</u> | <u>Number of Skills Development Surveys</u> conducted by 30 June | New KPI | N/A | 1 | N/A | N/A | N/A | All | N/A | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 2 | Output |
| KPI067 | PDO 34. Skills Development and Capacity Building | Develop a Small Business Entrepreneurs Capacity Building Programme | Programme | <u>Planning, Development and Human Settlements</u> | <u>Number of Small Business Entrepreneurs Capacity Building Programmes</u> developed by 31 March | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | v | | NKPA 1 | NDP 1 | PSO 1 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI070 | PDO 35. Rural Development | <u>Submit</u> Final Zoning Scheme (Land Use Management System) developed and submitted to <u>the Portfolio Committee (Planning Services)/ MayCo</u> | Activity | <u>Planning, Development and Human Settlements</u> | <u>Number of Final Zoning Schemes</u> submitted to <u>the Portfolio Committee (Planning Services)/ MayCo</u> by <u>30 June</u> | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI071 | PDO 36. Spatial Planning | Compile <u>Submit</u> to MayCo a Draft Klapmuts Local Spatial Development Framework (LSDF) | Activity | <u>Planning, Development and Human Settlements</u> | <u>Number of Draft Klapmuts Local Spatial Development Frameworks</u> submitted to MayCo by 30 June | New KPI | N/A | 1 | N/A | N/A | N/A | 1 | | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| KPI072 | PDO 36. Spatial Planning | Annual Review of the Drakenstein <u>Spatial Development Framework (SDF)</u> | Programme | <u>Planning, Development and Human Settlements</u> | <u>Number of reviewed SDFs</u> submitted to <u>the Portfolio Committee (Planning Services) / MayCo</u> <u>31 May</u> | New KPI | 1 | 1 | 1 | N/A | 1 | All | N/A | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |

KEY PERFORMANCE AREA (KPA) 5: Planning and Economic Development

| Strategic Objective: | | | To plan and facilitate sustainable and inclusive economic growth and development | | | | | | | | | | | | | | | | | |
|----------------------|--------------------------------------|--|--|--|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI073 | PDO 36. Spatial Planning | Compile a Five-year Drakenstein Municipal SDF | Activity | <u>Planning, Development and Human Settlements</u> | Submit to MayCo by 31 March the compiled Five-year Drakenstein Municipal SDF | New KPI | N/A | N/A | N/A | 1 | N/A | All | N/A | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI074 | PDO 37. Tourism | Submit to <u>the Portfolio Committee (Planning Services)/</u> MayCo a progress report on the <u>funding and</u> implementation of the Integrated Arts and Crafts Route | Activity | <u>Planning, Development and Human Settlements</u> | <u>Number of</u> progress reports submitted to <u>the Portfolio Committee (Planning Services)/</u> MayCo by <u>30 June</u> | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 2 | Output |
| <u>KPI128</u> | <u>PDO 37. Tourism</u> | <u>Conclusion of a Service Level Agreement (SLA) with the Drakenstein Local Tourism Association</u> | <u>Key Initiative</u> | <u>Planning, Development and Human Settlements</u> | <u>Number of SLAs concluded with the Drakenstein Local Tourism Association by 31 December</u> | <u>New KPI</u> | <u>N/A</u> | <u>1</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>All</u> | <u>N/A</u> | | | NKPA 1 | NDP 1 | PSO 1 | CWDM 2 | <u>Output</u> |

KEY PERFORMANCE AREA (KPA) 6: Safety and Environmental Management

| Strategic Objective: | | | To ensure a safe community and a healthy and protected environment. | | | | | | | | | | | | | | | | | |
|----------------------|--|---|---|---------------------------|--|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI078 | PDO 39. Safety and Security | Establishment of a Land Invasion Response Unit | Key Initiate | Community Services | <u>Number of</u> Land Invasion Response Units established by 30 June | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | v | | NKPA 3 | NDP 10 | PSO 3 | CWDM 2 | Output |
| KPI131 | <u>PDO 39. Safety and Security</u> | <u>Submission of a CBD (North and South) Law Enforcement Plan to the Portfolio Committee (Community Services)</u> | <u>Key Initiate</u> | <u>Community Services</u> | <u>Number of CBD (North and South) Law Enforcement Plans submitted to the Portfolio Committee (Community Services) by 30 September</u> | <u>New KPI</u> | <u>N/A</u> | <u>1</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>All</u> | <u>N/A</u> | | | NKPA 3 | NDP 10 | PSO 3 | CWDM 2 | <u>Output</u> |
| | | | | | | | | | | | | | | | | | | | | |
| KPI079 | PDO 40. Disaster <u>and</u> <u>Emergency</u> Management | Establish a Combined Response and Control Centre | Key Initiate | Community Services | <u>Number of</u> Combined Response and Control Centres established by 30 June | New KPI | N/A | 1 | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 10 | PSO 3 | CWDM 2 | Output |
| KPI105 | <u>PDO 40. Disaster and Emergency Management</u> | <u>Submit Disaster Management Plan to MayCo</u> | <u>Programme</u> | <u>Community Services</u> | <u>Number of Disaster Management Plans submitted to MayCo by 31 March</u> | <u>1</u> | <u>1</u> | <u>1</u> | <u>1</u> | <u>1</u> | <u>1</u> | <u>All</u> | <u>1</u> | | | NKPA 3 | NDP 10 | PSO 3 | CWDM 2 | <u>Output</u> |
| | | | | | | | | | | | | | | | | | | | | |
| KPI082 | PDO 42. Municipal Law Enforcement (includes the Municipal Court) | Establishment of a Municipal Court | Key Initiatives | <u>Corporate Services</u> | <u>Number of</u> Municipal Courts established by 30 June | New KPI | N/A | 1 | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 10 | PSO 3 | CWDM 2 | Output |

KEY PERFORMANCE AREA (KPA) 6: Safety and Environmental Management

| Strategic Objective: | | | To ensure a safe community and a healthy and protected environment. | | | | | | | | | | | | | | | | | | |
|----------------------|---|---|---|--|--|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|--------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator | |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | | |
| KPI106 | PDO 42. Municipal Law Enforcement (includes the Municipal Court) | Submit an Implementation Plan on the Municipal Court | Key Initiatives | | Corporate Services | Number of implementation plans on the Municipal Court submitted to MayCo by 30 September | New KPI | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 10 | PSO 3 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | | |
| KPI083 | PDO 43. Environmental Management and Climate Change | Submit to the Portfolio Committee (Planning Services)/ MayCo the final Climate Change Adaptation Plan | Programme | | Planning, Development and Human Settlements | Number of Final Climate Change Adaptation Plan submitted to the Portfolio Committee (Planning Services)/ MayCo by 30 June | | 1 | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| KPI084 | PDO 43. Environmental Management and Climate Change | Finalise and submit to MayCo the State of the Environment Report | Activity | | Planning, Development and Human Settlements | State of the Environment Report compiled and submitted to MayCo by 31 June | New KPI | N/A | N/A | N/A | 1 | N/A | All | N/A | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| KPI085 | PDO 43. Environmental Management and Climate Change | Submission of the Final Air Quality Management Plan to Council | Output | | Planning, Development and Human Settlements | Number of Final Air Quality Management Plans submitted to (Planning Services)/ MayCo by 30 June | New KPI | N/A | 1 | N/A | 1 | N/A | All | N/A | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | | |
| KPI086 | PDO 44. Natural Resources | Develop a Draft Implementation Strategy for the Management of Alien Vegetation on Municipal land | Activity | | Planning, Development and Human Settlements | Number of Draft Implementation Strategies for the Management of Alien Vegetation on Municipal land submitted to Executive Director Planning & Development 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 |

KEY PERFORMANCE AREA (KPA) 6: Safety and Environmental Management

| Strategic Objective: | | | To ensure a safe community and a healthy and protected environment. | | | | | | | | | | | | | | | | | |
|----------------------|--|--|---|--|---|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI130 | PDO 44. Natural Resources | Submit to the Portfolio Committee (Planning Services) / MayCo a Final Implementation Strategy for the Management of Alien Vegetation on Municipal land | Key Initiatives | | Planning, Development and Human Settlements | Number of Final Implementation Strategies for the Management of Alien Vegetation on Municipal land submitted to the Portfolio Committee (Planning Services) / MayCo by 30 June | New KPI | N/A | 1 | N/A | N/A | N/A | All | N/A | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | |

KEY PERFORMANCE AREA (KPA) 7: Social and Community Development

| Strategic Objective: | | | To facilitate social and community development | | | | | | | | | | | | | | | | | |
|----------------------|---|---|--|--|---|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | |
| KPI092 | PDO 50. Sustainable Human Settlements (housing) | Provide <u>housing opportunities</u> in terms of the Integrated Human Settlement Plan <u>and in accordance with the Human Settlements Grant</u> | Output | Community Services | Number of <u>housing opportunities</u> provided by 30 June | 99 | <u>46</u> | <u>300</u> | 300 | 400 | 350 | All | 400 | | | NKPA 3 | NDP 6 | PSO 3 | CWDM 1 | Output |
| | | | | | | | | | | | | | | | | | | | | |
| KPI093 | PDO 51. Sport, Recreation and Facilities | Implement the De Kraal Sport Capital Project measured quarterly in terms of the approved Capital Budget spent | Capital Project | Community Services | <u>Percentage</u> of approved <u>De Kraal Sport</u> Capital Budget spent by 30 June | New KPI | <u>90%</u> | <u>90%</u> | <u>90%</u> | <u>90%</u> | <u>90%</u> | All | 90% | | | NKPA 3 | NDP 6 | PSO 3 | CWDM 2 | <u>Output</u> |
| KPI094 | PDO 51. Sport, Recreation and Facilities | Implement the Mbekweni Sport Capital Project measured quarterly in terms of the approved Capital Budget spent | Capital Project | Community Services | <u>Percentage</u> of approved <u>Mbekweni Sport</u> Capital Budget spent by 30 June | New KPI | <u>N/A</u> | <u>90%</u> | <u>90%</u> | <u>90%</u> | <u>90%</u> | Identif y wards | 90% | | | NKPA 3 | NDP 6 | PSO 3 | CWDM 2 | <u>Output</u> |
| | | | | | | | | | | | | | | | | | | | | |
| KPI097 | PDO 53. Libraries | Implement the House of Learning (<u>VPUU</u> , Groenheuwel Library) Capital Project measured quarterly in terms of the approved Capital Budget spent | Capital Project | Community Services | <u>Percentage</u> of approved <u>VPUU Groenheuwel Library</u> Capital Budget spent by 30 June | New KPI | <u>90%</u> | <u>90%</u> | N/A | N/A | N/A | 13, 14, 32 | N/A | v | | NKPA 3 | NDP 7 | PSO 2 | CWDM 2 | <u>Output</u> |
| | | | | | | | | | | | | | | | | | | | | |
| KPI061 | PDO 54. Cemeteries and Crematoria | Submit Final Master Development Potential Plan for Farm 1341, Paarl, to <u>the Portfolio Committee (Planning Services)</u> / MayCo by 31 March | Activity | <u>Planning, Development and Human Settlements</u> | <u>Number of</u> Final Master Development Potential Plans for Farm 1341 submitted to <u>the Portfolio Committee (Planning Services)</u> / MayCo by 31 March | New KPI | 1 | N/A | N/A | N/A | N/A | <u>N/A</u> 29 | N/A | | | NKPA 3 | NDP 11 | PSO 5 | CWDM 2 | Output |

KEY PERFORMANCE AREA (KPA) 7: Social and Community Development

| Strategic Objective: | | | To facilitate social and community development | | | | | | | | | | | | | | | | | | |
|----------------------|--|--|--|--|-----------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------|----------------|------|----------------|--------------|-------------|----------|-----------|--------------------|--------|
| IDP/ Ref No. | Pre- determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | | Unit of Measurement | IDP TARGETS 2017-2022 | | | | | | Wards | Outer years | VPUU | Risk indicator | Link to NKPA | Link to NDP | Link PSO | Link CWDM | Delivery Indicator | |
| | | | | | | Baseline Actual 2016/2017 | Target 2017/18 | Target 2018/19 | Target 2019/20 | Target 2020/21 | Target 2021/22 | | 2022/23 | | | | | | | | |
| KPI098 | PDO 54. Cemeteries and Crematoria | Extend the capacity of the Parys Cemetery through the construction of crypts | Capital Project | | Community Services | Number of crypts constructed by 30 June | New KPI | <u>N/A</u> | N/A | N/A | N/A | N/A | All | N/A | | | NKPA 3 | NDP 3 | PSO 4 | CWDM 2 | Output |
| | | | | | | | | | | | | | | | | | | | | | |

5.6 IMPLEMENTATION MONITORING AND REVIEW - ONE YEAR PLAN

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 2020/21 must be approved by the Executive Mayor within 28 days after the adoption of the Municipal Budget to be tabled in Council in May 2021.

Table 109: 2021/2022 Draft Service Delivery and Budget Implementation Plan

| KEY PERFORMANCE AREA (KPA) 01: Good Governance | | | | | | | | | | | | |
|--|---|--|----------------|---|-----------------------------------|----------------|--|----------------|--|-----------------|-----------------|-----------------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI113 | KPA 01. Good Governance> 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 | <u>1</u> (1) | <u>1</u> (2) | <u>1</u> (3) | <u>1</u> (4) |
| KPI004 | KPA 01. Good Governance > PDO 02: Risk Management 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% |
| KPI005 | KPA 01. Good Governance > 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 | <u>1</u> | N/A | N/A | N/A |
| KPI100 | KPA 01. Good Governance> PDO 01. Governance Structure | Submit a Service Charter to MayCo | Output | Number of Service Charters submitted to MayCo by 31 March | New KPI | 1 per annum | 1 Service Charter submitted to Mayco/ Council by 31 March | DM | N/A | N/A | 1 | N/A |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| KEY PERFORMANCE AREA (KPA) 02: Financial Sustainability | | | | | | | | | | | | |
|---|---|---|----------------|---|-----------------------------------|--------------------------------|--|----------------|--|------|------|------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI011 | KPA 02. Financial Sustainability> PDO 09. Revenue Management | 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% 98% of Total Annual Operating Budget revenue raised/collected by 30 June | DM | N/A | N/A | 95% | 95% |
| KPI015 | KPA 02. Financial Sustainability> PDO 11. 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 |
| KPI017 | KPA 02. Financial Sustainability> PDO 12. 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 | 87.50% | 90% per annum | 90% of approved Capital Budget actually spent by 30 June | DM | 90% | 90% | 90% | 90% |
| KPI020 | KPA 02. Financial Sustainability> PDO 14. 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 | 46.50 days | <45 days per annum (less than) | ≤45 days (less than or equal to) | DM | ≤45 | ≤45 | ≤45 | ≤45 |
| KPI022 | KPA 02. Financial Sustainability> PDO 16. 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 |
| KPI023 | KPA 02. Financial Sustainability> PDO 16. 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 | 0.94 | >1.0 per annum (more than) | >1.0 (more than) | DM | >1.0 | >1.0 | >1.0 | >1.0 |

| KEY PERFORMANCE AREA (KPA) 02: Financial Sustainability | | | | | | | | | | | | |
|---|---|--|----------------|--|-----------------------------------|-----------------------------|-------------------|----------------|--|-------|-------|-------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI024 | KPA 02. Financial Sustainability> PDO 16. 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 |
| KPI025 | KPA 02. Financial Sustainability> PDO 16. Financial Reporting | Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MFMA, Reg. S10(g)(ii)) | 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: Institutional Transformation | | | | | | | | | | | | |
|---|--|---|----------------|---|-----------------------------------|---------------|--|----------------|--|----------|-----|----------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI026 | KPA 03. Institutional Transformation> PDO 17. 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) |
| KPI116 | KPA 03. Institutional Transformation> PDO 18. Human Capital and Skills Development | 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 | 53.51% | 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% |
| KPI030 | KPA 03. Institutional Transformation> PDO 20. Performance Management and Monitoring and Evaluation | 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 |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| KEY PERFORMANCE AREA (KPA) 04: PHYSICAL INFRASTRUCTURE AND SERVICES | | | | | | | | | | | | |
|---|---|--|----------------|---|-----------------------------------|----------------------------|---|----------------|--|------|------|------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI119 | KPA 04. Physical Infrastructure and Services> PDO 26. Water and Wastewater Services | 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 | 97.83% | 90% per annum | 90%- water quality level as per analysis certificate measured quarterly | DM | 90% | 90% | 90% | 90% |
| KPI120 | KPA 04. Physical Infrastructure and Services> PDO 26. Water and Wastewater Services | Waste water quality managed and measured quarterly i.e. the SANS Accreditation physical and micro parameters | Output | Percentage waste water quality compliance as per analysis certificate measured quarterly | 82.43% | 75% per annum | 75% waste water quality compliance as per analysis certificate measured quarterly | DM | 75% | 75% | 75% | 75% |
| KPI047 | KPA 04. Physical Infrastructure and Services> PDO 27. Solid Waste Management and Infrastructure | 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 |
| KPI037 | KPA 04. Physical Infrastructure and Services> PDO 24. Energy Supply Efficiency and Infrastructure | 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 | 2.93% | <10% per annum (less than) | <10% average electricity losses by 30 June | DM | <10% | <10% | <10% | <10% |
| KPI107 | KPA 04. Physical Infrastructure and Services> PDO 24. Energy Supply Efficiency and Infrastructure | 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% |
| KPI108 | KPA 04. Physical Infrastructure and Services > PDO 26. Water and Wastewater Services | 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% |
| KPI109 | KPA 04. Physical Infrastructure and Services > PDO 26. Water and Wastewater Services | 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% |

DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2021/2022

| KEY PERFORMANCE AREA (KPA) 04: PHYSICAL INFRASTRUCTURE AND SERVICES | | | | | | | | | | | | |
|---|---|--|----------------|---|-----------------------------------|-------------------------------------|---|----------------|--|------|------|------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI110 | KPA 04. Physical Infrastructure and Services > PDO 27. Solid Waste Management and Infrastructure | 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% |
| KPI111 | KPA 04. Physical Infrastructure and Services> PDO 24. Energy Supply Efficiency and Infrastructure | 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 | 305 | 30 per annum | Number of new electricity connections installed in the registered informal settlements by 30 June | DM | N/A | N/A | N/A | 30 |
| KPI112 | KPA 04. Physical Infrastructure and Services > PDO 26. Water and Wastewater Services | 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 | 60 | 20 per annum | Number of new/upgraded sanitation service points (toilets) provided to registered informal settlements by 30 June | DM | 0 | 0 | 0 | 20 |
| KPI113 | KPA 04 Physical Infrastructure and Services. > PDO 26. Water and Wastewater Services | 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 | 10 | 6 per annum | Number of new water service points (taps) provided to registered informal settlements by 30 June | DM | 0 | 0 | 0 | 6 |
| KPI114 | KPA 04. Physical Infrastructure and Services > PDO 27. Solid Waste Management and Infrastructure | 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 |
| KPI118 | KPA 04. Physical Infrastructure and Services> KFA 27. Water and Wastewater Services | 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 | 16.92% | <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 ECONOMIC DEVELOPMENT | | | | | | | | | | | | |
|--|---|---|----------------|---|-----------------------------------|----------------|---|----------------|--|--------------|---------------|---------------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2018/2019) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI053 | KPA 05. Planning and Economic Development> PDO 29. Economic Growth | 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 | 1, 206 | 1400 per annum | 1,400 job opportunities created by 30 June | DM | 200 (200) | 500 (700) | 500 (1200) | 200 (1400) |
| KPI057 | KPA 05. Planning and Economic Development> PDO 29. Economic Growth | Implementation of the Informal Economy Enhancement Strategy | Outcome | Number of Informal Economy Enhancement Strategy initiatives implemented by 30 June | New KPI | 2 per annum | 2 Informal Economy Enhancement Strategy initiatives implemented by 30 June | DM | N/A | 1 | N/A | 1 |

| KEY PERFORMANCE AREA (KPA) 06: SAFETY AND ENVIRONMENTAL MANAGEMENT | | | | | | | | | | | | |
|--|---|--|----------------|--|-----------------------------------|---------------|---|----------------|--|-----|----------|-----|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2021/2022) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI105 | KPA 6. Safety and Environmental Management >PDO 40. Disaster and Emergency Management | 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 | <u>1</u> | N/A |

| KEY PERFORMANCE AREA (KPA) 07: Social and Community Development | | | | | | | | | | | | |
|---|---|---|----------------|--|-----------------------------------|---------------|--|----------------|--|--------------|--------------|--------------|
| IDP/ Ref No. | KPA > Pre-determined Objective (PDO) | Indicator (Activity/ Project/ Programme/ Key Initiative) | Indicator type | Unit of Measurement | Baseline (Actual 2019/2020) | 5 Year Target | 2021/2022 | Funding Source | TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2020/2021) | | | |
| | | | | | | | | | Q1 | Q2 | Q3 | Q4 |
| KPI092 | KPA 07. Social and Community Development> PDO 50. Sustainable Human Settlements (housing) | 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 | 300 | 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) |
| KPI093 | KPA 07. Social and Community Development> PDO 51. Sport, Recreation and Facilities | Implement the De Kraal Sport Capital Project measured quarterly in terms of the approved Capital Budget spent | Output | Percentage of approved De Kraal Sport Capital Budget spent by 30 June | New KPI | 90% per annum | 90% of approved De Kraal Sport Capital Budget spent by 30 June | DM | N/A | 25% | 45% | 90% |

