



**DRAKENSTEIN**

MUNISIPALITEIT • MUNICIPALITY • UMASIPALA

Paarl | Wellington | Gouda | Saron | Simondium

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# Five-Year Integrated Development Plan (IDP)

**2022/27**

**31 May 2022**

Drakenstein Municipality  
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A city of excellence

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**Table 1: Glossary of Acronyms**

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



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

**Table 2: Table of Definitions**

Description	Definition
<b>Key Performance Area</b>	Key Performance Areas are the areas within the business unit, for which an individual or group is logically responsible.
<b>Pre-determined Objective</b>	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.
<b>Big Moves</b>	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.
<b>Key Initiatives</b>	Key Initiatives may include the development of policies, Bylaws, strategies and plans which will act as strategic enablers for the attainment of Big Moves.
<b>Programs</b>	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.
<b>Projects</b>	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 (IDP) for the period 2022-2027 encompasses Drakenstein Municipality's plans for the new five-year term. The past five years have seen the Municipality achieve, and in many instances exceed its goals and targets, overcoming many challenges in the process.

With our past successes forming the foundation for the next five years, our manifesto is simply to have solution-driven innovations, to focus on essential economic and social development, and to continue excellent service delivery whilst maintaining steadfast good governance and financial management. We are furthermore committed to implement integrated communication that not only informs and empowers our community, but promotes Drakenstein as a business, investment, tourism and sport destination.

It is common knowledge that the effect of the COVID-19 pandemic on the world economy is devastating and locally we have felt the impact with many businesses that were forced to close down, leading to massive job losses. Together with our business sector, we are now getting Drakenstein's economy back on track to support a growing number of disadvantaged residents – left destitute by mainly the pandemic; and looking to create jobs so that our people can earn an income, look after their own families, and have their pride restored.

The Municipality's focus for the next five years will be on maintaining good governance and compliance whilst practicing strict fiscal discipline. There will be an increased attention on improving efficiencies (doing more with less) as well the ease of doing business. Local contractor development will be given priority, and internal and external communication will be conducted proactively. The Municipality is also focused on completing key projects.

In conclusion, I want to thank the Deputy Mayor, Alderman Gert Combrink; the members of the Mayoral Committee; all our Councillors; and the City Manager who, with his Administration, have 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 2022/27 IDP marks the fifth generation IDP cycle and 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.

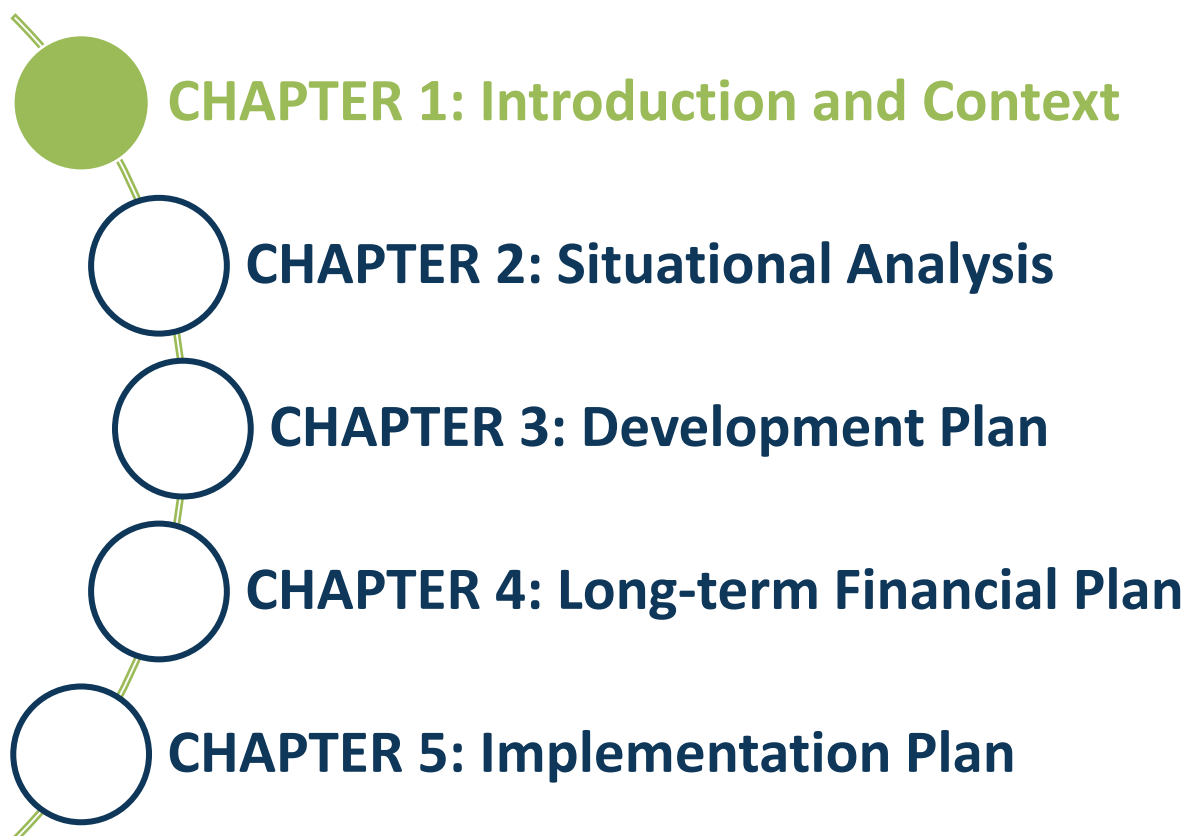
Excellent service delivery remains the focus throughout and bold decisions were made to ensure efficiency. It is our mandate to, provide potable water, sanitation, electricity and waste removal service, Drakenstein has however gone beyond what is expected, with the improved quality of life of our residents as the constant focus. Service delivery achievements include, 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 2020/21 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 2022/27 IDP stands firm on the building blocks of the previous 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 2022/2027 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.

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.

## **1.2 STRUCTURE OF THE IDP 2022/2027**

This IDP 2022/ 2027 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 2022/2027**

Chapter 1 is the introduction and provides the legislative foundation of the IDP 2022/2027, 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. It also takes into consideration the socio-economic demographic trends of the municipal area.

### **Chapter 2: Situation Analysis**

Chapter 2 deals with the status quo of the Municipality within the context of the 6 (six) KPAs and 40 PDOs, thereby giving 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: Implementation Plan**

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.

## **1.3 BACKGROUND**

Drakenstein Municipality forms part of the Cape Winelands District (which also includes the Category B Municipalities of Stellenbosch, Breede Valley, Witzenberg and Langeberg). The Drakenstein Municipality covers an area of approximately 1,538 km<sup>2</sup>. 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 from 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:

#### **1.4 WARD DEMARCATION**

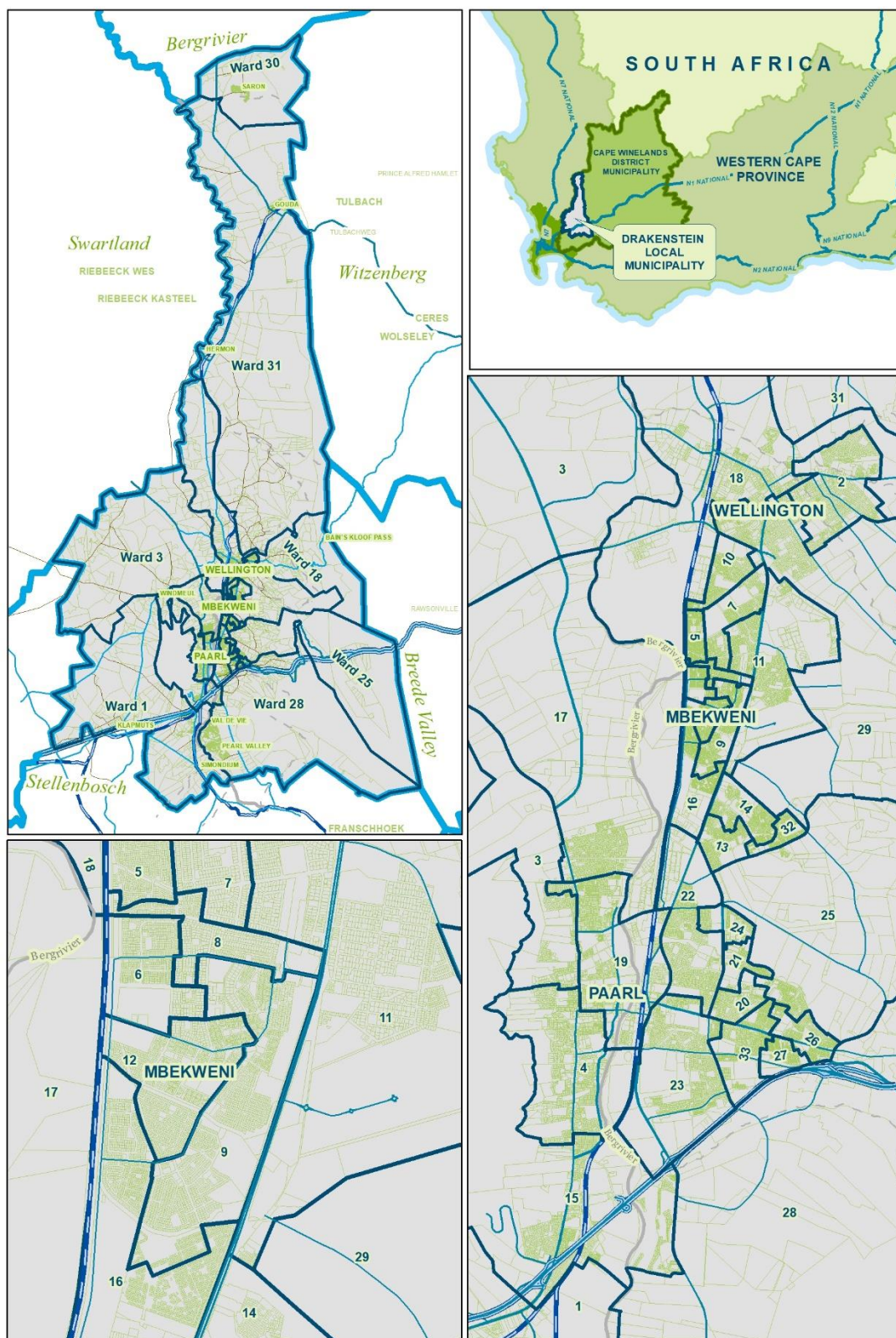
The following is a list of the sub-places or townships found in each of the 33 wards:

- 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, Fairyland;
- Ward 14: Groenheuwel, Smartietown;
- Ward 15: Southern Paarl, Courtrai;
- Ward 16: Mbekweni, Drommedaris, Dal Josaphat;
- Ward 17: Northern Paarl, Nieuwedrift;
- Ward 18: Soetendal, Wellington North, New Rest;
- Ward 19: Northern Paarl Central;
- Ward 20: Miqlat Sentrum Area;
- Ward 21: Chicago South, Magnolia;
- Ward 22: New Orleans, Charleston Hill, Huguenot;
- Ward 23: Klein Parys, Denneburg, Langvlei;
- Ward 24: Chicago;
- Ward 25: Nederburg, Lantana;
- Ward 26: Lantana, New York;
- Ward 27: Amstelhof;
- Ward 28: Ronwè, Sonop, Salem and Surrounding Farms;
- Ward 29: Voor Street Area, Uitsig, Perdeskoen Farms;
- Ward 30: Saron;
- Ward 31: Gouda, Hermon, Bovlei, Voor en Agter Groenberg;
- Ward 32: Fairyland, Smartie Town and Milky Town; and
- Ward 33: Langvlei, Boland Park, Lustigan Village.



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

**Figure 1: 2021 Ward Demarcation/Location of the Drakenstein Municipality**



Source: Drakenstein Municipality 2021



## 1.5 DRAKENSTEIN MUNICIPALITY AT A GLANCE

**Area:**

1 538 km<sup>2</sup>

**Population:**

305 281

**Number of Households:**

76 195

**Number of Informal Settlements:**

41

**Number of Councillors:**

65

**Number of Wards:**

33

**Households without Income:**

11755

*Community Survey 2016*

**Economic Profile:**

Unemployment Rate: 21% (SA – 27%)

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

*Community Survey 2016*

**Agriculture:**

Farms: 2380

Agri-workers: 66% below the age of 35

*LG-SEP, 2021*

**Building Plans Approved (2020/21):**

1201

*Drakenstein Municipality,  
2021*

**Number of Education Facilities:**

Primary: 52

Secondary: 23

Special Schools: 3

FETs: 3

University: 1

*LG-SEP, 2021*

**Registered Businesses:**

2336

**Libraries:**

19

Municipal Public Libraries: 9

Schools with libraries: 10

*LG-SEP. 2021*
**Number of Police Stations:**

6

*LG-SEP, 2021*
**Number of Healthcare Facilities:**

PHC (fixed):

13

PHC (mobile):

6

ART:

13

TB:

27

Regional Hospital:

1

*LG-SEP, 2021*
**Access to Basic Services:**

Water:

99.8%

Sanitation:

99.5%

Refuse Removal:

100%

Electricity:

94.9%

**Indigent Households:**

Free Basic Water:

17 070

Free Property Rates:

14 404

Free Basic Electricity:

18 632

**Electricity Distribution Losses:**

6%

**Water Distribution Losses:**

13.2%

*Source: Drakenstein Municipality, Management Information; 2022*

## 1.6 THE ORGANISATION

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

### 1.6.1 Political Governance

Section 53 of the 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. The political arm of the Municipality is headed by the following leadership:

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

### (a) Mayoral Committee

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

**Table 3: Mayoral Committee**

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

### (b) 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 4: Council**

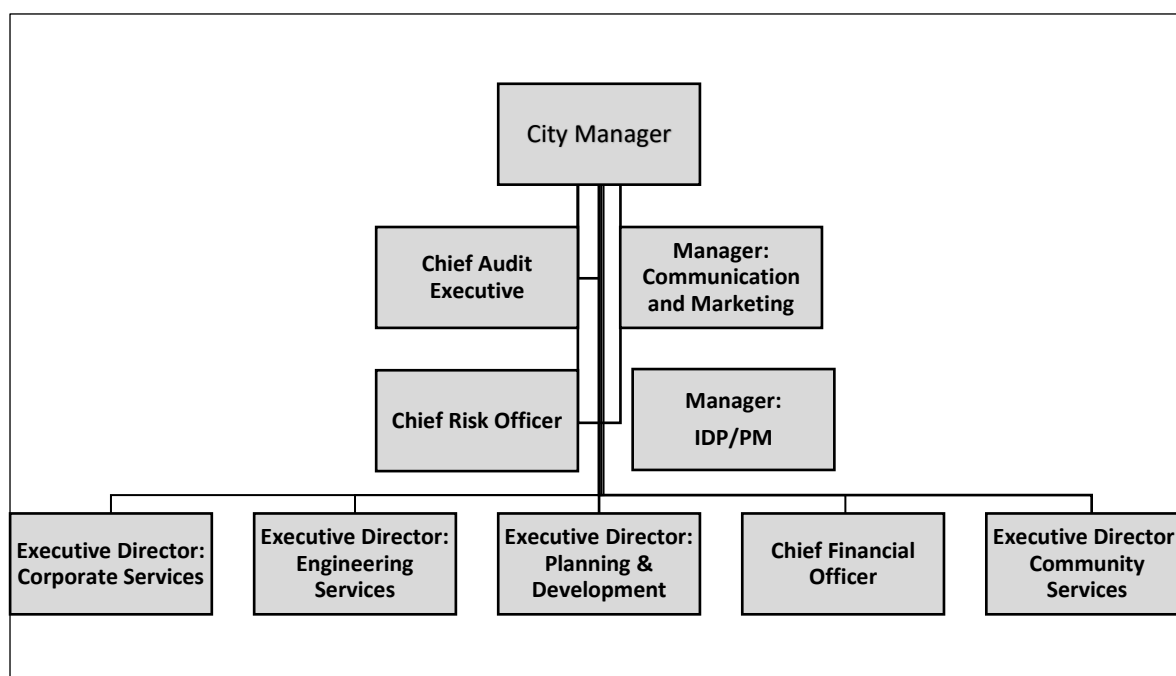
Serial No.	Name	Ward Councillor/PR Councillor
1.	Calvin Kroutz	Ward 1 Councillor
2.	Nicolaas Sauerman	Ward 2 Councillor
3.	Annelize van Rooyen	Ward 3 Councillor
4.	Johan Miller	Ward 4 Councillor
5.	Thobani Patrick Mooi	Ward 5 Councillor
6.	Nothula Nongogo	Ward 6 Councillor
7.	Ruth Belldine Arnolds	Ward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

<b>Serial No.</b>	<b>Name</b>	<b>Ward Councillor/PR Councillor</b>
18.	Elizabeth Baron	Ward 18 Councillor
19.	Theunis Gerhardus Bester	Ward 19 Councillor
20.	Patricia Beverly Ann Cupido	Ward 20 Councillor
21.	Eva Gouws	Ward 21 Councillor
22.	Felix Patric Cupido	Ward 22 Councillor
23.	Elizabeth Aletta Solomons	Ward 23 Councillor
24.	Miriam Maria Adriaanse	Ward 24 Councillor
25.	Laurichia Tylial van Niekerk	Ward 25 Councillor
26.	Joan Veronica Anderson	Ward 26 Councillor
27.	Vanessa Charmaine Booysen	Ward 27 Councillor
28.	Reinhardt van Nieuwenhuyzen	Ward 28 Councillor
29.	Avron Marchius Beres Appolis	Ward 29 Councillor
30.	Johannes Smit	Ward 30 Councillor
31.	Catherine Maria Jacobs	Ward 31 Councillor
32.	Sangolomzi Ganandana	Ward 32 Councillor
33.	Lorenzo Clive Arendse	Ward 33 Councillor
34.	Conrad Poole	PR Councillor
35.	Gert Combrink	PR Councillor
36.	Koos Le Roux	PR Councillor
37.	Frances Jacobs	PR Councillor
38.	Rita Andreas	PR Councillor
39.	Anre Koegelenberg	PR Councillor
40.	Aletta Van Santen	PR Councillor
41.	Lorraine Cyster	PR Councillor
42.	Linda Landu	PR Councillor
43.	Rean Smuts	PR Councillor
44.	Leandra Matthee	PR Councillor
45.	Michael Jacobs	PR Councillor
46.	Bazil Jacobs	PR Councillor
47.	John de Kock	PR Councillor
48.	Peter De Villiers	PR Councillor
49.	Edgar Arendse	PR Councillor
50.	Jennifer Daniels	PR Councillor
51.	Gavin Kulsen	PR Councillor
52.	Jerome September	PR Councillor
53.	Rodney Nell	PR Councillor
54.	Nomzamo Zoya	PR Councillor
55.	Mputumi Stulweni	PR Councillor
56.	Sindile Gravel	PR Councillor
57.	Moutie Richards	PR Councillor
58.	Mncedisi Nobala	PR Councillor
59.	Claire Davids/Klaaste	PR Councillor
60.	Christopher Mangena	PR Councillor
61.	Jaydine Adams	PR Councillor
62.	Bongiwe Duba	PR Councillor
63.	Andrew Fourie	PR Councillor
64.	Stephan Landsberg	PR Councillor
65.	Adriaan Du Plessis	PR Councillor

## 1.7 THE ADMINISTRATION

The City Manager is the Accounting Officer of the municipality and also the head of the Administration. His primary function is to serve as chief custodian of service delivery and the implementation of political priorities. He is assisted by the Strategic Management Team (SMT), which comprises 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 2: Macro Organisational Structure**



## 1.8 DEMOGRAPHIC PROFILE

Population and Household Profile:

The population of Drakenstein is 305 281 and the number of households is 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 5: Household breakdown by ethnic group**

Household breakdown by ethnic group						
Serial No.	Ethnic Group	2018/2019	2019/2020	% Share 2019/2020	2020/2021	% Share 2020/2021
1.	Black	18044	20049	26.44%	20418	26.80%
2.	Coloured	36024	43006	56.70%	43064	56.52%
3.	Indian	226	300	0.39%	320	0.42%
4.	White	11364	12492	16.48%	12394	16.27%
5.	<b>Total</b>	<b>65658</b>	<b>75800</b>	<b>100%</b>	<b>76196</b>	<b>100%</b>

Source: Quantec Research, 2021; \*Quantec data is regularly updated and figures may be different from those previously reported

## 1.9 SOCIO-ECONOMIC STATUS INFORMATION

In 2021, the unemployment rate in Drakenstein (based on the narrow definition of unemployment) was 21%. 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 27%. The Gini coefficient is a measure of economic/income inequality. In 2021, the Gini coefficient in the municipal area was determined as 0.601. 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 6: Socio-Economic Status**

Socio-Economic Status						
Serial No.	Year	Unemployment rate	Youth unemployment	Percentage of working age population in low skilled employment	Gini coefficient	Illiterate people older than 20 years
1	2018/19	*13.1%	19.97%	17.4%	0.601	16.92%
2	2019/20	*14.2%	21.34%	17.2%	0.603	17.02%
3	2020/21	*14.7%	20.71%	15.8%	0.605	17.12%

Source: IHS Markit Regional eXplorer 2019 and Quantec Research 2019,

### **1.9.1 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.

### **1.9.2 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. The Gini coefficient is a measure of economic/income inequality. In 2021, the Gini coefficient in the municipal area was determined as 0.601. The rising income inequality can be attributed to an increased working age population in low-skilled employment who earn low salaries.

### **1.9.3 Human Development**

The United Nations uses the Human Development Index (HDI)<sup>1</sup> 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. 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.

### **1.9.4 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

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<sup>1</sup> 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.



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.

### 1.9.5 Economy

The economic activity took a knock in 2021 due to the devastating effects of the COVID-19 pandemic.

**Table 7: Gross Value Added per economic sector within Drakenstein**

Serial No.	Sector	R'000 000		
		2018/2019	2019/2020	2020/2021
1.	Agriculture, forestry and fishing	1,440	1,307	1,549
2.	Mining and quarrying	60	63	56
3.	Manufacturing	3,330	3,418	3,322
4.	Electricity, gas and water	595	626	600
5.	Construction	1,685	1,728	1,405
6.	Wholesale, retail trade, catering and accommodation	4,005	4,236	4,025
7.	Transport, storage and communication	1,904	1,968	1,753
8.	Finance, insurance, real estate and business services	4,688	4,928	4,890
9.	General government	2,437	2,538	2,667
10.	Community, social and personal services	1,878	1,983	1,967
11.	<b>Total</b>	<b>22,022</b>	<b>22,795</b>	<b>22,239</b>

Source: Quantec, 2021

All sectors of the Drakenstein economy were adversely affected by the COVID-19 pandemic, with sectors such as tourism particularly hit hard after the closure of borders and the cancellation of events. Modelling estimates undertaken after the first two months of the lockdown indicated that manufacturing, retail trade and transport had a 50 percent loss in income, while tourism, construction and the informal sector accounted for over 80 per cent of the job losses during the same period.

The informal sector was particularly 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 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 put a further strain on government finances that have already been deteriorating.

The economic sectors that contributed the most to the Drakenstein economy in 2020/21 were Finance, insurance, real estate and business services (R4.89 billion); wholesale, retail trade, catering and accommodation (R4.02 billion); manufacturing (R3.32 billion) and general government (R2.67 billion). Agriculture, forestry and fishing; construction; transport, storage and communication; community, social and personal services each contributed between R1.4 billion and R2 billion. The COVID-19 pandemic resulted in job losses across all economic sectors except general government as shown in Table 9 below. Unemployment and poverty within Drakenstein increased remarkably due to the COVID-19 pandemic.

**Table 8: Employment per economic sector within Drakenstein**

Serial No.	Sector	Number of Jobs		
		2018/2019	2019/2020	2020/2021
1.	Agriculture, forestry and fishing	18,651	18,536	17,784
2.	Mining and quarrying	81	77	68
3.	Manufacturing	9,432	9,242	8,457
4.	Electricity, gas and water	355	357	350
5.	Construction	7,663	7,155	6,247
6.	Wholesale, retail trade, catering and accommodation	24,795	25,493	23,925
7.	Transport, storage and communication	3,737	3,878	3,718
8.	Finance, insurance, real estate and business services	17,929	18,109	17,254
9.	General government	11,887	12,098	12,215
10.	Community, social and personal services	17,728	17,654	16,129
11.	<b>Total</b>	<b>112,258</b>	<b>112,599</b>	<b>106,147</b>

Source: Quantec, 2021

## 1.10 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.

### 1.10.1 Learner Enrolment, Learner-Teacher Ratio and learner retention rate

Learner enrolment in Drakenstein increased from 49 268 in 2018 to 50 186 in 2020. This signals a 1.8 per cent shift in learners from 2018 to 2020, the third highest in the District when compared to the other municipal areas. This could be attributed to a number of factors including demographics and socio-economic context. The learner-teacher ratio decreased marginally from 28.2 in 2019 to 27.7 in 2020, largely as a result of an increase in learners enrolled. The learner retention rate decreased to 66.4 per cent in 2020 which does not bode well considering the job losses and high unemployment levels amongst low skilled labour.

### **1.10.2 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.

### **1.10.3 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 2021, Drakenstein had a total of 75 public ordinary (primary and high) schools and 3 special schools. 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.

### **1.10.4 Schools with Libraries**

The number of schools equipped with libraries in Drakenstein amounts to 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 equality; libraries promote community engagement; libraries create a bridge to resources and community participation, and libraries encourage economic vitality within the community.

### **1.10.5 Education Outcomes**

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

### **1.10.6 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.

### **1.10.7 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).

## **1.11 HEALTH**

### **1.11.1 Healthcare Facilities**

According to the 2019 Inequality Trend report by Statistics South Africa, 75.1 per cent of households in South Africa usually use public healthcare facilities when a household member gets ill compared to 24.9 per cent who use some private healthcare facilities in 2017. This is associated with the low proportion of households with access to Medical Aid which is low at 16.9 per cent for South Africa and 25 per cent for the Western Cape in 2017.

In terms of healthcare facilities, Drakenstein had 17 primary healthcare clinics (PHC) in 2020, which comprises of 11 fixed and 6 mobile clinics. In addition, there is a Regional hospital and 3 community day care centers.

### **1.11.2 Emergency Medical Services**

Provision of more operational ambulances can provide greater coverage of emergency medical services. Drakenstein has 5 ambulances per 10 000 inhabitants in 2020 which is above that of the District average being 2 ambulances per 10 000 people. It is worth noting that this number only refers to Provincial ambulances and excludes all private service providers.

## **1.12 ENVIRONMENT**

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

## **1.13 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.

### 1.13.1 Safety Statistics

The table below provides a summary of the safety related statistics in Drakenstein Municipality from 2018 – 2021:

**Table 9: Safety and Security Statistics**

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

Source: Drakenstein Municipality SEP-LG 2021

### 1.13.2 Murder

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

In the Drakenstein Municipal area, the number of murders has decreased over the period 2019/20 (157) to 2020/21 (125). The murder rate per 100 000 people was 42 in 2020/21, while the murder rate across the CWD was lower with 28 cases.

### 1.13.3 Sexual Offences

Sexual offences include rape (updated to the new definition of rape to provide for the inclusion of male rape), sex work, pornography, public indecency and human trafficking.

The rate of sexual offences in South Africa is amongst the highest in the world. With respect to the crime statistics released by SAPS and Stats SA, sexual offences increased by 5.0 per cent in 2020/21 compared to 3.7 per cent the previous financial year.

In 2021, there were 295 sexual offences in the Drakenstein area. The incidence of sexual offences (per 100 000 population) is amongst the highest in Drakenstein (100) compared to other local municipalities in CWD.

### 1.13.4 Drug-related Offences

Drug-related crimes refer to the situation where the perpetrator is found to be in possession of, under the influence of, or selling illegal drugs.

The incidence of drug-related offences is trending downwards in both Drakenstein and the Cape Winelands District; although there is a slightly lower occurrence of drug-related offences (per 100 000 people) in the Cape Winelands (559) relative to the Drakenstein municipality's (560).

#### **1.13.5 Driving under the influence (DUI)**

A situation where the driver of a vehicle is found to be over the legal blood alcohol limit.

The number of cases of driving under the influence of alcohol or drugs in the Drakenstein area shows a decrease, from 153 in 2020 to 88 in 2021. This translates into a rate of 30 per 100 000 people in 2020/21, which is below the District's 45 cases per 100 000 people. The Drakenstein area had 42 fatal crashes, claiming the lives of 46 individuals.

#### **1.13.6 Residential Burglaries**

*The unlawful entry of a residential structure with the intent to commit a crime, usually a theft.*

The 2020/21 crime statistics released by SAPS and Stats SA indicate that the number of residential burglaries fell by 6.7 per cent in South Africa. Within the Western Cape Province, burglaries at residential areas decrease by 8.5 per cent between 2020 and 2021. Residential burglary cases within the Drakenstein area decreased by 30.7 per cent from 1 796 in 2020 to 1 374 in 2021. When considering the rate per 100 000 populations, with 467 cases in 2021, Drakenstein's rate is below that of the District (475) in the same reporting year.

### **1.14 THE LEGISLATIVE CONTEXT**

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

#### **1.14.1 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.

#### **1.14.2 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.

#### **1.14.3 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.

#### **1.14.4 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.

#### **1.14.5 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.

### **1.15 ALIGNMENT OF PLANS**

#### **1.15.1 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;



- Cape Winelands District Integrated Development Plan; and
- IDP Vision 2032.

### **1.15.2 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.

### **1.15.3 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.

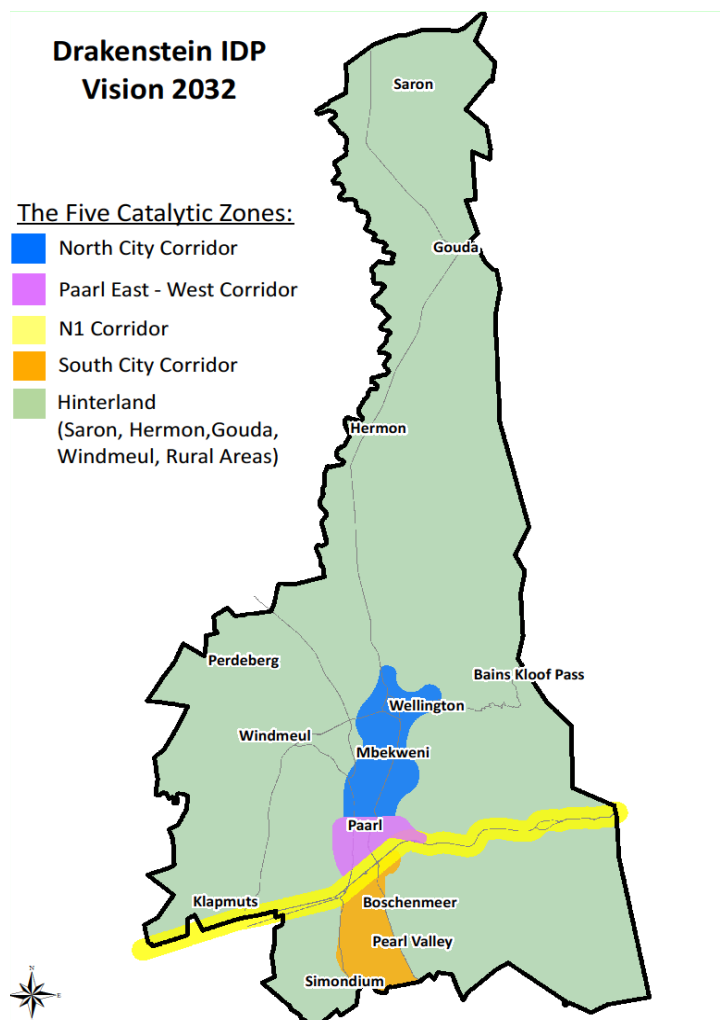
In February 2017, Vision 2032 was initiated, a long-term strategic plan encompassing key initiatives, programs and projects which were allocated to a series of Big Moves. Big Moves are proposals which will, over the next eleven years dramatically alter and improve the space, economy and sustainability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

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 (refer to the Figure hereafter):

- 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). 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 3: Five Catalytic Zones as defined in the Vision 2032



#### Spatial Priority Areas:

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

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

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

## 1.16 IDP PROCESS PLAN

### 1.16.1 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.

### 1.16.2 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 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 the table hereafter:

**Table 10: IDP Process Plan**

<b>June 2021</b>	<b>Analysis Phase:</b> Determine local issues, problems, relevant stakeholders, potential and priorities	<ul style="list-style-type: none"> <li>Internal IDP preparation meetings with Budget Office, Strategic Management Team and City Manager</li> </ul>
<b>July 2021</b>	<b>Strategy Phase:</b> Determine vision objectives, strategies, and participate in IGR Structures	<ul style="list-style-type: none"> <li>Draft 2022/2023 IDP/Budget/PMS Time Schedule and present to the Strategic Management Team</li> </ul>
<b>August 2021</b>	<b>Analysis Phase:</b> Determine local issues, problems, relevant stakeholders, potentials and priorities	<ul style="list-style-type: none"> <li>Table 2022/2023 IDP/Budget/PMS Time Schedule for Council's approval</li> </ul>
<b>September 2021</b>	<b>Strategy Phase:</b> Determine vision objectives, strategies, and participate in IGR Structures	<ul style="list-style-type: none"> <li>Submission of the 2022/2023 IDP/SDF/Budget/PM Time Schedule to the Department of Local Government and Cape Winelands District Municipality</li> <li>Publish advertisements informing local residents and stakeholders about the 2022/23 IDP/SDF/Budget/PM Time Schedule</li> </ul>

		<ul style="list-style-type: none"> <li>IDP Consultative Engagements with Ward Committees and key stakeholders as per approved schedule</li> </ul>
October 2021	<b>Strategy Phase:</b> Determine vision objectives, strategies, and participate in IGR Structures.	<ul style="list-style-type: none"> <li>Finalization of the IDP consultative engagements with all stakeholders</li> </ul>
November/ December 2021	<b>Integration Phase:</b> Agree on project proposals and compilation of integrated programmes	<ul style="list-style-type: none"> <li>Local Government Elections</li> <li>Submission of the draft 5- Year Process Plan and subsequent public participation</li> <li>Integration of plans and projects with Draft Capital Budget for 2021/2024 MTREF</li> </ul>
January 2022		<ul style="list-style-type: none"> <li>2021/2022 SDBIP review sessions per department and submission of Mid-Year Performance Report 2021/2022 and Annual Report 2020/2021</li> <li>Adoption of the new 5- Year Process Plan</li> </ul>
February 2022	<b>Integration Phase:</b>  Alignment processes with Provincial Government and Cape Winelands District Municipality	<ul style="list-style-type: none"> <li>Council consider and adopt the revised 2021/22 Top Layer SDBIP and related Adjustments Budget based upon the Mid-year Performance Report</li> <li>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 2022/2027 IDP</li> <li>Compile Draft Top Layer SDBIP and review Five-year Municipal Performance Scorecard for inclusion in the IDP</li> <li>Technical Integrated Municipal Engagements with Sectors facilitated by the Provincial Government</li> <li>Start of public participation process regarding the draft SDF in line with SPLUMA</li> </ul>
March 2022	<b>Integration Phase:</b>  Approval by Council of draft IDP and undertake consultation process	<ul style="list-style-type: none"> <li>Publish advertisements to notify local residents and stakeholders on the draft budget and draft IDP review as well as the public participation programme</li> <li>Submit draft IDP and budget to provincial government</li> </ul>
April 2022	<b>Integration Phase:</b> Provide opportunity to communities and stakeholders to propose amendments to Draft IDP, Budget, SDF and SDBIP.	<ul style="list-style-type: none"> <li>IDP Consultative Engagements with communities and other stakeholders,</li> </ul>
	<b>Integration Phase:</b> Provide opportunity to stakeholders to	<ul style="list-style-type: none"> <li>LG-MTEC Engagement with Provincial Government to discuss technical</li> </ul>

May 2022	propose amendments to Draft IDP, Budget and SDBIP.	assessment of the draft budget and IDP Review conducted by sector departments.
	<b><u>Approval Phase:</u></b> Adoption by Council	<ul style="list-style-type: none"> <li>• Council considers community and stakeholder inputs and adopts the 2022/2027 IDP, Budget, SDF and SDBIP</li> </ul>
June 2022	<b><u>Post-Approval Phase:</u></b> 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"> <li>• Notice in local media to inform local residents, stakeholders on the adopted amended/reviewed IDP, Budget</li> <li>• Submission to MEC for Local Government and Provincial Treasury</li> <li>• Preparation and approval of SDBIP by Executive Mayor</li> </ul>

### 1.16.3 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; to give input on the draft Spatial Development Framework; 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](mailto:IDP@drakenstein.gov.za)); and
- Continuous reminders to encourage the public to submit input.

### 1.16.4 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.

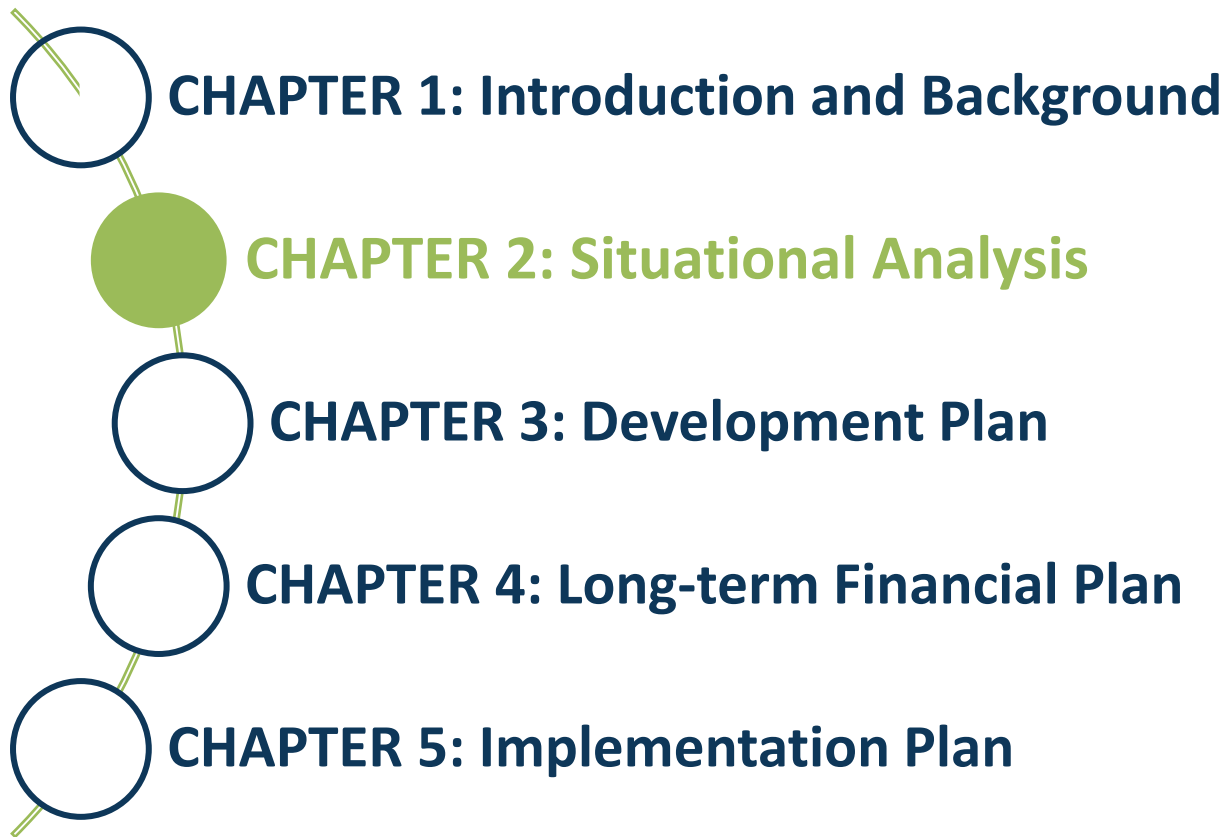
The Drakenstein Municipal vision is “A City of Excellence”. To achieve this vision and to realize the long-term vision of “Vision 2032” as discussed above, the DM has identified six (6) Key Performance Areas (KPAs) and forty (40) Pre-determined Objectives (PDOs). From these 40 PDOs, projects, programmes 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 11: Drakenstein Municipality’s Strategic Framework**

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



<b>PDO 20:</b> Processes and Procedures
<b>KEY PERFORMANCE AREA (KPA) 04: Infrastructure &amp; Services</b>
<b>STRATEGIC OBJECTIVE:</b> To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services.
<b>OUTCOME:</b> Well-developed strategies implemented to promote economic growth and development in the Municipal Area.
<b>KPA 04 consists of the following PDOs:</b> <b>PDO 21:</b> Fleet and Mechanical Workshop <b>PDO 22:</b> Electricity and Energy <b>PDO 23:</b> Transport, Roads and Storm Water <b>PDO 24:</b> Water and Waste Water <b>PDO 25:</b> Solid Waste <b>PDO 26:</b> Municipal and Public Facilities
<b>KEY PERFORMANCE AREA (KPA) 05: Planning and Development</b>
<b>STRATEGIC OBJECTIVE:</b> To plan, promote investment and facilitate economic growth.
<b>OUTCOME:</b> Well-developed strategies implemented to promote economic growth and development in the Municipal Area.
<b>KPA 05 consists of the following PDOs:</b> <b>PDO 27:</b> Economic Development and Tourism <b>PDO 28:</b> Land Use and Properties <b>PDO 29:</b> Spatial Planning <b>PDO 30:</b> Environment and Natural Resources <b>PDO 31:</b> Human Settlements (Housing)
<b>KEY PERFORMANCE AREA (KPA) 06: Community Development</b>
<b>STRATEGIC OBJECTIVE:</b> To facilitate, support and promote social and community development.
<b>OUTCOME:</b> 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.
<b>KPA 06 consists of the following PDOs:</b> <b>PDO 32:</b> Social Development <b>PDO 33:</b> Sport and Recreation <b>PDO 34:</b> Parks and Open Spaces <b>PDO 35:</b> Cemeteries and Crematoria <b>PDO 36:</b> Disaster and Emergencies <b>PDO 37:</b> Bylaw Enforcement <b>PDO 38:</b> Safety and Security <b>PDO 39:</b> Traffic Law Enforcement <b>PDO 40:</b> Libraries



## 2. CHAPTER 2: SITUATIONAL ANALYSIS




### 2.1 INTRODUCTION

This chapter focuses on the analysis of the status quo of the municipality in terms of PDOs as listed in the Strategic Framework in Chapter 1. In addition, the municipality developed Service Standards to measure the level of service pertaining to specific functions, for example Parks, Cemeteries, Swimming Pools etc. The rating System for these Services Standards are listed in table hereafter.

### 2.2 SITUATIONAL ANALYSIS PER KPA AND PDO

Each PDO is rated in terms of its current status:

**Table 12: Rating System – Situational Analysis**

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

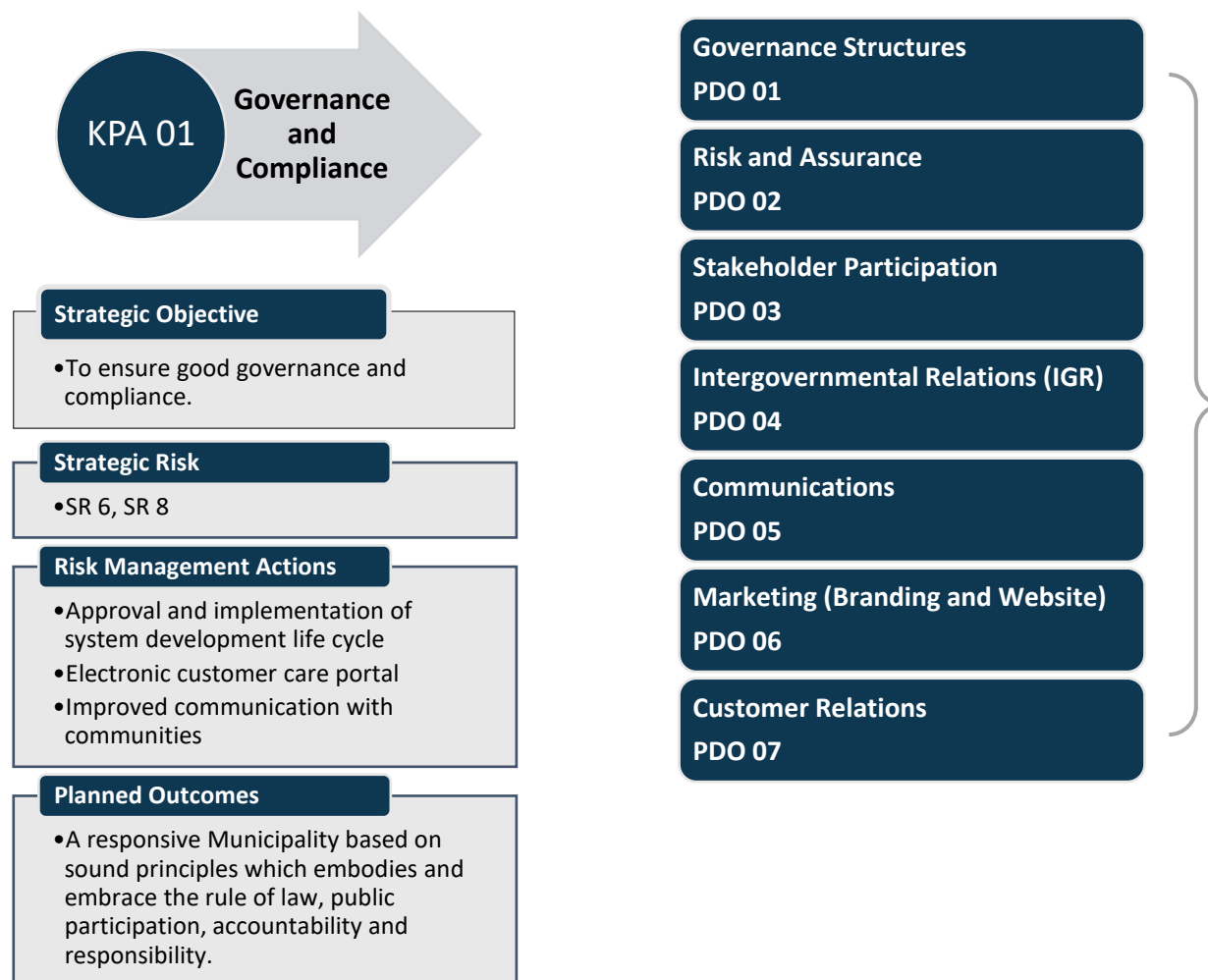


Table 13: PDO 1's Policies and Bylaws

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

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

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

**PDO 1: GOVERNANCE STRUCTURES****PDO DESCRIPTION**

This PDO relates to the Municipality's Governance Structure, which is informed by the Municipal Structures Act, No.117 of 1998. The Act stipulates the roles and responsibilities that each structure within the municipality should perform. Section 53 of the Municipal Systems Act (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.

This PDO is supported by a Sector Plan related to Record Keeping (**see attached Annexure A**)

The following committees are in existence in this municipality:

**1. Appeal Committee**

- Section 62 Appeal Committee.

**2. Section 79 Committees**

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

**3. Section 80 Committees:**

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

#### 4. Oversight Committees

##### 4.1 Audit Committee

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

##### 4.2 Labour Committees

- Local Labour Forum; and
- Training Committee.

#### 5. Tribunal in terms of Sect. 35 of the Spatial Planning & Land Use Management Act 16 of 2013

- Municipal Planning Tribunal

### RATING OF THE PDO

Table 14: PDO1 – Rating

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

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

This PDO relates to the Municipality's activities in respect of Risk Management and Assurance. Risk Management forms an integral part of the internal processes of a Municipality. It is a systematic process to identify, evaluate and address risks on a continuous basis. The assurance response is risk based, ensuring that key risks receive priority in terms of the assessment of the systems of internal control implemented by management to mitigate risk, ensuring the achievement of objectives.

Based on the risk assessments performed, the 12 strategic risks are summarised below. A comprehensive Risk Register can be found in the Annexures. This PDO is supported by the Risk Management Plan (see Annexure B).

**The twelve (12) Strategic Risks are listed below:**

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

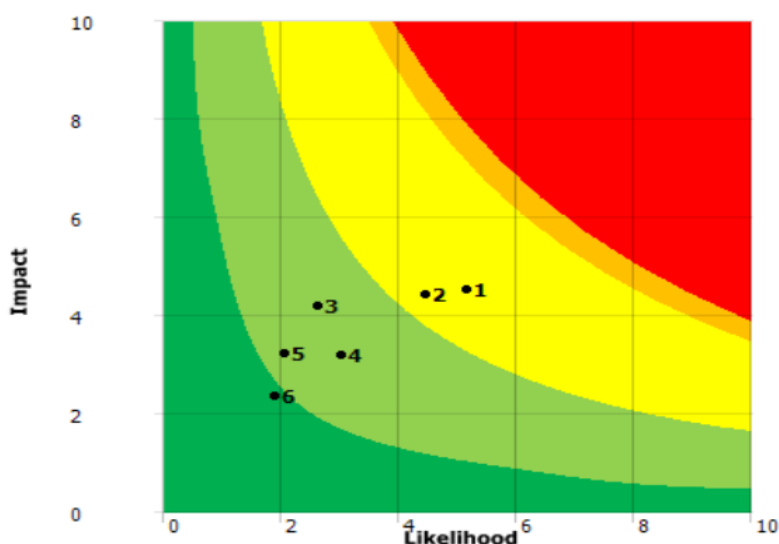
**RATING OF PDO****Table 15: PDO 2 – Strategic Risk: Point on Heat Map**

Point on Heat Map	Ref	Strategic risk	Inherent Impact	Control Effectiveness/ Rating
1	SR04	Increasing indigents and unemployment.	Serious	☹️
2	SR07	Unmanaged urbanisation.	Serious	☹️
3	SR01	Financial non-viability	Serious	😊
	SR10	National electricity blackout.	Serious	😊
4	SR03	Deficiency in staff skills and capacity.	Significant	☹️
	SR11	Failure to address the consequences of notifiable diseases	Serious	😊
	SR05	Inadequate infrastructure, investment and maintenance.	Serious	😊
5	SR09	Inadequate ICT planning, infrastructure and systems.	Serious	😊



Point on Heat Map	Ref	Strategic risk	Inherent Impact	Control Effectiveness/ Rating
	SR02	Inadequate service delivery.	Serious	😊
	SR12	Community unrest due to political instability	Significant	😊
	SR06	Weakness in governance and accountability.	Serious	😊
6	SR08	Failure to communicate effectively with stakeholders.	Significant	😊

**Graph 1: Strategic Risks Residual Heat Map**



**Table 16: PDO 2 – Rating**

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

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

Internal Audit reports to the Audit Committee on a quarterly basis regarding the outcome of audits conducted in terms of the approved plan.

### PDO 3: STAKEHOLDER PARTICIPATION

#### PDO DESCRIPTION

This PDO addresses the Municipality's activities in respect of stakeholder's 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. Following the 2021 Local government elections, the Municipality elected 33 ward committees during February 2022. The continuous improvement of communication between the municipality and communities remains high on the agenda for the Council. The components for this PDO is listed below.

#### RATING OF THE PDO

Table 17: PDO 3 – Rating

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





### PDO 4: INTERGOVERNMENTAL RELATIONS (IGR)

#### PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of Intergovernmental Relations, which 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 continuously partner with other spheres of government on the implementation of the Joint District Approach (JDA).

## RATING OF THE PDO

**Table 18: PDO 4 - Rating**

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

## PDO 5: COMMUNICATIONS

### PDO DESCRIPTION

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




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

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

Various institutional structures such as ward committees, social councils and forums, 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. This PDO is supported by the Communication Plan (see attached Annexure C).

## RATING OF THE PDO

**Table 19: PDO 5 – Rating**





Serial No.	PDO Focus Areas	Rating
1.	Internal Social Media Policy	
2.	Self-driven social media platforms	
4.	Media monitoring system (Reputation management)	

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

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

The municipality has a robust website, on which it continues to introduce innovative features designed to improve the visitor experience, and service delivery. The division is working on optimising the website's mobile interface, as well as upgrading it to the latest Microsoft SharePoint version which will further enhance the browser experience. The website 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 statutory disclosures, legislation, necessary documentation, news and notices.



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

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

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

This PDO addresses the Municipality's activities in respect of Customer Relations Management. A Services Charter was adopted on 31 March 2022. The services charter is a contract with customers to respond to queries and service delivery challenges within the agreed time. This contract is managed and measured through a customer-care management system, called SeeClickFix. Further to that, the Electro-technical Department has accepted all the National Charters and Standards. These 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 THE PDO****Table 21: PDO 7 - Rating**

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

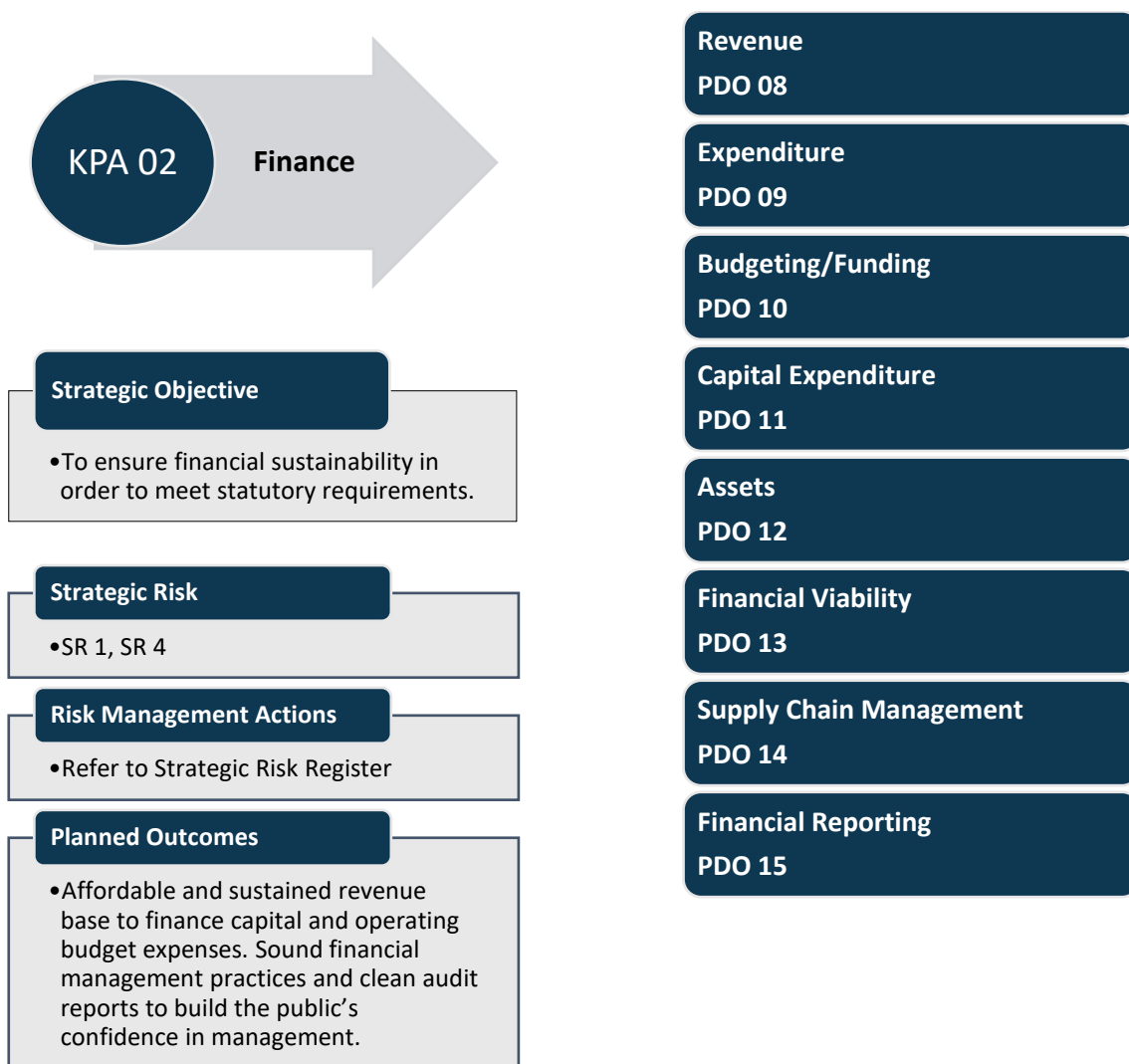


Table 22: KPA 2 Policies and Bylaws

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

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

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

**PDO 8: REVENUE****PDO DESCRIPTION**

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

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

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

**PDO 9: EXPENDITURE****PDO DESCRIPTION**

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

ensure that the municipality has and maintains an effective system of expenditure control. This PDO aims to ensure that the municipality is in line with the prescripts of the Municipal Finance Management Act.

#### RATING OF THE PDO

**Table 24: PDO 9 – Rating**

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

#### PDO 10: BUDGETING/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 THE PDO

**Table 25: PDO 10 – Rating**

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

#### PDO 11: CAPITAL EXPENDITURE







#### PDO DESCRIPTION

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



## RATING OF THE PDO

Table 26: PDO 11 – Rating

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




## PDO 12: ASSETS

## PDO DESCRIPTION

This PDO relates to the Municipality's activities in respect of Asset management, which is the process of managing a local government's capital assets cost effectively. 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 THE PDO

Table 27: PDO 12 – Rating

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



## PDO 13: FINANCIAL VIABILITY

## PDO DESCRIPTION

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

Table 28: PDO 13 – Rating

Serial No.	PDO Focus Areas	Rating
	<b>Expenditure</b>	
1.	Capital Expenditure to Total Expenditure	
2.	Impairment of PPE, IP and Intangible Assets	

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

## PDO 14: SUPPLY CHAIN MANAGEMENT

### PDO DESCRIPTION

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

### RATING OF THE PDO

Table 29: PDO 14 – Rating

Serial No.	PDO Focus Areas	Rating
<b>Municipal Stores</b>		
1.	Main Stores	😐
2.	Acquisitions	😐
3.	Demand Planning and Municipal Stock Levels	😐

Serial No.	PDO Focus Areas	Rating
<b>Contract Management</b>		
4.	Contract Management process from start to finish	😊
5.	Specifications Committee Turnaround Time	😊
6.	Bid Evaluation Committee Turnaround Time	😊
7.	Bid Adjudication Committee Turnaround Time	😊
8.	Compliance Reporting	😊

## PDO 15: FINANCIAL REPORTING

### PDO DESCRIPTION

This PDO relates to the Municipality's activities and plans in respect of Financial Reporting, which provides information to users to assist 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 THE PDO

Table 30: PDO 15 – Rating

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

KPA 03

**Organisation  
and Human  
Capital**
**Strategic Objective**

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

**Strategic Risk**

- SR 3, SR 6, SR 8

**Risk Management Actions**

- Refer to Strategic Risk Register

**Planned Outcomes**

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

**Organisational Structure**

PDO 16

**Human Capital**

PDO 17

**Performance Management**

PDO 18

**Systems and Technology**

PDO 19

**Processes and Procedures**

PDO 20

**Table 31: KPA 3's Policies and Bylaws**

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

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

**Key Bylaws: N/A**





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

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

**PDO 16: ORGANISATIONAL STRUCTURE****PDO DESCRIPTION**

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

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

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








**PDO 17: HUMAN CAPITAL****PDO DESCRIPTION**

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

As of 1 July 2022, the municipality will implement a Performance Management and Development System (PMDS) that complies with the provisions as indicated in the amendment to Chapter 4 of the Municipal Staff Regulations. The PMDS applies to all staff members of a municipality excluding a staff member that is appointed on a fixed-term contract with a duration of less than 12 months, service notice of termination of his or her contract of employment, or in terms of retire on reaching the statutory retirement age, appointed on an internship programme or participating in the national public works programme or any similar scheme, and appointed in terms of sections 54A and 56 of the Municipal Systems Act.

## RATING OF THE PDO

**Table 33: PDO 17 – Rating**

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

## PDO 18: PERFORMANCE MANAGEMENT





### PDO DESCRIPTION

The Performance Management and Monitoring/Evaluation is addressed in this PDO. 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.

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

## RATING OF THE PDO

**Table 34: PDO 18 - Rating**

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

## PDO 19: SYSTEMS AND TECHNOLOGY

### PDO DESCRIPTION






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

### RATING OF THE PDO

**Table 35: PDO 19 – Rating**

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



Serial No.	PDO Focus Areas	Rating
13.	Utilization of GIS	
14.	Utilization of Collaborator for Building Plan Management	
<b>Financial Services</b>		
15.	Utilization of GIS	
16.	Utilization of SOLAR	
<b>Risk Management and Internal Audit</b>		
17.	BarnOwl System	

## PDO 20: PROCESSES AND PROCEDURES











### PDO DESCRIPTION

The municipality's activities and plans in respect of processes and procedures in each of the departments is rated in this PDO. 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 THE PDO

Table 36: PDO 20 - Rating

Serial No.	PDO Focus Areas	Rating
<b>Corporate Services</b>		
1.	Standard Operating Procedures	
2.	Optimising Business Processes	
<b>Engineering Services</b>		
3.	Standard Operating Procedures	
4.	Optimising Business Processes	
<b>Community Services</b>		
5.	Standard Operating Procedures	
6.	Optimising Business Processes	
<b>Planning &amp; Development</b>		
7.	Standard Operating Procedures	
8.	Optimising Business Processes	
<b>Financial Services</b>		
9.	Standard Operating Procedures	
10.	Optimising Business Processes	

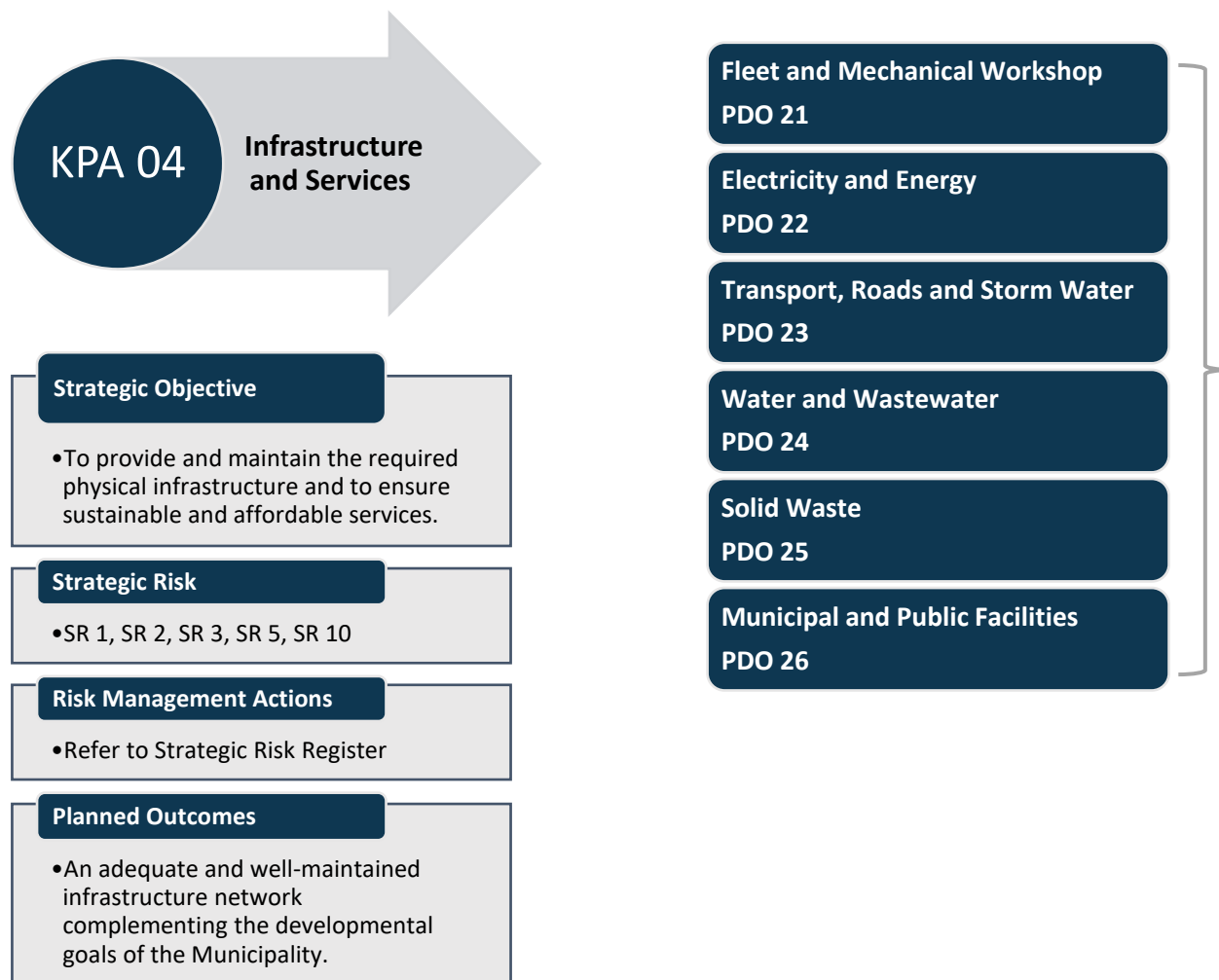


Table 37: KPA 4's Policies and Bylaws

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

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

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

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

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

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

Serial No.	PDO Focus Areas	Rating
1.	Efficient prioritisation of fleet purchases	😊
2.	Efficient utilisation of existing equipment and fleet	😐
3.	Minimising of equipment and fleet down time	😞
4.	Ensure responsible driving and care	😐
5.	Budget control on fleet related cost	😐
6.	Availability of small tools and equipment for various types of works	😐

The following criteria inform the rating of the focus areas:

- Efficient prioritization of fleet purchases**

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

- Efficient utilization of existing equipment and fleet**

Positive drivers include policy guidelines on monitoring fleet, the provision of monitoring and measurement tools to evaluate utilization, training of user department staff to use such tools and regular reporting on utilization. Negative drivers include lack of widespread actual monitor the utilization of fleet items and the implementation and effect of remedial actions.

- **Minimising of equipment and fleet down time**

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

- **Ensure responsible driving and care**

Positive drivers include the introduction of a driver demerit points system, allocation of driver identification tags and monitoring of driver behavior, as well as the operation of the Vehicle Accident Committee (VAC) to investigate all incidents. Negative drivers include the difficulty on allocating damages and poor state of vehicles to specific abuse incident and lack of departmental accountability inspections.

- **Budget control on fleet related cost**

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

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

Positive drivers include the response time and internal capacity to repair small tools. Negative drivers include lack of team size – tool allocation and repair spare machines planning, lack of weekly departmental checking and cleaning, grouping of broken equipment into a single delivery, lack of dedicated budget and lack of user department prioritization.

## PDO 22: ELECTRICITY AND ENERGY

### PDO DESCRIPTION

This PDO addresses issues pertaining to Energy Supply and Infrastructure, and aims to ensure efficient energy supply and infrastructure that will contribute to the improvement of quality of life for all citizens within DM. It should be noted that limitations in capacity of the bulk infrastructure network has an impact on time frames for developments. The electrical substations listed below encompasses all the substations in the municipal area, of which there are more than three hundred (300). 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 H**.

## RATING OF THE PDO

Table 39: Electricity and Energy Rating Criteria

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

Serial No.	PDO Focus Areas	Rating	Criteria used
10	Slot Substation	☹️	<ul style="list-style-type: none"> <li>Lack of protection maintenance.</li> <li>Good metering in place.</li> <li>Sufficient capacity available.</li> </ul>
11	Huguenote/Parys Substation	☹️	<ul style="list-style-type: none"> <li>MV equipment in good condition.</li> <li>Sufficient capacity available.</li> <li>Old transformers need proper maintenance.</li> </ul>
12.	Wellington Substation	☹️	<ul style="list-style-type: none"> <li>Old MV equipment needs replacement.</li> <li>Capacity constraints.</li> <li>Good metering in place.</li> </ul>

## PDO 23: TRANSPORT, ROADS AND STORM WATER

### 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. All formal residential erven has direct access to the road network, with informal settlements having access to streets on its periphery.

The road network also supports a road-based public transport system dominated by mini-bus taxis providing an internal as well as external service, connecting the towns with the rural settlements. The Municipality's Comprehensive Integrated Transport Plan, upgraded to a comprehensive plan in 2020, is attached hereto as **Annexure I**.

Public transport regulation is dependent on the development of an Integrated Public Transport Network. It is envisaged that the development of the plan will commence within the foreseeable future. 356,77km of storm water infrastructure.

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.

The Storm water Master plan compiled in 2008 will be reviewed, with the first phase in the 2021/22 financial year. This review will address the 356km of storm water system and also include the confirmation of floodlines.

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

The principle to update all the different master plans every 3-5 years and to align the different master plans with the 20-year growth plan and Spatial Development Framework remains.

## RATING OF THE PDO

Table 40: PDO 23 - Rating

Serial No.	PDO Focus Areas	Rating
<b>Municipal Transport</b>		
1.	Public transport regulation and taxi facilities	😊
2.	Integrated Transport Master Plan Review	😊
<b>Municipal Roads</b>		
3.	Backlogs in road maintenance	😊
4.	Backlog in the upgrading of municipal roads	😊
5.	Traffic calming measures	😊
<b>Stormwater</b>		
6.	Storm water master plan review	😞
7.	Revision of flood lines in the storm water master plan	😞
8.	Development of new enabling infrastructure	😊
9.	Public safety risk measurement due w.r.t roads and storm water infrastructure	😊

## PDO 24: WATER AND WASTE WATER

## PDO DESCRIPTION






































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.

Water and 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. The Municipality's Water Services Development Plan is attached hereto as **Annexure J**.



# RATING OF THE PDO

**Table 41: PDO 24 - Rating**

Serial No.	PDO Focus Areas	Rating
1.	Aged Infrastructure	
2.	New Bulk Infrastructure	
3.	New Network Reticulation	
4.	New Water Resources	
5.	Water Loss Management	
6.	Basic Services (water and sanitation) to Informal Settlements	
7.	Development Enabling Infrastructure	
8.	Waste Water Treatment Works Capacity	
9.	Master Planning	
<b>Water Infrastructure Maintenance</b>		
10.	Pipelines	
11.	Reservoirs	
<b>Waste Water Pump Stations</b>		
13.	Saron - Main Street	
14.	Saron - Long Street	
15.	Gouda	
16.	Gouda Reed-bed	
17.	Hermon	
18.	Wellington-Kromrivier	
19.	Wellington-Pentz street	
20.	Wellington-Industrial Park	
21.	Newton	
22.	Angel Street	
23.	Drommedaris	
24.	Mbekweni	
25.	Kaplan	
26.	Erf 8000	
27.	Silvertown	
28.	Carletta	
29.	Allemans	
30.	Edison	
31.	Donkervliet	
32.	Dams	
33.	Water Connections	
<b>Sanitation Infrastructure Maintenance</b>		
34.	Pipelines	
35.	Pump Stations (suburb based)	
36.	Sewer Connections	
37.	Waste Water Treatment Plants	
38.	Bulk Pump Stations	

**PDO 25: SOLID WASTE****PDO DESCRIPTION**

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

It is a legal requirement that municipalities compile an Integrated Waste Management Plan (IWMP) 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.

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.

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

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

- **Solid Waste Management Services**

The Municipality is responsible for 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 and 100% by 2027.

- **Solid Waste Disposal Facilities**

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











- Wellington Waste Disposal Facility (landfill);
- Paarl Refuse Transfer Station;

- Hermon Drop-off;
- Gouda Drop-off; and
- Saron Drop-off.

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

## RATING OF THE PDO

**Table 42: PDO 25 - Rating**

Serial No.	PDO Focus Areas	Rating
<b>Solid Waste Management</b>		
1.	Review of the 3rd generation Integrated Waste Management Plan	
2.	Provision for mini drop-offs for illegal dumping	
3.	Alternative to landfill	
4.	Landfill operation optimisation	
5.	Waste Minimization	
6.	Rehabilitation of old landfill sites	
7.	Illegal dumping area cleaning	
8.	Organic waste diversion	
9.	Waste picker integration	
<b>Infrastructure Management</b>		
10.	Infrastructure master planning	

## PDO 26: MUNICIPAL AND PUBLIC FACILITIES

### PDO DESCRIPTION

The municipality's Public Facilities including Thusong Centres, Community Halls, and Public Ablutions is rated in this PDO. 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 establishing as a one-stop centre providing integrated service and information from government, to communities close to where they live as part of a comprehensive strategy to better their lives. The Municipality makes use of a functionality 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 various NGO's. The Municipality's Community Development Plan, which encapsulates the maintenance and status quo analysis of Swimming Pools, Cemeteries, Libraries, Resorts, Recreational Facilities, Sport and Community Halls is attached hereto as **Annexure Q**.

Table 43: Municipal and Public Facilities Rating Criteria

































Rating	Criteria for Rating Services
	<b>Community Halls:</b> Has been affected by constant theft and burglaries. <b>Ablution Facilities:</b> Railway Station - has been vandalised and a request was received from stakeholders to demolish the facility and it has been demolished. There is one public ablution facility available (Gouda) but there is another request to construct another toilet in the CBD
	
	

Table 44: PDO 26 - Rating

Serial No.	PDO Focus Areas	Rating
<b>Community Halls: Maintenance</b>		
1.	Safmarine Community hall	
2.	Gouda Community Hall	
3.	Saron Community Hall	
4.	Colibri Community Hall	
5.	Paarl Town Hall	
6.	Wellington Town Hall	
7.	Mbekweni Community Hall	
8.	Fairyland Community Hall	
9.	Simondium Community Hall	
<b>Thusong Centres: Maintenance</b>		
10.	Paarl East Thusong Centre	
11.	Mbekweni Thusong Centre	
<b>Public Ablutions: Maintenance</b>		
12.	Paarl Patriotplein	
13.	Paarl Wamakersplein	
14.	Paarl Shoprite, Waterkant Street	
15.	Paarl Shoprite, Lackay Street	
16.	Paarl New Taxi Rank	
17.	Paarl, Van der Poelsplein	
18.	Mbekweni	
19.	Paarl, Bergrivier Boulevard	
20.	Wellington, Victoria Park	
21.	Huguenot Plein, Wellington Spar	
22.	Pick n Pay, Wellington	
23.	Wellington, Weltevrede	
24.	Wellington, Joubert Street	
25.	Wellington, Railway Station	
26.	Wellington, Mannies	
27.	Hermon	
28.	Saron	
29.	Gouda	

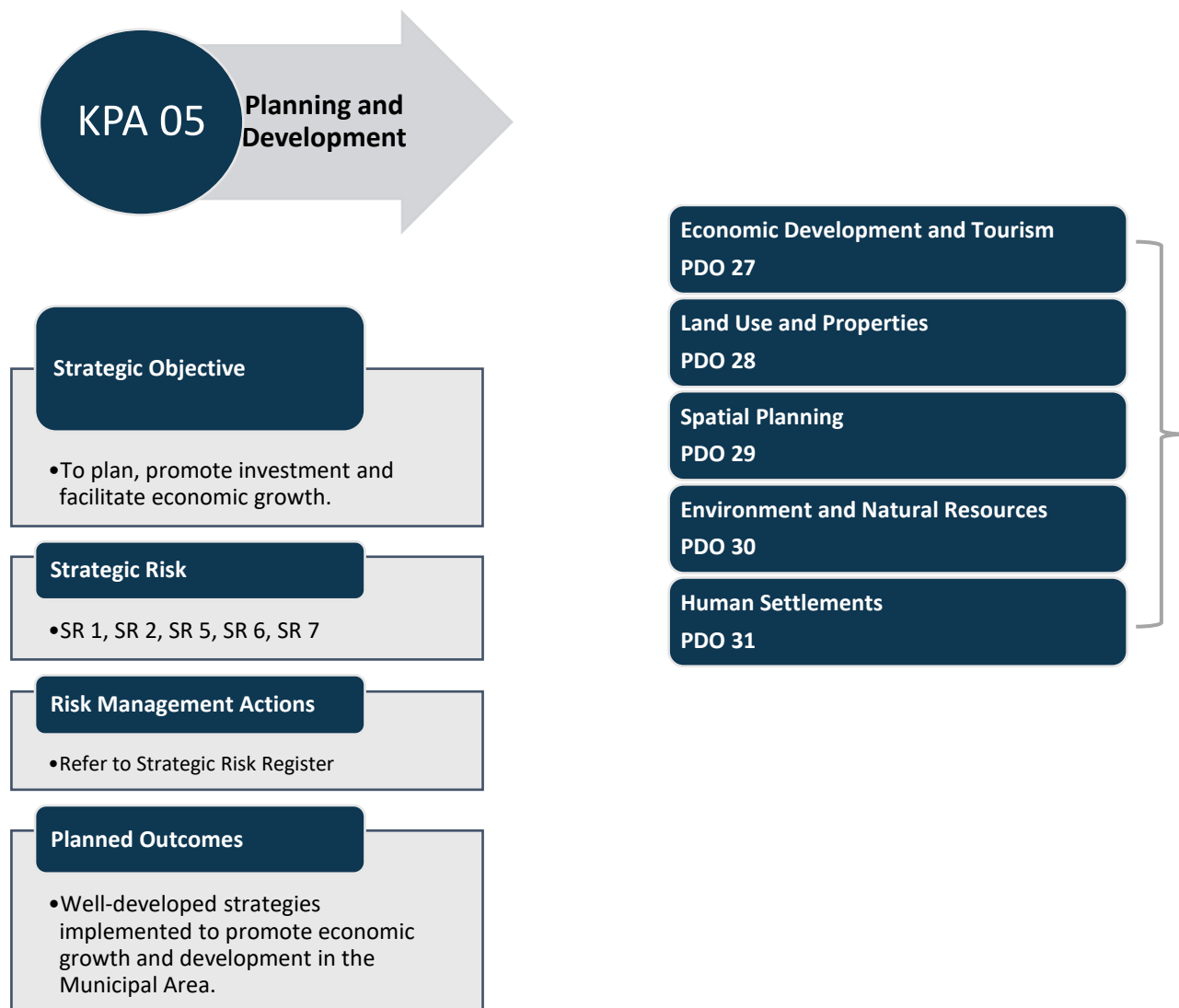


Table 45: KPA 5's Policies and Bylaws

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

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




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

#### PDO 27: ECONOMIC DEVELOPMENT AND TOURISM

#### PDO DESCRIPTION

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





















**Table 46: Economic Development and Tourism Rating Criteria**

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

#### RATING OF COMPONENTS

**Table 47: PDO 27 – Rating of Components**

Serial No.	Components of the PDO	Rating
<b>Economic Development and Growth</b>		
1.	Job and economic opportunities	
<b>Job Creation</b>		
2.	Facilitating sustainable solutions to unlock job creation opportunities	
3.	SMME and entrepreneurship development	
<b>Economic Overview</b>		
4.	Addressing the digital divide and unemployment	
5.	Informal Economy Enhancement Strategy	
<b>Poverty Alleviation</b>		
6.	Eleven (11) food and nutrition centres	
7.	Development of small business linkages	
8.	Enhancing Small Business support	
<b>Growth Promotion</b>		
9.	Sufficient broadband access	

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

## PDO 28: LAND USE AND PROPERTIES

### PDO DESCRIPTION

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

The building control section is responsible for the circulation and approval of building plans, in terms of the National Building Regulations and Standards Act (Act 103 of 1977). Building plans are required for the

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

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

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

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

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

## RATING OF THE PDO

**Table 48: PDO 28 - Rating**

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



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

**PDO 29: SPATIAL PLANNING****PDO DESCRIPTION**

Spatial Planning within the municipal sphere of government can be regarded as the identification, formulation and implementation practices and policies, associated with the natural and built environments, the economy and society, that will assist in guiding and coordinating the development vision of the municipality.

The primary spatial planning tool, which sets out the spatial strategy of the municipality is the Spatial development Framework (SDF). The SDF is a core component of the Integrated Development Plan and is drafted for a five-year cycle and reviewed annually. The SDF identifies key development principles, interventions that articulates the various municipal sectoral plans. Furthermore, the SDF identifies local areas that require detailed analysis and planning in order to focus on spatial targeted interventions. The Municipality's draft Spatial Development Framework is attached hereto as **Annexure M**.

**RATING OF THE PDO****Table 49: PDO 29 - Rating**

Serial No.	PDO Focus Areas	Rating
<b>Spatial Planning</b>		
1.	Review of the SDF	😊
2.	Local Area Based Planning	😐
3.	Strategic release of municipal land for developmental purposes	😐
4.	Alignment of development objective with external authorities/departments	😐

**PDO 30: ENVIRONMENT AND NATURAL RESOURCES****PDO DESCRIPTION**

This PDO focuses on the role of Drakenstein Municipality in Integrated Environmental Management 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”.*

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

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

**Components of this PDO include:**

- Environmental Compliance and Enforcement;
- Environmental Awareness and Education;
- Natural Resource Management;
- Strategic Environmental Planning; and
- Climate Change.

**RATING OF THE PDO**

**Table 50: PDO 30 - Rating**

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

**PDO 31: 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 maintenance of Council's rental stock;
- Management of Housing Demand Data Base (waiting list);
- Informal Settlements Management;

- Evictions and Emergency Housing Management; and
- Provision of Housing Opportunities (Human Settlements Projects).

*\*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 Human Settlements Sector Plan that is attached as **Annexure O**. The Criteria which was used to determine the rating is listed below:*

**Table 51: Human Settlements (Housing) Criteria Rating**

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

## RATINGS OF COMPONENTS

**Table 52: PDO 31 – Rating**

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

**Table 53: Status of Rental Stock - Blocks of Flats (Triple Storey)**

Triple Storey				
Serial No.	Name of block	Ward	Total of units	Condition of Rental Blocks (Rating)
1.	Magnolia	20	432	😊
2.	Bauhinia	20	196	😊
3.	Bougainvillia	20	144	😊
4.	Kudu	24	18	😞
5.	Bosbok	22	72	😞
6.	Springbok	24	36	😞
7.	Blesbok	21	60	😊
8.	Rietbok	24	36	😞
9.	Gemsbok	24	36	😊
10.	La Uva	19	19	😊

**Table 54: Status of Rental Stock - Blocks of Flats (Double Storey)**

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

Double Storey				
Serial No.	Name of block	Ward	Total units	Conditions of Rental Blocks (Rating)
25.	Cornelissen str	26	30	😊
26.	Solomon Str	26	6	😊
27.	Beukes Str	26	6	😊
28.	Harper Str	26	26	😊
29.	Mimosa	19	26	😊
30.	Bredahof	4	10	😊

Table 55: Status of Rental Stock - Blocks of Flats (Maisonette)

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

Table 56: Status of Rental Stock - Blocks of Flats (Semi-Detached &amp; Single Units)

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

Table 57: Status of Rental Stock Maintenance - Blocks of Flats (Triple Storey)

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

Table 58: Status of Rental Stock - Blocks of Flats Maintenance (Double Storey)

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

Table 59: Status of Rental Stock - Blocks of Flats Maintenance (Masionette)

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

Table 60: Status of Rental Stock - Blocks of Flats Maintenance (Semi-Detached &amp; Single Units)

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

Rental Stock are assessed and Rating according the following key factors:

Table 61: Rental Stock Rating Criteria

Rating	Rating Criteria
😊	No dumping of waste
😊	Cleaned regularly
😞	Regular dumping of waste



**Table 62: Informal Settlements Norms and Standards**

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

**Table 63: Informal Settlements – Rating**

\*Where “illegal” is indicated, it means that illegal connections have been installed for water and sanitation.

Serial No.	Name of Informal Settlement	Ward	Number of Households	Water (Standpipes/Taps)			Sanitation (Toilets)			Rating - Weekly Waste Removal
				Number of Standpipes	Standpipes (<100m)	Rating	Number of Toilets	Toilet/ Households (1:10)	Rating	
1.	Simondium Informal Settlement	1	76	4	Yes	😊	18	1: 4	😊	😊
2.	Simondium (Nuwenhoop)	1	27	4	Yes	😊	14	1:2	😊	😊
3.	Brickfields	1	154	4	Yes	😊	24	1: 6	😊	😊
4.	PA Kamp	1	27	1	Yes	😊	3	1: 9	😊	😊
5.	Grysbok/Spooky Square	24	108	6	Yes	😊	9	1: 12	😞	😊
6.	Janfiskaal Street	27	52	2	Yes	😊	10	1: 5	😊	😊
7.	New beginning (Bontebok Street)	21	42	1	No	😞	16	1: 3	😞	😊
8.	Bokmakierie Street	27	32	2	Yes	😊	6	1: 5	😊	😊
9.	Chester Williams	27	123	3	Yes	😊	12	1: 10	😊	😊
10.	Kingston (Poinsettia Street)	25	5	2	Yes	😊	6	1: 1	😊	😊

Serial No.	Name of Informal Settlement	Ward	Number of Households	Water (Standpipes/Taps)			Sanitation (Toilets)			Rating - Weekly Waste Removal
				Number of Standpipes	Standpipes (<100m)	Rating	Number of Toilets	Toilet/ Households (1:10)	Rating	
11.	Fairlyland (Marika)	32	108	2	Yes	😊	21	1:5	😊	😊
12.	Lovers lane (Bauhinia Street)	20	175	2	Yes	😊	55	1:3	😊	😊
13.	Fairyland (Bo-dal street)	32	243	3	Yes	😞	57	1:8	😊	😊
14.	Siyahlala 2 (Bo-dal Street, Sarah Roberston 44 and Mini Daniels 27	14	509	2	No	😐	38	1: 13	😐	😊
15.	Siyahlala 1 (Bo-Dal Street)	32	357	18	Yes	😊	42	1:9	😊	😊
16.	Joe Williams (Kamp)	14	113	2	Yes	😊	20	1: 6	😊	😊
17.	7 De Laan (Paarl East)	21	36	2	Yes	😊	8	1:5	😊	😊
18.	Bonnagee Square	21	38	Illegal	Yes	😊	Illegal	n/a	😐	😊
19.	Kudu Land (Chicago)	24	154	6	Yes	😊	23	1: 7	😊	😊
20.	Palmiet River (Ribbok Street)	21	57	2	Yes	😊	5	1:11	😐	😊
21.	Bosbok (Backyarders IS)	24	227	4	Yes	😊	14	1:16	😞	😊
22.	Silvertown 1 (Lobola str)	6	103	1	Yes	😊	20	1:5	😊	😊
23.	Silvertown 2 (Diniso str)	6	67	2	Yes	😊	10	1:7	😊	😊
24.	Drommedaris Street	16	1190	15	No	😐	62	1:19	😞	😊

Serial No.	Name of Informal Settlement	Ward	Number of Households	Water (Standpipes/Taps)			Sanitation (Toilets)			Rating - Weekly Waste Removal
				Number of Standpipes	Standpipes (<100m)	Rating	Number of Toilets	Toilet/ Households (1:10)	Rating	
25.	Conershop (White City)	16	77	7	Yes	😊	24	1:3	😊	😊
26.	Unathi (Langabuya + Marikana + Road)	16	334	4	No	😊	20	1:18	😞	😊
27.	Thembani 2 + Under Eskom Line	12	306	4	Yes	😊	20	1:15	😐	😊
28.	Next to Sports-Ground	16	119	2	Yes	😊	10	1:12	😐	😊
29.	Ntshamba Street	16	130	1	Yes	😊	12	1:10	😊	😊
30.	B&C Block (Hostel)	16	38	1	Yes	😊	1	1:38	😞	😊
31.	Mfuleni Street (Transnet Wall) Shinny Street	8	798	5	No	😞	40	1:20	😞	😊
32.	Noordkamp & Maylaan	8	27	3	Yes	😊	6	1:4	😊	😊
33.	New Rest (Bhekela)	8	129	2	Yes	😐	10	1:13	😐	😊
34.	Plankiesdorp (Dietman)	8	47	1	Yes	😊	10	1:5	😊	😊
35.	Mpumelelo Street	8	866	11	Yes	😊	50	1:17	😞	😊
36.	Soetendal (Farm Resident Dietman)	8	169	1	Yes	😊	20	1:8	😊	😊
37.	Sand Street (Davey Store)	8	44	2	Yes	😊	10	1:4	😊	😊
38.	Swartberg Street	8	152	2	Yes	😊	10	1:15	😐	😊
39.	Ntambanani Street (OR Tambo)	5	51	1	Yes	😊	10	1:5	😊	😊
40.	Chameleon	5	54	2	Yes	😊	10	1:5	😊	😊
41.	Gouda	31	367	2	Yes	😐	12	1:31	😞	😊



<b>Social Development</b> PDO 32
<b>Sport and Recreation</b> PDO 33
<b>Parks and Open Spaces</b> PDO 34
<b>Cemeteries and Crematoria</b> PDO 35
<b>Disaster and Emergencies</b> PDO 36
<b>Bylaw Enforcement</b> PDO 37
<b>Safety and Security</b> PDO 38
<b>Traffic Law Enforcement</b> PDO 39
<b>Libraries</b> PDO 40

**Table 64: KPA 6's Policies and Bylaws**

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

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

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

### PDO 32: SOCIAL DEVELOPMENT

#### PDO DESCRIPTION

The PDO related to Social Development encapsulates the Municipality's dedication to ensure that the community is supported in respect of social issues which they face and that vulnerable groups are included in this support efforts. This PDO addresses an array of topics that forms Community Development, including Health, Gender and Gender Based Violence (GBV), Early Childhood Development and People with Disabilities. The Social Development Sector Plan supporting this PDO is attached as **Annexure P**. The Criteria which was used to determine the rating is listed below:

**Table 65: Social Development Rating Criteria**

Rating	Rating Criteria
😊	<b>HIV/Aids:</b> MSAT became dysfunctional as a result of the impact of COVID-19 and we are busy to work towards reactivation of the MSAT
	<b>People with Disabilities:</b> The Disability Forum became dysfunctional as a result of the impact of COVID-19 and we are busy to work towards reactivation of the Forum in order to discuss and get input towards the development of a Disability Policy

#### RATING OF THE PDO

**Table 66: PDO 32 - Rating**

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

12.	Establishment and maintaining of a database pertaining to the amount of Elderly people in the Drakenstein Municipal area and what their needs are	😊
<b>Youth</b>		
13.	To conduct youth-specific programs to create awareness around youth matters.	😊
14.	To establish and coordinate a Local Drug Action Committee	😊
15.	Skills development programmes for the youth	😊
<b>People with Disabilities</b>		
16.	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	😊
17.	Disability Forum inclusive of relevant stakeholders in the disability domain.	😐
18.	Development and/or implementation of a Disability Policy	😐
19.	Database of all disability friendly- municipal buildings	😊

### PDO 33: SPORT AND RECREATION

#### PDO DESCRIPTION















PDO 33 looks at the municipality's day-to-day management and maintenance of sports and recreation facilities. The municipality provides and maintains sports and recreation facilities that will meet the needs of the community. The components of this PDO comprises of 23 facilities where the community can engage in various sporting codes, such as rugby, cricket, soccer, cycling, BMX, hockey, athletics, netball and swimming. The Municipality's Community Development Plan, which encapsulates the maintenance and status quo analysis of Swimming Pools, Cemeteries, Libraries, Resorts, Recreational Facilities, Sport and Community Halls is attached hereto as **Annexure Q**. The Criteria which was used to determine the rating is listed below:

**Table 67: Sport and Rereation Rating Criteria**

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

## RATING OF THE PDO

**Table 68: PDO 33 – Rating**

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




## PDO 34: PARKS AND OPEN SPACES

### PDO DESCRIPTION

This PDO focuses on activities as undertaken by the municipality's Parks Section. The section is responsible for the maintenance of Town Entrances, Parks, Trees, Nature Conservation 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. The supporting Sector Plan for this PDO is **attached as Annexure R**. The Criteria which was used to determine the rating is listed below:

**Table 69: Parks and Open Spaces Rating Criteria**

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

## RATING OF THE PDO

**Table 70: PDO 34 – Rating**

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

## PDO 35: CEMETERIES AND CREMATORIUM




### PDO DESCRIPTION

This PDO relates to the cemeteries and crematoria in the Drakenstein Municipal area. Currently, there are 13 cemeteries. The proposed Nieuwedrift Cemetery is still in the planning phase as approval is needed from National Department of Health. All cemeteries, except four (4) have reached full capacity. Although at full capacity the cemeteries are still active in terms of family recycling of graves (family members making use of family graves) There is one crematorium in Drakenstein. To address the daily maintenance and operations of cemeteries the section makes use of EPWP-projects. The rating of the PDO relates to maintenance and challenges such as vandalism, encroachment of illegal housing structures, illegal dumping, vagrants as well as drainage.



The Municipality's Community Development Plan, which encapsulates the maintenance and status quo analysis of Swimming Pools, Cemeteries, Libraries, Resorts, Recreational Facilities, Sport and Community Halls is attached hereto as **Annexure Q**. The Criteria which was used to determine the rating is listed below:















**Table 71: Cemeteries and Crematorium Rating Criteria**

Rating	Criteria for Rating Service
	Maintained, dormant, cut 2x a year
	Dormant, not fenced or partly fenced, not well maintained
	Regularly cut, fenced, well maintained

## PDO 36: DISASTER AND EMERGENCIES

### RATING OF THE PDO

**Table 72: PDO 35 – Rating**

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

The municipality's activities in respect of Disaster and Emergency Management is addressed in this PDO 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 plan is attached as Annexure S.**

Components of the function is divided into three sections namely:

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

## RATING OF THE PDO

**Table 73: PDO 36 – Rating**

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

## PDO 37: BYLAW ENFORCEMENT

### PDO DESCRIPTION

The general priority of the Law Enforcement Section and the purpose of this PDO is to ensure that the community is adhering to the Bylaws of the Municipality. A key focus area of the Municipal court is to ensure compliance and to strengthen the Justice Department in the execution of Municipal bylaws.

**Table 74: PDO 37 - Rating**

Serial No.	PDO Focus Areas	Rating
1.	Implementation of the “Bobbies on the Beat” visible foot patrol programme	😐
2.	Establishment of cable theft working group	😊
3.	Introduction of smart technology to prevent or curb cable theft	😞
4.	Working relationship with Law Enforcement agencies	😐
5.	Farm and neighbourhood watches relationships	😐
6.	Establishment of auxiliary services	😞
7.	24 Hour Law Enforcement operations	😞
8.	Effective 24-hour emergency control and dispatch centre	😐

Serial No.	PDO Focus Areas	Rating
9.	Control and impoundment of stray animals	☹️
10.	Safeguarding of municipal infrastructure	☹️
11.	Establishment of internal working group to deal with land invasion	☹️
12.	Review and update of municipal Bylaws	☹️
13.	Dealing with illegal dumping	😊
14.	Enforcement of nuisance Bylaw	😊
15.	Bylaw enforcement of dilapidated buildings	☹️

## PDO 38: SAFETY AND SECURITY

### PDO DESCRIPTION

This PDO addresses issues pertaining to safety and security in the Drakenstein Municipal area. The municipality has plans to grow as a preferred investment destination and therefore it is essential to ensure that public safety is prioritised. Public Safety, is understood as the mitigation and prevention of incidents threatening the safety of the public 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. **The plan is attached Annexure T.**

### RATING OF THE PDO

Table 75: PDO 38 – Rating

Serial No.	PDO Focus Areas	Rating
1.	Functioning of the DSSN	☹️
2.	CCTV Coverage	☹️
3.	24-hr Control room	😊
4.	Effective 24-hour emergency control and dispatch centre	☹️
5.	Management of security service providers	😊
6.	Use of Innovative technology in security services	☹️
7.	24 Hour Armed response	☹️

## PDO 39: TRAFFIC LAW ENFORCEMENT

### 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 education 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 THE PDO

Table 76: PDO 39 – Rating

Serial No.	PDO Focus Areas	Rating
<b>Enforcing traffic laws on offenders</b>		
1.	Talking on cell phones while driving	😊
2.	Red light and stop street violations	😊
3.	Red and yellow line offences	😊
4.	Failure to wear seatbelts	😐
5.	Excessive speeding	😊
6.	Traffic violations by Taxis	😊
7.	Illegal number plates	😐
8.	Driving under the influence of alcohol	😐
9.	Driving without driving license	😊
10.	Unlicensed motor vehicle	😊
11.	Barrier line offences	😐
<b>Implementation of the turn-around strategic plan</b>		
12.	The construction of a public transport impoundment facility	😊
13.	Regular roadblocks in conjunction with the South African Police Services (SAPS)	😊
14.	The implementation of mobile cameras to effectively deal with excessive speed	😊
15.	Issuing and collecting of traffic fines	😐
16.	Traffic safety talks at various institutions to address irresponsible driver behaviour and pedestrian safety	😊
17.	Electronic MVR licensing renewal	😊
18.	Establishment of junior traffic centres (rural areas\ECDs)	😐
19.	Expansion of electronic learner license	😐
20.	Establishment of electronic driving license system	😞

**PDO 40: LIBRARIES**

PDO 40 looks at the status of the 19 operating libraries in the 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. The Municipality's Community Development Plan, which encapsulates the maintenance and status quo analysis of Swimming Pools, Cemeteries, Libraries, Resorts, Recreational Facilities, Sport and Community Halls is attached hereto as **Annexure Q**.

Table 77: PDO 40 – Rating

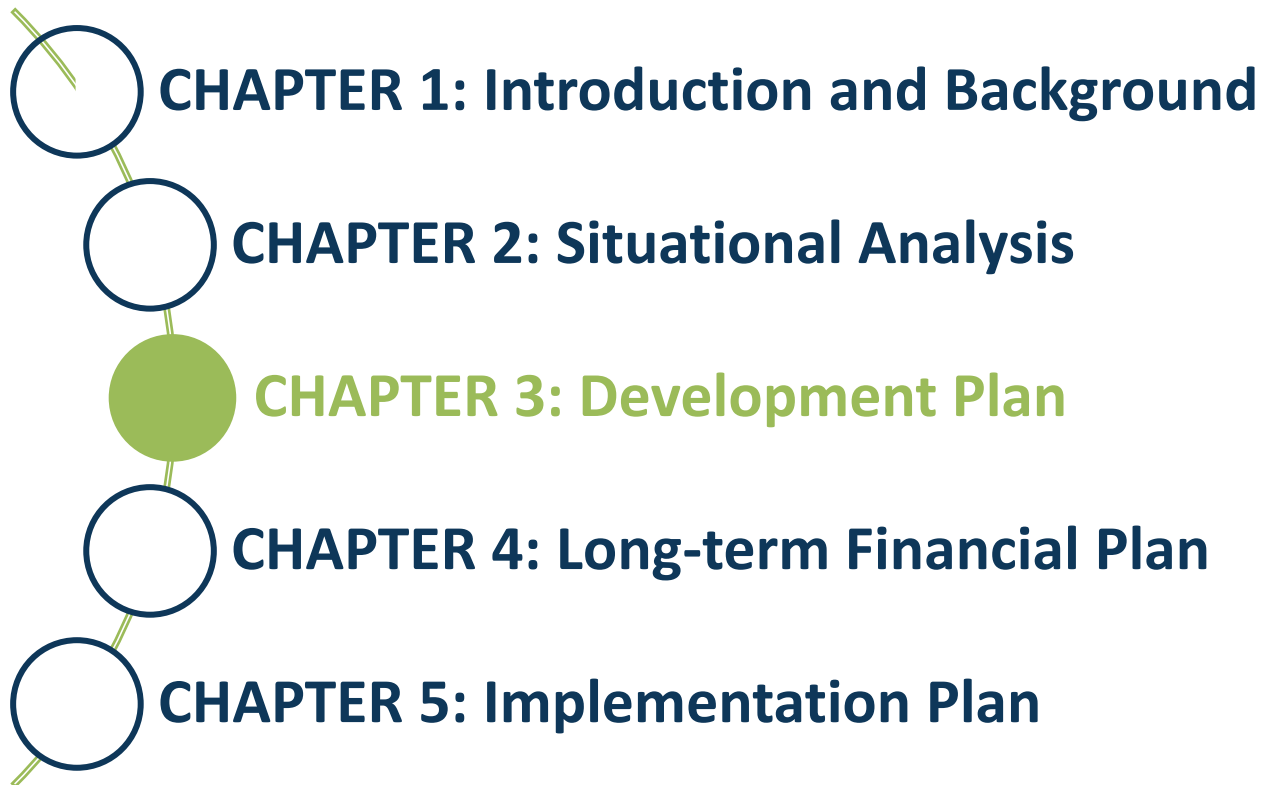
Serial No.	PDO Focus Areas	Rating
<b>Libraries</b>		
1.	Saron Library	😊
2.	Gouda, Hermon and Groenberg Library	😊
3.	Wagenmakersvallei Library	😞
4.	Wellington Library	😐
5.	Bergrivier and Windmeul Library	😊
6.	Nieuwedrift Library	😐

Serial No.	PDO Focus Areas	Rating
7.	Readers Library	😊
8.	Mbekweni Library	😊
9.	Groenheuwel Library	😊
10.	Drakenstein Library	😊
11.	Klein Drakenstein and Ronwe Library	😊
12.	Paarl Library	😊
13.	Simondium Library	😊
14.	Bergendal Library	😐
15.	Service point at the Paarl East Thusong Centre	😊
<b>Library Programmes</b>		
16.	Wellington Library Upgrade	😐
17.	Municipal-wide program to develop reading culture, increase information literacy and increasing social awareness	😊

## 2.3 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.



### **3. CHAPTER 3: DEVELOPMENT PLAN**

#### **3.1 INTRODUCTION**

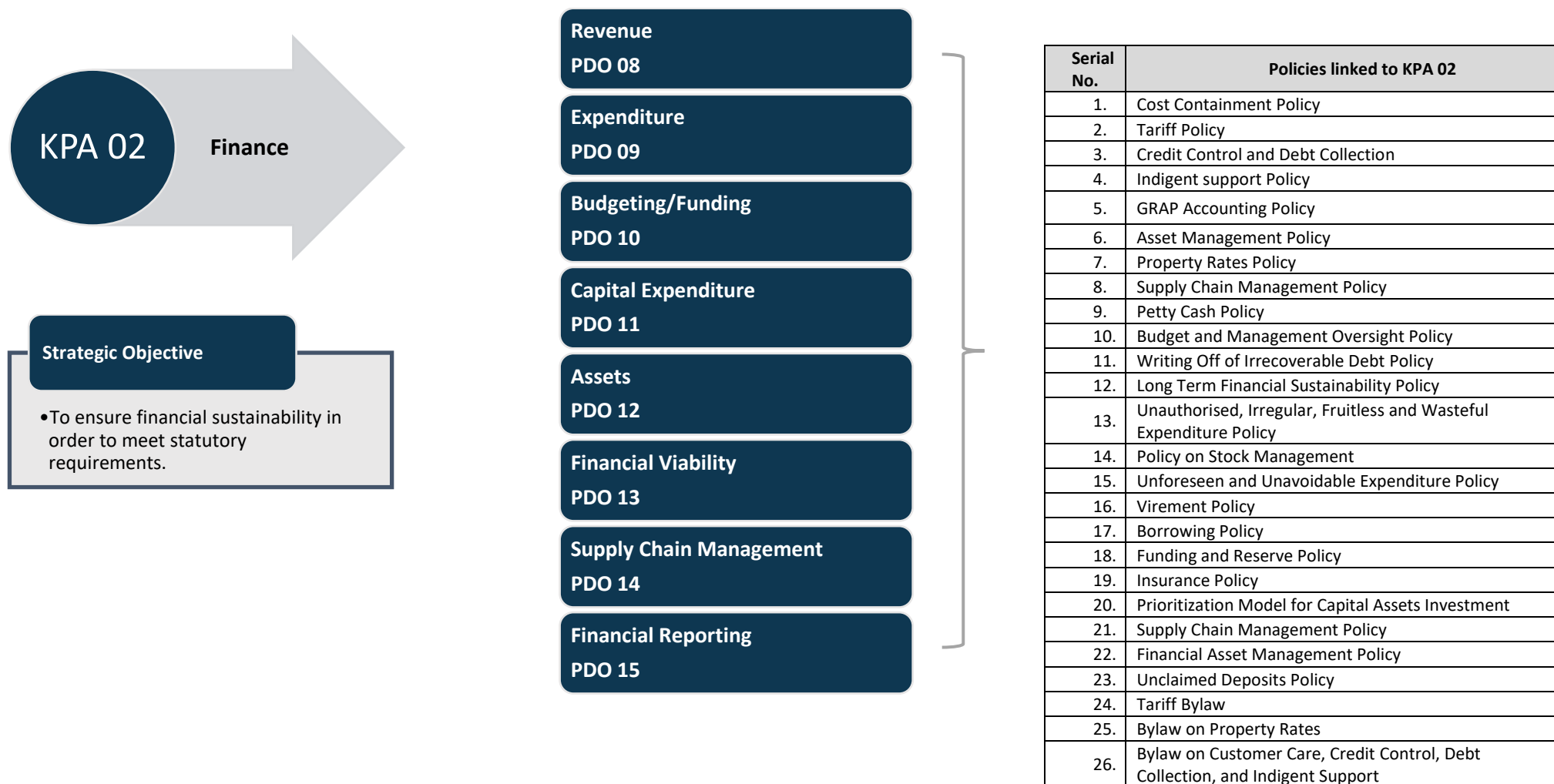
This Chapter focuses on the development plan of the Drakenstein Municipality and its alignment to the budget. The development plan has framework of six Key Performance Areas (KPAs), the forty (40) Pre-determined Objectives (PDOs) and the respective key initiatives, key programmes as well as capital projects formulated to achieve the developmental goals and vision of the Municipality.





PROGRAMMES AND INITIATIVES (KPA 1)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 01: Governance Structures</b>							
Capacitating Councillors	Councillor Workshops	X	X	X	X	X	N/A
Implementation of Disposal Archive Records	Appointment of service provider	X	X	X	X	X	N/A
Review Policies	Ward Committee Policy	X					
Review Policies	Review Language Policy	X					
<b>PRE-DETERMINED OBJECTIVE (PDO) 02: Risk Management and Assurance</b>							
Business Continuity	Programme- Implementation of the Business Continuity Framework	X	X	X			N/A
Combined Assurance	Programme – Implementation of Combined Assurance Framework	X	X	X	X	X	N/A
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
Assurance (Audit Execution)	Initiative – Investigate and implement the use of software to enable the use of data analytics in audit execution	X	X	X	X	X	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 03: Stakeholder Participation</b>							
Regular Feedback with the communities	IDP/Budget Public Participation Processes	X	X	X	X	X	All wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 04: International and Inter-Governmental Relations</b>							
International Agreements	Review all Twinning Agreements and International Agreements	X	-	-	-	-	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 05: Communications</b>							
Webpage Update	New webpage launched and is to be updated frequently	X	X	X	X	X	N/A
Intranet Update	NEW Intranet Launched and to be updated frequently	X	X	X	X	X	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 06: Marketing (Branding and Website)</b>							
Maximising Events-Related and Other Marketing Opportunities to the Optimum	Add resources; Build a closer relationship between LED, the Sports Division for more effective marketing	X	X	X	X		N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 07: Customer Relations Management</b>							
Adopted Client Service Standards	Implement Adopted Client Service Standards	X	X	X	X	X	N/A

CAPITAL PROJECTS (KPA 1)							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 02: Risk Management and Assurance</b>							
Outdated/old furniture & equipment	Replace 8x Board Room chairs, 3 X OIL HEATERS (12fin), Data Projector & other furniture & equipment	R 43,000	R -	R -	R 83,700	R30,000	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 03: Stakeholder Participation</b>							
Outdated/old furniture & equipment	Replace old furniture	R10,000	R10,000	R10,000	R10,000	R10,000	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 06: Communications</b>							
Outdated/old furniture & equipment	Replace 5-year old, outdated and non-efficient laptops for the division	47,000	90,000	90,000	7,300	60,000	N/A



PROGRAMMES AND INITIATIVES (KPA 2)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 08: Revenue Management</b>							
Valuation Roll	Implement supplementary valuation rolls per year (including general valuation in 2022/2023)	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%	98%	All wards

<b>PROGRAMMES AND INITIATIVES (KPA 2)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Traffic Fine Collections	Improve the collection of traffic fines issued to at least 50%	35%	40%	45%	50%	50%	All wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 9: Expenditure and Cost Management</b>							
Operating Expenditure	Compile a zero-based operating expenditure budget	X	X	X	X	X	N/A
Cost Containment	Compile a zero-based operating expenditure budget	X	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	≤30 days	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 10: Budgeting/Funding</b>							
Zero Based Budgeting	Compile a zero-based balanced operating budget to generate operating surpluses (decrease deficit)	-3%	-1.5%	0%	1.5%	1.5%	N/A
Grants	Compile & submit business plans to obtain more grant funding from National and Provincial grant programs	X	X	X	X	X	N/A
External Borrowings	Reduce borrowings to reduce gearing ratio to 45%	54.9%	49.0%	43.3%	37.7%	32.3%	N/A
Own Reserves (CRR)	Increase contribution to CRR	10%	20%	30%	50%	50%	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 11: Capital Expenditure</b>							
Capital Expenditure	Calculate own funding mix (CRR and borrowings) for compiling a capital expenditure framework (CEF)	X	X	X	X	X	N/A
Capital Expenditure	Compile and submit business plans to obtain more grant funding from National and Provincial grant programs	X	X	X	X	X	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 12: Asset Management</b>							
GRAP Compliant Asset Register	Submit GRAP compliant asset register by 31 August	X	X	X	X	X	N/A
Moveable Assets	Compile and maintain a moveable asset register	X	X	X	X	X	N/A

<b>PROGRAMMES AND INITIATIVES (KPA 2)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Immoveable Assets	Compile and maintain an immoveable asset register	X	X	X	X	X	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 13: Financial Viability Ratios</b>							
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%	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%	<0.50%	N/A
Repairs and maintenance as a % of PPE and IP	Provide for repairs and maintenance of 10% to 12% of total operating expenditure	11%	11%	11%	11%	11%	N/A
Debtors Collection Ratio	Improve and sustain revenue collection to 98% of total revenue billed	97%	98%	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%	100%	N/A
Net Debtors Days	Improve revenue collection to reduce net debtors' days ratio to 40 days	46 days	44 days	42 days	40 days	40 days	N/A
Cash/Cost Coverage Ratio	Compile a balanced operating budget to improve cash/cost coverage ratio to 3 months	2 months	2.5 months	3 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	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%	12%	N/A
Debt (Total Borrowings/Revenue – Gearing Ratio	Reduce borrowings to reduce gearing ratio to 45%	54.9%	49.0%	43.3%	37.7%	32.3%	N/A
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%	>100%	N/A
Net Operating Surplus Margin	Compile a balanced operating budget to generate operating surpluses	-3%	-1.5%	0%	1.5%	1.5%	N/A

<b>PROGRAMMES AND INITIATIVES (KPA 2)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
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%	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%	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%	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%	10%	N/A
Electricity Distribution Losses	Maintain electricity distribution losses to less than 6%, by monitoring illegal connections and performing meter audits.	6%	6%	6%	6%	6%	N/A
Water Distribution Losses	Maintain water distribution losses to less than 15%, by monitoring broken water pipes, meter auditing.	15%	15%	15%	15%	15%	N/A
Growth in Number of Active Consumer Accounts	Maintain the Growth in Number of Active Consumer Accounts to more than 2% year-on-year	2%	2%	2%	2%	2%	N/A
Revenue Growth (%)	Improve revenue enhancement through analysing consumption and basic charges patterns and tariffs levied for property rates and service charges customers	X	X	X	X	X	N/A
Revenue Growth (%): Excluding Capital Grants	Improve revenue enhancement through analysing consumption and basic charges patterns and tariffs levied for property rates and service charges customers	X	X	X	X	X	N/A
Creditors Payment Period (Trade Creditors)	Maintain the Creditors Payment period to 30 days and less	≤30 days	≤30 days	≤30 days	≤30 days	≤30 days	N/A

<b>PROGRAMMES AND INITIATIVES (KPA 2)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Irregular, F&W & UE/Total Operating Expenditure	Compile/maintain a SCM contract management register for rates tenders to avoid deviations	X	X	X	X	X	N/A
Remuneration as a % of Total Operating Expenditure	Monitor the employee spending on a monthly basis – focusing on overtime and the appointment of employees against the amount budgeted for employee cost	≤30 %	≤30 %	≤30 %	≤30 %	≤30 %	N/A
Contracted services % of Total Operating Expenditure	Monitor the spending on contracted services – through monthly budget monitoring meetings.	≤6.5%	≤6.5%	≤6.5%	≤6.5%	≤6.5%	N/A
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%	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%	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%	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%	100%	N/A
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%	95%	N/A



PROGRAMMES AND INITIATIVES (KPA 2)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
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%	98%	N/A
Service Charges & Property Rates Budget Implementation indicator	Compile and maintain tariff modelling for property rates and service charges	X	X	X	X	X	N/A
PRE-DETERMINED OBJECTIVE (PDO) 14: Supply Chain Management							
Municipal Stores	Annually review the minimum and maximum stock levels with user departments	X	X	X	X	X	N/A
Acquisitions	Monthly reporting to Council on deviations from legislative required procurement processes	X	X	X	X	X	N/A
Demand Planning	Compile and maintain a demand planning database	X	X	X	X	X	N/A
Contract Management	Compile and maintain a contract management register	X	X	X	X	X	N/A
Compliance Reporting	Monthly reporting to National Treasury on tenders awarded	X	X	X	X	X	N/A
PRE-DETERMINED OBJECTIVE (PDO) 15: Financial Reporting							
MSCOA Structure	Implement new MSCOA version and maintain MSCOA charts in outer years	X	X	X	X	X	N/A
Compliance Reporting	Submit annual financial statements by 31 August	X	X	X	X	X	N/A

CAPITAL PROJECTS (KPA 2)							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PRE-DETERMINED OBJECTIVE (PDO) 10: Expenditure and Cost Management							
ACQUISITIONS							
Operational infrastructure allocations	Operational infrastructure allocations	R1,840,000	R700,000	R700,000	R700,000	R700,000	N/A
PRE-DETERMINED OBJECTIVE (PDO) 15: Supply Chain Management							
ACQUISITIONS							
Security measures at stores	CCTV cameras at Stores and Action camp	R480,000	-	-	-	-	N/A

KPA 03

### Organisation and Human Capital

#### Strategic Objective

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

#### Organisational Structure

PDO 16

#### Human Capital

PDO 17

#### Performance Management

PDO 18

#### Systems and Technology

PDO 19

#### Processes and Procedures

PDO 20

Serial No.	Policies linked to KPA 03
1.	Bestowal of Aldermanship Policy
2.	Education, Training and Development Policy
3.	Overtime Policy
4.	Alcohol Policy and Procedure Agreement
5.	Sexual Harassment Policy
6.	Policy for the Use of Landline Telephone System
7.	Electronic Records Management Policy
8.	Records Management Policy
9.	Private Work Policy
10.	Placement Policy
11.	Cellular Telephone Policy
12.	PAIA Section 14 Manual (Promotion of Access to Information)
13.	Language Policy
14.	Appointment of Temporary Staff
15.	Smoking Policy
16.	Asset Transfer Policy
17.	Donations Policy
18.	Job Evaluation Policy
19.	Student Accommodation Policy
20.	Generic ICT Service Level Agreement Management
21.	ICT Technical Policy
22.	Change Management Policy
23.	Backup and Restore Management Policy

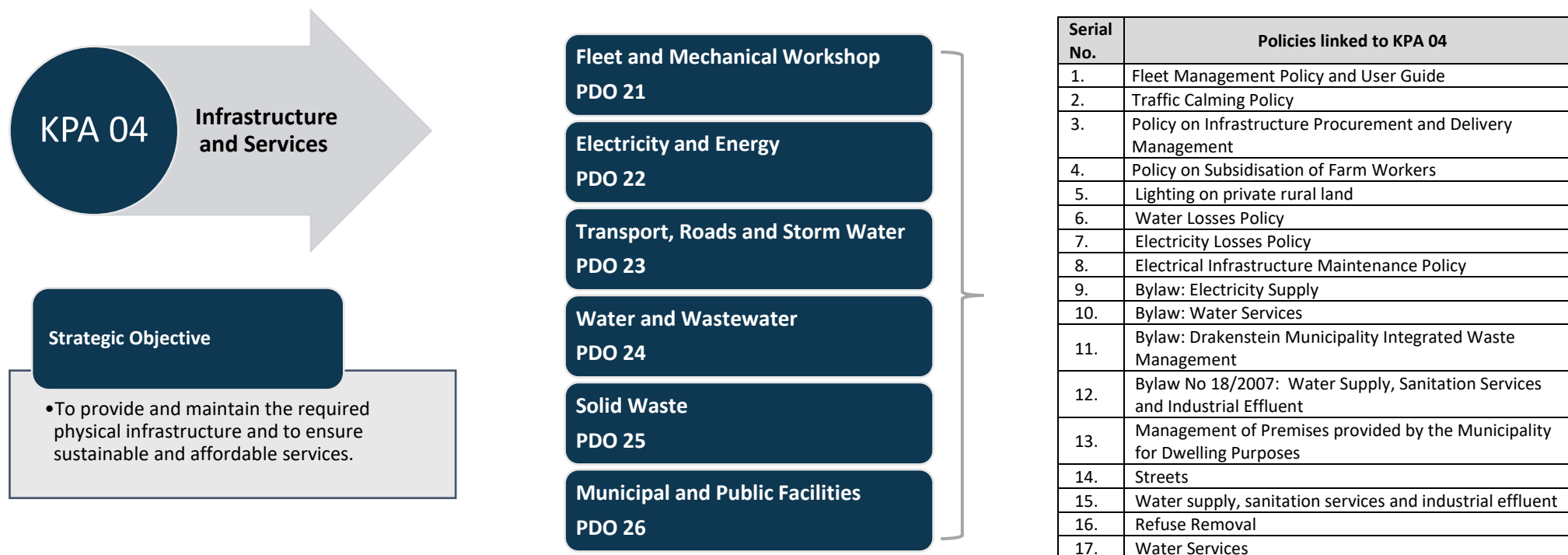
Serial No.	Policies linked to KPA 03
24.	ICT Access Management Policy
25.	ICT Technology Management Framework
26.	Motor Vehicle Allowance Scheme
27.	Smoking Policy
28.	Information and Communication Technology Policy (Reviewed)
29.	Policy for Formulation, Development and Review of Policies
30.	Code of Ethics Policy
31.	Substance Abuse Policy
32.	Talent Management and Succession Planning Policy
33.	External Bursary Policy (Mayoral Bursary Policy)
34.	Leave Policy
35.	Acting, Additional and Secondment Allowance Policy
36.	Occupational Health and Safety
37.	Dress Code Policy
38.	Standby Policy
39.	Probation Policy
40.	Personal Protective Equipment and Clothing Policy
41.	Recruitment and Selection Policy
42.	HIV/AIDS Policy

<b>PROGRAMMES AND INITIATIVES (KPA 3)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
<b>PRE-DETERMINED OBJECTIVE (PDO) 16: Organisational Structure</b>							
New Staffing Regulations Come into Effect on 1 July 2022	Monitor and Review Implementation of new staffing regulations	X	X	X	X	X	N/A
Efficient Utilisation of Staff	Providing comments during recruitment process indicating if staff optimisation principles were utilised to ensure efficient staff utilisation before posts are advertised for filling.	X	X	X	X	X	
<b>PRE-DETERMINED OBJECTIVE (PDO) 17: Human Capital</b>							
New Staffing Regulations Come into Effect on 1 July 2022	Monitor and Review Implementation of new staffing regulations in relation to skills development and recruitment of staff	X	X	X	X	X	N/A
Efficient utilisation of staff	Providing comments during recruitment process indicating if staff optimisation principles were utilised to ensure efficient staff utilisation before posts are advertised for filling.	X	X	X	X	X	
Effective and Efficient Utilisation of EPWP Capacity	1. Introduce a daily activity sheet 2. Introduce a financial year delivery plan 3. Better monthly delivery reporting 4. Review EPWP policy 5. Introduce an SLA with the Implementing Agent	X	X	X	X	X	N/A
Retention of Institutional Memory							
<b>PRE-DETERMINED OBJECTIVE (PDO) 18: Performance Management</b>							
Individual Performance Management	Implementation of Staff Efficiency Monitoring by all Departments	50%	75%	100%	100%	100%	N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 19: Systems and Technology</b>							
	Submission of Technology replacement Plan to budget steering committee by February of each year	X	X	X	X	X	

PROGRAMMES AND INITIATIVES (KPA 3)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
Sustainable ICT infrastructure	Move of disaster recovery site from Wellington to the MS Azure Cloud		X				
	Migrate virtual environment from VMWare to Microsoft Hyper-V		X				
	Expand fibre optic network for interconnectivity of Drakenstein buildings			X		X	
	Implementation of Microsoft E365	X					
Improve Governance of ICT	ICT Steering Committee leadership and coordination of the use of technology in service delivery	X	X	X	X	X	N/A
	Continuously strengthen the governance of ICT practices in support of business requirements	X	X	X	X	X	N/A
Improve Systems and Technology Security	Review of the ICT Risk Register	X	X	X	X	X	N/A
	ICT Vulnerability scans – if budget is available	X	X	X	X	X	N/A
Optimisation of business information and application systems	Monitor implementation of the ICT Strategic Plan Annually via the ICT Steering Committee	X	X	X	X	X	N/A
	Web Enable in-house Applications	X	X	X	X	X	N/A

PROGRAMMES AND INITIATIVES (KPA 3)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
	Monitor the implementation of the GIS Strategic and Implementation Plan	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) 20: Process and Procedures							
Optimising Business Processes	Create awareness of business process automation	x	x	x	x	x	N/A

CAPITAL PROJECTS (KPA 3)							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PRE-DETERMINED OBJECTIVE (PDO) 19: Systems & Technology							
COMPUTER RELATED							
Sustainable ICT Infrastructure	New and replacement of desktops, laptops, switches, radio backbone links, radio distribution links, Wi-Fi access points, Storage and Backup devices and other ICT infrastructure equipment	R3,570,000	R3,670,000	R3,670,000	R3,670,000	R3,670,000	N/A
Sustainable ICT Infrastructure	New and replacement of telephone handsets	R30,000	R30,000	R30,000	R30,000	R30,000	N/A
Software License	New and additional Software Licences	R500,000	R500,000	R500,000	R500,000	R500,000	N/A





PROGRAMMES AND INITIATIVES (KPA 4)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 21: Fleet and Mechanical Workshop</b>							
Efficient Prioritisation of Fleet Purchases	Implement Standard Operating Procedure for fleet prioritisation and inclusive decisions	X	X	X	X	X	N/A
	Establish process to centralize approval of vehicle hire orders	X	-	-	-	-	N/A
Efficient Utilisation of Existing Equipment and Fleet	Distribute fleet utilization reports and fleet management changes to vehicle allocations	X	X	X	X	X	N/A
	Establish a fleet control room	X	-	-	-	-	N/A
Minimising of Equipment and Fleet Down Time	Establish electronic dashboard for vehicle downtime	X	-	-	-	-	N/A
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
<b>PRE-DETERMINED OBJECTIVE (PDO) 22: Electricity and Energy</b>							
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
Create projects for energy generation	Provision of self-generating solutions	X	X	X	X	X	All wards
Create projects for energy generation	Installation and upgrade of electrical infrastructure to provide spare capacity for future development	X	X	X	X	X	All wards
	Installation and upgrade of electrical infrastructure to provide spare capacity for future development	X	X	X	X	X	All wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 23: Transport, Roads and Stormwater Infrastructure</b>							
Continuation of PMS	Upgrade Existing Sidewalks (Drakenstein)	X	X	X	X	X	Paarl/Wellington

<b>PROGRAMMES AND INITIATIVES (KPA 4)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Continuation of PMS	Reseal of Streets in Terms of The Rams (Pms)	X	X	X	X	X	Paarl/Wellington
Requested on IDP/Pentz - & Wamkelekile Street is failing	Reseal of Streets in Terms of The Rams (Pms)	X	X	X	X		2 & 9
<b>PRE-DETERMINED OBJECTIVE (PDO) 24: Water and Wastewater</b>							
Maintenance and replacement of infrastructure.	Annual replacement of aged reticulation replacement	X	X	X	X	X	All wards
Burst pipes.	Speedy repair of water bursts pipes on water networks	X	X	X	X	X	All wards
Infrastructure maintenance - pump stations – Water & Waste Water Installations.	Refurbish and upgrade of all pump installations at the existing sites.	X	X	X	X	X	All wards
Blocked drains and blocked sewerage system.	Removal of blockages on sewer networks on a daily basis	X	X	X	X	X	All wards
Vandalism of infrastructure.	Replacement of infrastructure with innovative materials with curbing of vandalism in mind.	X	X	X	X	X	All wards
Maintenance and replacement of infrastructure. Burst pipes. Infrastructure maintenance - pump stations – Water & Waste Water Installations.	Annual replacement of aged reticulation replacement	X	X	X	X	X	All wards
	Speedy repair of water bursts pipes on water networks	X	X	X	X	X	All wards
	Refurbish and upgrade of all pump installations at the existing sites.	X	X	X	X	X	All wards
Blocked drains and blocked sewerage system.	Removal of blockages on sewer networks on a daily basis	X	X	X	X	X	All wards
Vandalism of infrastructure.	Replacement of infrastructure with innovative materials with curbing of vandalism in mind.	X	X	X	X	X	All wards
Maintenance and replacement of infrastructure.	Annual replacement of aged reticulation replacement	X	X	X	X	X	All wards
Burst pipes.	Speedy repair of water bursts pipes on water networks	X	X	X	X	X	All wards

PROGRAMMES AND INITIATIVES (KPA 4)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 25: Solid Waste</b>							
Illegal dumping/area cleaning	Construction of mini drop-offs at hotspots (35) Maintenance and cleaning by designated registered EPWP project (at least 2 workers + 1 driver/supervisor with own transport) <b>Estimated cost: R6,365,100</b>	X	X	X	X	X	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
Illegal dumping/area cleaning	Implementation of 3m <sup>3</sup> skips project in high-density and informal areas <b>Estimated cost: R3,377,400</b>	X	X	X	X	X	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
Illegal dumping/area cleaning	Implementation of Area cleaning block system in registered informal settlements (42) <b>Estimated cost: R5,450,000</b>	X	X	X	X	X	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
Illegal dumping/area cleaning	Backyarder EPWP project <b>Estimated cost: R6,365,100</b>	X	X	X	X	X	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
Illegal dumping/area cleaning	Construction of mini drop-offs at hotspots (35) Maintenance and cleaning by designated registered EPWP project (at least 2 workers + 1 driver/supervisor with own transport) <b>Estimated cost: R6,365,100</b>	X	X	X	X	X	1,5,6,8,9,12,13, 14,16,21,22,24, 25,27,31,32,33
<b>PRE-DETERMINED OBJECTIVE (PDO) 26: Municipal &amp; Public Facilities</b>							
Development of enabling infrastructure	Saron Community Hall - Higher voltage usage for the Hall. Painting of the building Saron Community Hall - Painting	X					30
Aged Infrastructure	Gouda Community Hall - Painting and upgrading		X	X			31

<b>PROGRAMMES AND INITIATIVES (KPA 4)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Aged Infrastructure	Wellington Town Hall - Painting and upgrading		X	X			2, 7, 10, 11, 18, 29
Aged Infrastructure	Colibri Community Hall- Painting and upgrading		X	X			5
Aged Infrastructure building with containers. The hall is regularly broken into and vandalized.	Safmarine Community – Painting and upgrading			X	X		11
Aged Infrastructure. The community hall is used as a vaccination point.	Mbekweni Community Hall- Painting and upgrading. Conversion of the Mbekweni Community Hall, it has been converted into partitions to accommodate the department of Health to complete the vaccination process from Monday till Fridays.		X	X			6, 7, 8, 9, 12, 16

CAPITAL PROJECTS (KPA 4)							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PRE-DETERMINED OBJECTIVE (PDO) 21: Equipment & Fleet Management							
FLEET AND WORKSHOP							
Efficient Utilisation of Existing Equipment & Fleet	Replacement of Workshop equipment and tools	R585,000	R650,000	R650,000	R695,000	R695,000	N/A
Efficient Prioritisation of Fleet Purchases	Replacement of vehicles and equipment	R4,599,376	R6,291,611	R3,208,389	R17,500,000	R10,000,000	N/A
Efficient Prioritisation of Fleet Purchases	Replacement of Waste vehicles FTP	R -	R1,200,000	R -	R 9,000,000	R -	N/A
PRE-DETERMINED OBJECTIVE (PDO) 22: Electricity and Energy							
ENERGY SUPPLY							
Equipment needs	Tools & Equipment	R500,000	R500,000	R500,000	R500,000	R500,000	All wards
Aged infrastructure	Replacement program for old & redundant electrical equipment	R3,000,000	R-	R-	R-	R-	Various
Aged infrastructure and according to replacement plan	Upgrading of SCADA system &	R1,200,000	R-	R-	R-	R-	All wards
Aged infrastructure and according to replacement plan	Increase existing MT network capacity to facilitate development, electrification &	R1,800,000	R-	R-	R-	R-	Various
Aged infrastructure and according to replacement plan	Increase existing LT network capacity to	R1,800,000	R-	R-	R-	R-	Various
Aged infrastructure and according to replacement plan	Increase Existing Ht Network Capacity to Facilitate Development, Electrification and Existing Load Growth (Transformers at Parys 66/11 Kv Substation) Finish Off Phase 1 Of Project	R2,000,000	R-	R-	R-	R-	Various

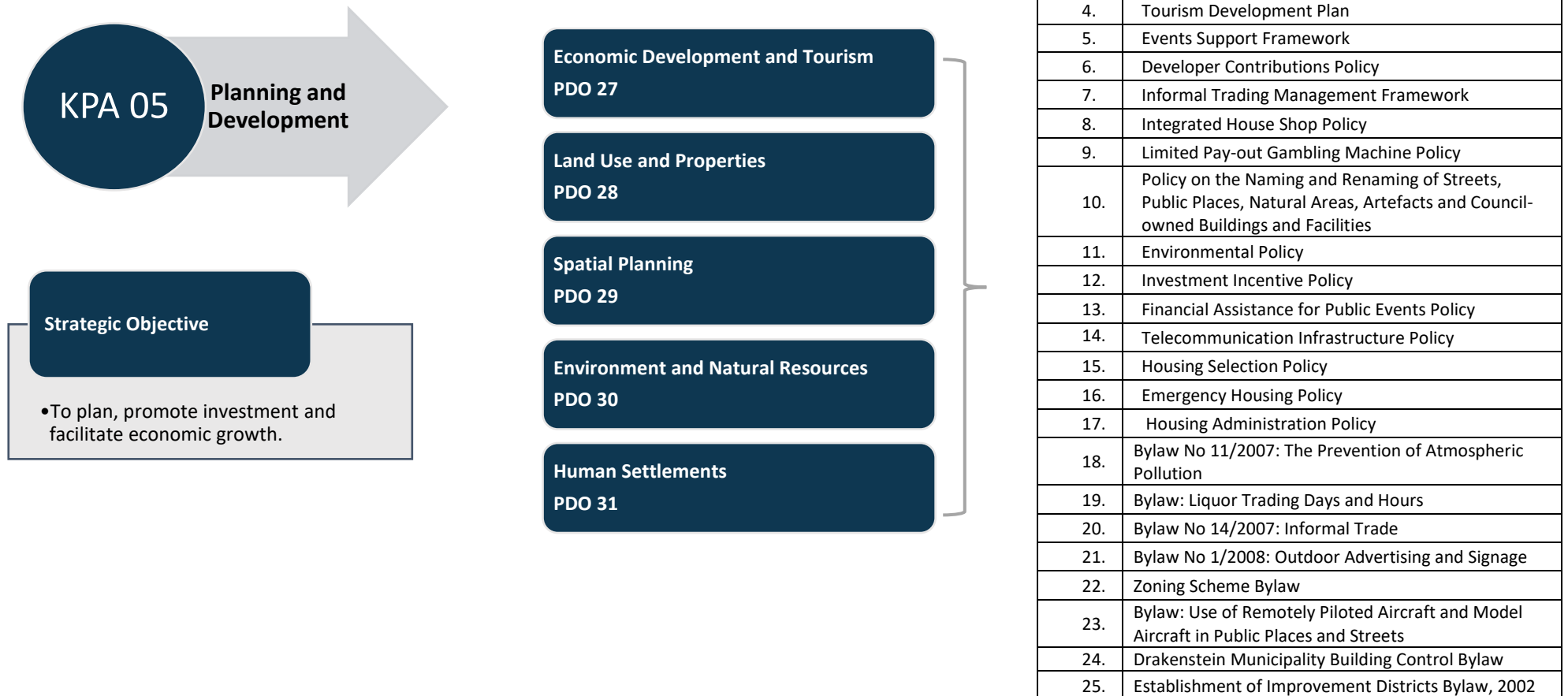
<b>CAPITAL PROJECTS (KPA 4)</b>							
<b>Core Components</b>	<b>Project Description</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Aged infrastructure and according to replacement plan	Dalweiding Substation and Switchgear Upgrading (Inep)	R8,695,652	R-	R-	R-	R-	Various
Aged infrastructure and according to replacement plan	Drakenstein Streetlight Projects	R450,000	R-	R-	R-	R-	Various
Aged infrastructure and according to replacement plan	Vandalism and Theft to Infrastructure	R3,000,000	R-	R3,516,611	R-	R-	Aged infrastructure and according to replacement plan
Aged infrastructure and according to replacement plan	Palmiet Substation, Transformer 3 Refurbish	R3,000,000	R-	R3,516,611	R-	R-	All wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 23: Transport, Roads &amp; Stormwater Infrastructure</b>							
<b>ROADS</b>							
Drommedaris Road is failing - upgrade is urgently required	Drommedaris Road Rebuild	R5,000,000	R10,400,389	R10,000,000	R9,380,000	R-	16
Upgrading of x3 signalised intersections	Traffic Lights (Drakenstein)	R500,000	R-	R-	R-	R-	15,20,33
Installing UPS's for signalised intersections	Traffic Lights (Drakenstein)	R1,150,000	R-	R-	R-	R-	Various
Urgent pipe upgrades to prevent collapse.	Refurbish Storm Water Systems (Drakenstein)	R5,000,000	R-	R-	R10,000,000	R12,000,000	Various
Continuation of PMS	Upgrade Existing Sidewalks (Drakenstein) & Closing of walkways	R1,960,000	R-	R-	R7,000,000	R-	Saron/Paarl/Welington
Continuation of PMS	Reseal of Streets in terms of RAMS	R5,000,000	R-	R12,000,000	R-	R11,406,087	Various
Equipment for pipe inspection	CCTV Pipe Camera	R101,490	R-	R-	R-	R-	All wards

CAPITAL PROJECTS (KPA 4)							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PRE-DETERMINED OBJECTIVE (PDO) 24: Water and Wastewater							
WATER AND WASTEWATER							
Water Equipment needs	Tools & Equipment (under pressure drilling machine (2x) and electrofusion machine; compactors (x2) & Roller security lid)	R123,000	R63,000	R45,000	R-	R60,000	All wards
Aged water infrastructure and according to replacement plan	Replace & upgrade of Water reticulation systems	R5,000,000	R11,983,768	R-	R-	R14,000,000	All wards
Aged sewer infrastructure and according to replacement plan	Replace & upgrade of Waste Water reticulation systems	R5,000,000	R -	R11,983,768	R -	R -	All wards
Sewer pump and control equipment replacement/upgrade	Upgrade & refurbish sewer pumps station (Pentz, Edison & Newton)	R9,430,183	R8,339,817	R -	R -	R -	All wards
By-up energy at Paarl Waste Water Treatment Works (WWTW) in the case of load shedding	Procure and install 1,000kVA generator at Paarl WWTW	R1,396,134	R -	R -	R -	R -	Paarl
Replacement of non-functional equipment and processes at Paarl WWTW.	Refurbishment of Paarl WWTW (Inlet Work and Processes) Mechanical Inlet screen	R2,939,715	R -	R -	R -	R -	Paarl & Wellington
Security measures around boreholes	Security cages at Welvanpas and Civic Centre Boreholes	R180,000	R-	R-	R-	R-	Paarl & Wellington
Provision of quality water as per SANS241 standards for Saron	Construction of new granular chlorine system at Saron	R500,000	R -	R -	R -	R -	Saron
Waste water operational equipment needs	Small equipment: Industrial Electrical Drill	R25,000	R -	R -	R -	R -	All Wards

CAPITAL PROJECTS (KPA 4)							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PRE-DETERMINED OBJECTIVE (PDO) 25: Solid Waste							
SOLID WASTE							
Illegal dumping/area cleaning	Construction of Mini Drop-Off Facilities	R650,000	-	R620,000	R650,000	R -	All wards
Illegal dumping/area cleaning	Wheelie bins	R-	R945,000	R6,470,000	R5,000,000	R5,000,000	All wards
Illegal dumping/area cleaning	Street refuse bins - Reduce littering in CBD's and on main entrance routes/ high traffic areas	R500,000	R540,000	R540,000	R540,000	R540,000	All wards
Illegal dumping/area cleaning	Illegal dumping signage	R-	R200,000	R150,000	R150,000	R150,000	All wards
Illegal dumping/area cleaning	ISO Waste Containers	R2,000,000	R -	R2,000,000	R2,000,000	R -	All wards
Compliance of waste disposal facility	Organic Waste Diversion Infrastructure at Paarl Rts (IUDG)	R4,500,000	R15,000,000	R -	R -	R -	All wards
Solid waste removal monitoring equipment	Big screen monitors and laptops for Vehicle Tracking and RFID monitoring system. M&E Dashboard system. Live weighbridge monitoring	R-	R200,000	R150,000	R100,000	R100,000	All wards
PRE-DETERMINED OBJECTIVE (PDO) 26: Municipal & Public Facilities							
MUNICIPAL FACILITIES							
Ageing Infrastructure	Community Hall and Facilities - Huguenot	R600,000	R-	R-	R-	R-	All wards
Ageing Infrastructure	Community Hall and Facilities: Saron (Iudg)	R1,000,000	R-	R-	R-	R-	All wards
Ageing Infrastructure	Computer Equipment - Network Point	R15,000	R15,000	R-	R-	R-	All wards



<b>CAPITAL PROJECTS (KPA 4)</b>							
<b>Core Components</b>	<b>Project Description</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Ageing Infrastructure	Civic Centre: Office Alterations All	R-	R250,000	R250,000	R275,000	R275,000	All wards
Ageing Infrastructure	Buildings: Upgrading of Civic Centre (Electricity)	R455,000	R455,000	R455,000	R250,000	R275,000	All wards
Ageing Infrastructure	Air-Conditioners (Entire Municipality)	R500,000	R-	R-	R-	R-	All wards
Ageing Infrastructure	Corporate Facility Aircons	R350,000	R375,000	R375,000	R400,000	R400,000	All wards
Ageing Infrastructure	Upgrading of Municipal buildings (Streets and stormwater depot, Main stores, Electricity Department)	R-	R10,000,000	R10,000,000	R-	R12,000,000	All wards



<b>PROGRAMMES AND INITIATIVES (KPA 5)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
<b>PRE-DETERMINED OBJECTIVE (PDO) 27: Economic Development and Tourism</b>							
Reviewed Tourism marketing plan	Review Tourism marketing plan	X					All wards
Sports Tourism Strategy	Develop a Sports Tourism Strategy	X					All wards
Provision of a one stop business support centre	Establish a one stop business support centre to service the business community		X	X			All wards
Investment prospectus	Development of Investment Prospectus	X					All wards
Review of Developers Guide aligned to Investment prospectus	Update and publish online developers guide	X					All wards
Provision of feasible investment incentive policies	Review existing Incentive Policy	X					All wards
Provision of Investment Retention and Expansion plan	Establish and update database of businesses	X	X	X	X	X	All wards
Provision of Investment Retention and Expansion plan	Implement an investment area management plan and conduct an annual business confidence survey	X	X	X	X	X	All wards
Provision of credible and relevant Management Information to monitor impact	Compile a list of key economic indicators to monitor the efficacy of creating an enabling environment to grow the economy.	X	X	X	X	X	All wards
Reviewed Tourism marketing plan	Review Tourism marketing plan	X					All wards
Sports Tourism Strategy	Develop a Sports Tourism Strategy	X					All wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 28: Land Use and Properties</b>							
Ongoing revision of the electronic land use planning application processing system (Collaborator)	Continuously revise the Collaborator system in order to be more user friendly and efficient	X	X	X	X	X	All wards

<b>PROGRAMMES AND INITIATIVES (KPA 5)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Ongoing revision of the electronic subdivision building plan application processing system (Collaborator)	Continuously revise the Collaborator system in order to be more user friendly and efficient	X	X	X	X	X	All wards
Revision of the Land Use Planning Bylaw	Amend the Bylaw in order to make changes in order to make it more user friendly and efficient	X	X				All wards
Revision of the Zoning Scheme Bylaw	Amend the Bylaw in order to make changes in order to make it more user friendly and efficient	X	X				All wards
Heritage Committees	Review current structure of heritage committees; Formulate a term 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	X	-	-	All wards
Heritage Competency	Apply to Heritage Western Cape for heritage competency in order to obtain delegations in terms of the National Heritage Resources Act for the management of heritage resources.	-	X	X	X	X	All wards
Heritage Areas	Formulate draft heritage areas. Engage with Heritage Western Cape regarding the designation of heritage areas. Prioritise areas for the designation as heritage areas.	-	-	-	X	X	All wards

PROGRAMMES AND INITIATIVES (KPA 5)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 29: Spatial Planning</b>							
Revision of the Drakenstein Spatial Development Framework	Review of the Drakenstein Spatial Development Framework	X	X	X	X	X	N/A
New SDF	Commence with compilation of new SDF					X	N/A
Release of municipal land for developmental purposes	Compilation of a municipal land audit	X	X				N/A
Alignment of the urban edge with the objective of the National Department of Agriculture, Land Reform and Rural Development in respect of the preservation of agricultural land	Enter into an agreement with the National Department of Agriculture, Land Reform and Rural Development regarding the position of the Drakenstein Urban Edge.	X	X				N/A
Local area-based planning	Formulation of the Boland Park Local Spatial Development Framework	X	X	X			N/A
Local area-based planning	Formulation of the New Town, Roggeland and Vlakkeland Local Spatial Development Framework		X	X			N/A
Local area-based planning	Formulation of the Simondium Local Spatial Development Framework		X	X			N/A
Local area-based planning	Formulation of the Ben Bernard Precinct Plan		X	X			N/A
<b>PRE-DETERMINED OBJECTIVE (PDO) 30: Environment and Natural Resources</b>							
Climate change	Update the Climate Change Response Plan	x					All wards
Climate change	Implement the Climate Change Response Plan initiatives		x	x	x	x	All wards
Climate change	Update the Joint Programme of Action under the Drakenstein – Neumarkt Climate Partnership	x					All wards

<b>PROGRAMMES AND INITIATIVES (KPA 5)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Climate change	Implement the Joint Programme of Action under the Drakenstein – Neumarkt Climate Partnership		X	X	X	X	All wards
Coordinated environmental education and awareness initiatives	Develop an Environmental Education and Awareness Plan	X					All wards
Coordinated environmental education and awareness initiatives	Implement Environmental Education and Awareness Plan initiatives		X	X	X	X	All wards
Coordinated environmental education and awareness initiatives	Implement the Paarl Arboretum Eco Center Environmental Education Initiatives	X	X	X	X	X	All wards
Coordinated riparian management in urban areas	Implementation of NAKOPA II Project	X	X				Wards 4, 17 and 19
Invasive alien vegetation management on municipal properties	Implement and monitor the action plan to clear priority areas as indicated in the Invasive Alien Vegetation Monitoring and Eradication Plan	X	X	X	X	X	All wards
Improved air quality in the municipal area	Implementation of the Air Quality Management Plan initiatives	X	X	X	X	X	All wards
Improved management of municipal urban conservation areas	Formalise priority municipal urban conservation areas	X	X	X	X	X	All wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 31: Human Settlements (Housing)</b>							
Effective Management of existing rental stock	Routine Maintenance of Rental Stock (daily maintenance activities)	X	X	X	X	X	19,20,21,22,224,25, 26,27
Effective Management of existing rental stock	• Compilation of detailed maintenance plan; and	X					19,20,21,22,24,25,2 6,27
	• Roll out of projects (repair/upgrade of rental stock) as per maintenance plan.	X	X	X	X	X	
Effective Management of existing rental stock	Paint –My- Story Project	X	X	X	X	X	19,20,21,22,224,25, 26

<b>PROGRAMMES AND INITIATIVES (KPA 5)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Effective Management of existing rental stock	Assess rental stock that can be alienated; Transfer/Alienation of Council Owned Rental Stock	X	X	X	X	X	6,7,12,19,20, 21,22,24,25, 26,27,30,
Effective Management of existing rental stock	<ul style="list-style-type: none"> <li>Develop and implement an active housing consumer education program for tenants</li> <li>Establishment of tenant committees</li> </ul>	X  X	X  X	  X	  X	  X	6,7,12,19,20, 21,22,24,25, 26,27,30
Lack of Eviction Management Planning	Implementation of Eviction Management and Emergency Housing Plan (Re-settlement land)	X	X	X	X	X	All wards
Lack of Updated Housing Demand Database	<ul style="list-style-type: none"> <li>Management of Housing Demand Database</li> <li>Rural Demand Drives</li> <li>Assess all applicants in data base that applied before April 1999 that are not assisted to date</li> </ul>	X  X  X	X  X  X	  X  X	  X  X	  X  X	All wards
Lack of services in informal settlements	<ul style="list-style-type: none"> <li>Improve maintenance of services in Informal Settlements;</li> <li>Rollout of new basic services installations and replacement of existing redundant services;</li> <li>Ongoing monitoring to prevent erection of illegal structures; and</li> <li>Establish Informal Settlement Committees.</li> </ul>	X  X  X  X	X  X  X  X	X  X  X  X	  X  X	  X  X	1,5,6,8,12,14,21,24, 25,31, 32
Lack of emergency housing planning	Implementation of emergency housing plan	X	X	X	X	X	All Wards

PROGRAMMES AND INITIATIVES (KPA 5)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
Plan and implement the roll-out of UISP (Upgrade of Informal Settlements) Projects and Emergency Housing Site	<ul style="list-style-type: none"> <li>Finalize the Project Implementation; Readiness Report (PIRR) for 11 identified informal settlements for upgrade;</li> </ul>	X					6, 20, 21, 24, 27
	<ul style="list-style-type: none"> <li>Implement upgrade of 11 identified settlements;</li> </ul>	X	X				6, 20, 21, 24, 27 32
	<ul style="list-style-type: none"> <li>Complete incomplete UISP Projects (Fairylane &amp; Siyashlala); and</li> </ul>	X	X	X	X	X	1, 5, 7, 8, 14, 16, 31,
	<ul style="list-style-type: none"> <li>Identify further settlements for upgrade.</li> </ul>	X	X				
Lack of development of affordable housing opportunities	Establish and Maintain a database of households that may qualify for affordable housing	X	X	X	X	X	All Wards
							All Wards
Lack of implementation of Social Housing Projects	<ul style="list-style-type: none"> <li>Advertise to enter into partnership agreements with Social Housing Institution (SHI's);</li> </ul>	X	X	X	X	X	All Wards
	<ul style="list-style-type: none"> <li>Roll-out plan of identified social housing sites within approved restructuring zones</li> </ul>	X	X	X	X	X	4, 9, 14, 15, 22, 29
Provision of service sites	<ul style="list-style-type: none"> <li>Identify appropriate land for the implementation of service site concept; and</li> <li>Develop a policy on service sites.</li> </ul>	X					
		X	X	X	X	X	1, 13, 14, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33
Lack of awareness in relation to role and responsibility as home owner in new subsidized housing development	Implementation of Housing Consumer Education and Awareness Campaigns	X	X	X	X	X	All Wards



PROGRAMMES AND INITIATIVES (KPA 5)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
Addressing matters in relation to employer assisted housing	Finalise a policy for employer assisted housing			X	X	X	All Wards
Conclusion of old incomplete projects	Implementation of actions to address defective roof in identified projects;	X	X	X	X	X	6, 9, 12, 16
Title Deeds backlog	• To address the title deed restoration backlog by enter into agreement with various stakeholders;	X	X	X	X	X	All Wards
	• To establish a Title Deed Restoration Committee to address disputes, deceased cases, etc.	X	X	X	X	X	
Effective Management of existing rental stock	Routine Maintenance of Rental Stock (daily maintenance activities)	X	X	X	X	X	19,20,21,22,224,25, 26,27
Effective Management of existing rental stock	• Compilation of detailed maintenance plan and	X					19,20,21,22,24,25,2 6,27
	• Roll out of projects (repair/upgrade of rental stock) as per maintenance plan.	X	X	X	X	X	
Effective Management of existing rental stock	Paint –My- Story Project	X	X	X	X	X	19,20,21,22,224,25, 26
Effective Management of existing rental stock	Assess rental stock that can be alienated; Transfer/Alienation of Council Owned Rental Stock	X	X	X	X	X	6,7,12,19,20, 21,22,24,25, 26,27,30,
Effective Management of existing rental stock	Develop and implement an active housing consumer education program for tenants	X	X				6,7,12,19,20, 21,22,24,25, 26,27,30
	Establishment of tenant committees	X	X	X	X	X	

PROGRAMMES AND INITIATIVES (KPA 5)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
Lack of Eviction Management Planning	Implementation of Eviction Management and Emergency Housing Plan (Re-settlement land)	X	X	X	X	X	All wards
Lack of Updated Housing Demand Database	Management of Housing Demand Database	X	X				All wards
	Rural Demand Drives			X	X	X	
	Assess all applicants in data base that applied before April 1999 that are not assisted to date	X	X	X	X	X	
Lack of services in informal settlements	<ul style="list-style-type: none"> <li>Improve maintenance of services in Informal Settlements</li> </ul>	X	X	X	X	X	1,5,6,8,12,14,21,24, 25,31, 32
	<ul style="list-style-type: none"> <li>Rollout of new basic services installations and replacement of existing redundant services</li> </ul>	X	X	X	X	X	
	<ul style="list-style-type: none"> <li>Ongoing monitoring to prevent erection of illegal structures</li> </ul>	X	X	X	X	X	
	<ul style="list-style-type: none"> <li>Establish Informal Settlement Committees</li> </ul>	X	X	X		X	
Lack of emergency housing planning	Implementation of emergency housing plan	X	X	X	X	X	All Wards
Plan and implement the roll-out of UISP (Upgrade of Informal Settlements) Projects and Emergency Housing Site	<ul style="list-style-type: none"> <li>Finalize the Project Implementation; Readiness Report (PIRR) for 11 identified informal settlements for upgrade;</li> </ul>	X					6, 20, 21, 24, 27
	<ul style="list-style-type: none"> <li>Implement upgrade of 11 identified settlements;</li> </ul>	X	X				6, 20, 21, 24, 27 32
	<ul style="list-style-type: none"> <li>Complete incomplete UISP Projects (Fairylana &amp; Siyahlala); and</li> </ul>	X	X	X	X	X	1, 5, 7, 8, 14, 16, 31,
	<ul style="list-style-type: none"> <li>Identify further settlements for upgrade.</li> </ul>	X	X				

<b>PROGRAMMES AND INITIATIVES (KPA 5)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Lack of development of affordable housing opportunities	Establish and Maintain a database of households that may qualify for affordable housing	X	X	X	X	X	All Wards  All Wards
Lack of implementation of Social Housing Projects	• Advertise to enter into partnership agreements with Social Housing Institution (SHI's);	X	X	X	X	X	All Wards
	• Roll-out plan of identified social housing sites within approved restructuring zones	X	X	X	X	X	4, 9, 14, 15, 22, 29
Provision of service sites	Identify appropriate land for the implementation of service site concept; and develop a policy on service sites	X	X	X	X	X	1, 13, 14, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33
Lack of awareness in relation to role and responsibility as home owner in new subsidized housing development	Implementation of Housing Consumer Education and Awareness Campaigns	X	X	X	X	X	All Wards
Addressing matters in relation to employer assisted housing	Finalise a policy for employer assisted housing			X	X	X	All Wards
Conclusion of old incomplete projects	Implementation of actions to address defective roof in identified projects;	X	X	X	X	X	6, 9, 12, 16
Title Deeds backlog	To address the title deed restoration backlog by enter into agreement with various stakeholders;	X	X	X	X	X	All Wards
		X	X	X	X	X	

PROGRAMMES AND INITIATIVES (KPA 5)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
	To establish a Title Deed Restoration Committee to address disputes, deceased cases, etc.						
Lack of Updated Housing Demand Database	Management of Housing Demand Database	X	X				All wards
	Rural Demand Drives			X	X	X	
	Assess all applicants in data base that applied before April 1999 that are not assisted to date	X	X	X	X	X	
Lack of services in informal settlements			X				1,5,6,8,12,14,21,24, 25,31, 32
	Improve maintenance of services in Informal Settlements	X		X	X	X	
	Rollout of new basic services installations and replacement of existing redundant services	X		X	X	X	
	Ongoing monitoring to prevent erection of illegal structures	X	X	X	X		
	Establish Informal Settlement Committees	X	X	X		X	
Lack of emergency housing planning	Implementation of emergency housing plan	X	X	X	X	X	All Wards
Plan and implement the roll-out of UISP (Upgrade of Informal Settlements) Projects and Emergency Housing Site	Finalize the Project Implementation; Readiness Report (PIRR) for 11 identified informal settlements for upgrade;	X					6, 20, 21, 24, 27
	Implement upgrade of 11 identified settlements;	X	X	X	X	X	6, 20, 21, 24, 27 32

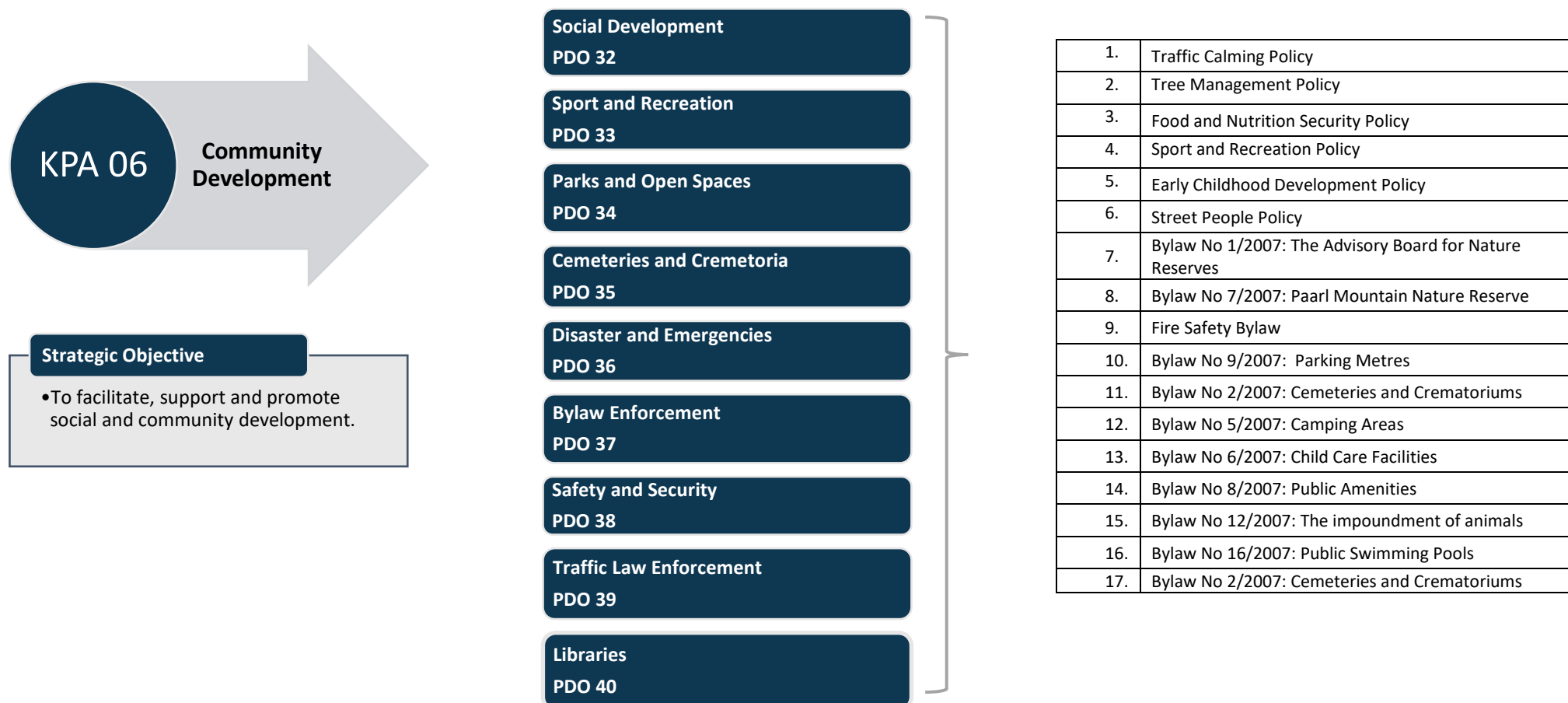
<b>PROGRAMMES AND INITIATIVES (KPA 5)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
	Complete incomplete UISP Projects (Fairylana & Siyahlala); Identify further settlements for upgrade.	X X	X X				1, 5, 7, 8, 14, 16, 31,
Lack of development of affordable housing opportunities	Establish and Maintain a database of households that may qualify for affordable housing	X	X	X	X	X	All Wards  All Wards
Lack of implementation of Social Housing Projects	Advertise to enter into partnership agreements with Social Housing Institution (SHI's); Roll-out plan of identified social housing sites within approved restructuring zones	X X	X X	X X	X X	X X	All Wards  4, 9, 14, 15, 22, 29
Provision of service sites	<ul style="list-style-type: none"> <li>Identify appropriate land for the implementation of service site concept; and</li> <li>Develop a policy on service sites.</li> </ul>	X X	X	X	X	X	1, 13, 14, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33
Lack of awareness in relation to role and responsibility as home owner in new subsidized housing development	Implementation of Housing Consumer Education and Awareness Campaigns	X	X	X	X	X	All Wards
Addressing matters in relation to employer assisted housing	Finalise a policy for employer assisted housing			X	X	X	All Wards
Conclusion of old incomplete projects	Implementation of actions to address defective roof in identified projects;	X	X	X	X	X	6, 9, 12, 16

PROGRAMMES AND INITIATIVES (KPA 5)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
Title Deeds backlog	To address the title deed restoration backlog by enter into agreement with various stakeholders;	X	X	X	X	X	All Wards
	To establish a Title Deed Restoration Committee to address disputes, deceased cases, etc.	X	X	X	X	X	

CAPITAL PROJECTS							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PRE-DETERMINED OBJECTIVE (PDO) 27: Economic Development and Tourism							
ECONOMIC GROWTH							
Lack of suitable Tourism infrastructure.	Furniture and equipment.	R150,000	R80,000	R40,000	R-	R -	All wards
Lack of adequate infrastructure to support entrepreneurs in the formal and informal sector	Upgrade existing informal trading structures and business hives (Arendsnes, Paarl CBD & rest of Drakenstein)	R-	R360,000	R450,000	R1,250,000	R-	Relevant Wards 4, 18, 14, 9, 12
PRE-DETERMINED OBJECTIVE (PDO) 28: Land Use and Properties							
LAND-USE AND PROPERTIES							
Replacement of equipment	New Surveying equipment	R113,580	R-	R-	R-	R-	All Wards
PRE-DETERMINED OBJECTIVE (PDO) 30: Environment and Natural Resources							
ENVIRONMENT AND NATURAL RESOURCES							
River Improvement Projects	Berg River Improvement Project	R1,363,602	R423,000	R-	R-	R-	4, 17 and 19
Air Quality Monitoring Equipment	Air Quality Monitoring Equipment Section to procure own monitoring equipment to save on costs to contract service providers for this function.	R500,000	R-	R-	R-	R-	All Wards
PRE-DETERMINED OBJECTIVE (PDO) 31: Human Settlements							
HUMAN SETTLEMENTS							
Upgrade/replace basic services at informal areas	Water Meters And Connections Amstelhof (Iudg)	R-	R1,000,000	R-	R1,000,000	R-	Multiple wards
Upgrading of aged rental stock	Upgrading Own Rental Stock (Iudg)	R-	R2,000,000	R-	R2,000,000	R-	Multiple wards
New Housing Developments	Paarl East Irdp: Provision of Basic Serv	R-	R4,524,000	R4,510,000	R1,750,000	R5,000,000	27

<b>CAPITAL PROJECTS</b>							
<b>Core Components</b>	<b>Project Description</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Upgrade/replace basic services	Schoongezicht Electrification Iudg	R-	R1,867,536	R10,000,000	R3,256,087	R-	Multiple wards
Upgrade/replace basic services	Lantana Sub-Surface Drainage	R2,600,000	R-	R-	R-	R-	Multiple wards
Land Acquisition	Acquisition of Land (Plankies Dorp)	R300,000	R-	R-	R-	R-	5
Upgrade/replace basic services	White City Water And Sewer	R-	R-	R-	R2,000,000	R-	Multiple wards
Upgrade/replace basic services at informal areas	Extension of Basic Services: Informal Settlements	R-	R-	R802,319	R1,000,000	R-	Multiple wards
Upgrade/replace basic services at informal areas	Extension of Basic Services: Informal Settlements - Replace Existing	R1,000,000	R-	R-	R-	R-	Multiple wards
Upgrade/replace basic services at informal areas	C/O Extension of Basic Services: Informal Settlements	R1,000,000	R1,000,000	R1,000,000	R1,000,000	R5,795,000	Multiple wards
Provision and upgrade basic services at Informal Areas - Electrification	Electrification of informal areas	R1,000,000	R-	R-	R-	R-	Multiple wards
Upgrade/replace basic services	Electrification: Housing Projects (Inep)	R-	R16,521,739	R17,263,478	R17,263,478	R17,263,478	Multiple wards





PROGRAMMES AND INITIATIVES (KPA 6)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
<b>PRE-DETERMINED OBJECTIVE (PDO) 32: Social Development</b>							
Safety of communities in all wards	<ul style="list-style-type: none"> <li>Installation and commissioning of CCTV cameras in all wards; and</li> <li>Installation of number plate recognition cameras.</li> </ul>	X	X	X	X	X	All Wards
Operating a 24-hr Control room	<ul style="list-style-type: none"> <li>Centralise control rooms of Fire, Law Enforcement and Traffic at Breda 60;</li> <li>Connect radio frequency of the Drakenstein Smart and Safety Networks (DSSN) to Breda 60; and</li> <li>Link WhatsApp groups of Neighbourhood Watches to control centre.</li> </ul>	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
<b>PRE-DETERMINED OBJECTIVE (PDO) 33: Sport and Recreation</b>							
De Kraal Sports Complex	<ul style="list-style-type: none"> <li>Project is a multi-year project</li> </ul>	X	X	X			22
Weltevrede sports field – vandalism and cable theft	<ul style="list-style-type: none"> <li>Item written to Council to decide on alternative use of facility</li> </ul>	X	X	X			7
Mbekweni B&C – unplayable fields	Re-turf of sport field for soccer practice and cricket		X				6,12
Hugenote tennis courts surface	Re-surfacing and upgrade to courts		X				5
Park Street tennis vandalism	Building has been demolished – grass cutting ongoing			X			10
Pentz Street pool not in use	Swimming pool upgrade in progress						2
Functioning of Sport Council	Review of Sport and Recreation policy	X					
<b>PRE-DETERMINED OBJECTIVE (PDO) 34: Parks and Open Spaces</b>							
Environmental Awareness Programmes	Arbor Month X	X	X	X	X	X	15
Removal of invasive alien vegetation	EPWP Weed control	X	X	X	X	X	All
Maintenance of local amenities and public places	EPWP Tree and pest control	X	X	X	X	X	All
Removal of invasive alien vegetation	EPWP Alien Clearing	X	X	X	X	X	All

<b>PROGRAMMES AND INITIATIVES (KPA 6)</b>							
<b>Core Components</b>	<b>Action</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Wards</b>
Maintenance of local amenities and public places	EPWP Open spaces/Grass Cutting	X	X	X	X	X	All
Upgrading of local amenities and public places	Community Beatification Projects	X	X	X	X	X	All
Beautification & Maintenance of entrances and parks	Marketing of Parks and Main routes	X	X			X	All
Implementation of the “Cleaner and Greener” environmental programme	Tree Planting (Greening of Drakenstein)	X	X	X	X	X	All
<b>PRE-DETERMINED OBJECTIVE (PDO) 35: Cemeteries and Crematoria</b>							
Tools of trade	Procurement of tools		X	X	X		
<b>PRE-DETERMINED OBJECTIVE (PDO) 36: Disaster and Emergencies</b>							
Fire safety in informal settlements	Public and Life safety awareness programmes	X	X	X	X	X	All
Support services in fire service section	Appointment of volunteers	X	X	X	X	X	All
Fire safety in informal settlements	Installation of smoke alarm units	X	X	X	X	X	All
<b>PRE-DETERMINED OBJECTIVE (PDO) 37: Bylaw Enforcement</b>							
Implementation of the “Bobbies on the Beat” visible foot patrol programme	<ul style="list-style-type: none"> <li>Develop and submit business plan to Cape Winelands District Municipality</li> </ul>	X	X	X	X	X	ALL
	<ul style="list-style-type: none"> <li>Develop and submit business plan to Department of Community Safety</li> </ul>	X	X	X	X	X	CBD
	<ul style="list-style-type: none"> <li>Employ Bobbies on the Beat for festive season safety.</li> </ul>	X	X	X	X	X	CBD and Berg River
Introduction of smart technology to curb cable theft	<ul style="list-style-type: none"> <li>Training of staff</li> <li>Link technology to DSSN</li> </ul>	X	X	X			All
Establishment of auxiliary services	Develop and submit business plan to Department of Community Safety	X	X	X	X	X	All

PROGRAMMES AND INITIATIVES (KPA 6)							
Core Components	Action	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
24 Hour Law Enforcement operations	Establish an effective 24\7 Law Enforcement service	X	X	X	X	X	All
Effective 24-hour emergency control and dispatch centre	Appointment and training of control room staff	X	X	X	X	X	All
Control and impoundment of stray animals	Caring for impounded animals in pound	X	X	X	X	X	All
Establishment of internal working group to deal with land invasion	Appointment and training of staff to deal with land invasion	X	X	X	X	X	All
Review and update of municipal Bylaws	<ul style="list-style-type: none"> <li>Review Bylaws</li> <li>Update Bylaws</li> <li>Gazette Bylaws</li> </ul>	X	X	X	X	X	All
PRE-DETERMINED OBJECTIVE (PDO) 38: Safety and Security							
Purchase trailer	To purchase a trailer for livestock	-	-	-	X	-	All wards
Appoint Pound-Master	The appointment of a pound master	X	-	-	-	-	All wards
Respond to Live-Stock complaints	Effective response to livestock complaints	X	X	X	-	-	All wards
PRE-DETERMINED OBJECTIVE (PDO) 39: Traffic Law Enforcement							
Issuing and collecting of traffic fines	Installation and servicing of equipment and training of officers to collect fines	X					All
Expansion of electronic learner license	Upgrade of software	X					All
Establishment of electronic driving license system	Upgrade of software	X					All
PRE-DETERMINED OBJECTIVE (PDO) 40: 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	X	All wards
Insufficient space for Rural libraries	Set up containerised library in Wagenmakers Valley			X			7
Insufficient space for Rural Libraries	Set up containerised library Nieuwedrift Valley					X	17
Insufficient space for Rural Libraries	Set up containerised library Groenberg		X				31

CAPITAL PROJECTS							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PREDETERMINED OBJECTIVE (PDO) 33: Social Development							
SOCIAL DEVELOPMENT							
Social Development	Upgrade Soup Kitchens	R500,000	R -	R -	R -	R -	All Wards
Social Development	Upgrade Containerised night shelter	R200,000	R -	R -	R -	R -	All wards
PREDETERMINED OBJECTIVE (PDO) 34: Sport and Recreation							
SPORT AND RECREATION							
Aged infrastructure	Upgrade Swimming Pools (Iudg)	R2,000,000	R3,000,000	R-	R1,000,000	R -	Various Wards
Aged infrastructure	Upgrade Swimming Pool & Equipment	R300,000	R300,000	R300,000	R300,000	R300,000	Various Wards
Aged infrastructure	Upgrading Worker Houses Sport Facilities (Installation of roofs, ceilings and flooring)	R-	R600,000	R-	R500,000	R -	Various Wards
Aged infrastructure	Sports Equipment: Daljosaphat Stadium (Purchasing of athletics equipment (hurdles etc.))	R-	R200,000	R200,000	R200,000	R200,000	Various Wards
Aged infrastructure	Reconstruct of Bowling Green	R-	R500,000	R-	R-	R-	Various Wards
New infrastructure	Construction of Fairyland Sport Facility	R600,000	R-	R-	R-	R-	Various Wards
Aged infrastructure	Parys Sportfields	R-	R2,000,000	R-	R-	R-	Various Wards
Aged infrastructure	Paarl Bowling Club: Upgrading of Building	R-	R400,000	R-	R-	R-	Various Wards
Aged infrastructure	Development Of De Kraal Sport Complex (Iudg)	R2,000,000	R-	R-	R-	R-	Various Wards
Aged infrastructure	Upgrading of Faure Street Sports Stadium	R1,000,000	R500,000	R-	R-	R-	Various Wards
Aged infrastructure	Gouda Sportsfields (Iudg) (Construction of turf cricket pitch and two turf nets. Installation of sight screens)	R350,000	R-	R-	R-	R-	31

CAPITAL PROJECTS							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
PREDETERMINED OBJECTIVE (PDO) 35: Parks and Open Spaces							
PARKS AND OPEN SPACES							
Upgrade Fleet and Machinery	Procurement of Fleet and Machinery	R3,000,000	R-	R-	R-	R-	All
PRE-DETERMINED OBJECTIVE (PDO) 37: Disaster and Emergencies							
DISASTER AND EMERGENCIES							
Wear and tear of current municipal infrastructure	Upgrading of fire services buildings	R-	R650,000	R620,000	R50,000	R-	32,1, 5, 9
Hot weather conditions	Install Air conditioners	R-	R100,000	R120,000	R120,000	R-	32,1,5,9
Replace old and broken furniture	Office furniture and equipment	R-	R100,000	R90,000	R80,000	R-	32,1,5,9
Replace and upgrade search and rescue equipment	Medical/Urban Search rescue equipment	R150,000	R190,000	R180,000	R175,000	R-	30, 4, 6 ,18
Critical replacement of current firefighting equipment	Machinery and equipment	R-	R650,000	R650,000	R600,000	R-	30, 4, 6, 18
Replacement/upgrade of computer, screens etc.	ICT equipment	R-	R100,000	R100,000	R80,000	R-	30, 4, 6, 18
Replace old, unserviceable operational firefighting vehicle(s)	New firefighting vehicle(s)	R-	R300,000	R300,000	R300,000	R-	30, 4, 6, 18
Upgrade of current control centre	Disaster Management Control Centre	R-	R75,000	R70,000	R65,000	R-	4
PRE-DETERMINED OBJECTIVE (PDO) 38: Bylaw Enforcement							
BYLAW ENFORCEMENT							
Introduction of smart technology	Procurement of Body Cameras & Protective Clothing	R800,000	R -	R -	R -	R -	
Effective 24-hour emergency control and dispatch centre	Establish required infrastructure for emergency control	R400,000	R -	R -	R -	R -	All

CAPITAL PROJECTS							
Core Components	Project Description	2022/23	2023/24	2024/25	2025/26	2026/27	Wards
Safeguarding of municipal infrastructure	Purchasing of high-tech innovation/security systems and equipment	R500,000	R -	R -	R -	R -	All
Control and impoundment of stray animals	Upgrade and safeguard central animal pound	R750,000	R -	R -	R -	R -	All
Safety of community in all wards	Installation and commissioning of CCTV Cameras in all wards and linking with DSSN Control room	R500,000	R -	R -	R -	R -	All
	Installation of number plate recognition cameras and linking with DSSN Control room						
PREDETERMINED OBJECTIVE (PDO) 39: Traffic Law Enforcement							
TRAFFIC LAW ENFORCEMENT							
Upgrade Daljosaphat Traffic Centre	Installation of fencing at the facility	R480 000	R350,000	R -	R -	R -	
Office Furniture	Purchasing of relevant equipment\ Furniture	R-	R100,000	R180,000	R-	R-	
Expansion of electronic learner license & Establishment of electronic driving license system	Outright purchase of equipment	R1,000,000	R1,000,000	R-	R-	R-	All
Upgrade vehicle testing centre	Upgrade of braking test units	R100 000	R -	R -	R -	R -	

## Summary of Provincial Infrastructure Projects & Programmes in the Municipality for the MTEF period 2022/23 – 2024/25.<sup>2</sup>

**Table 78: Summary of Provincial Infrastructure Investment Projects in the Drakenstein Municipality**

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

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

**Table 79: Provincial Infrastructure Investment Projects in the Drakenstein Municipality**

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

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

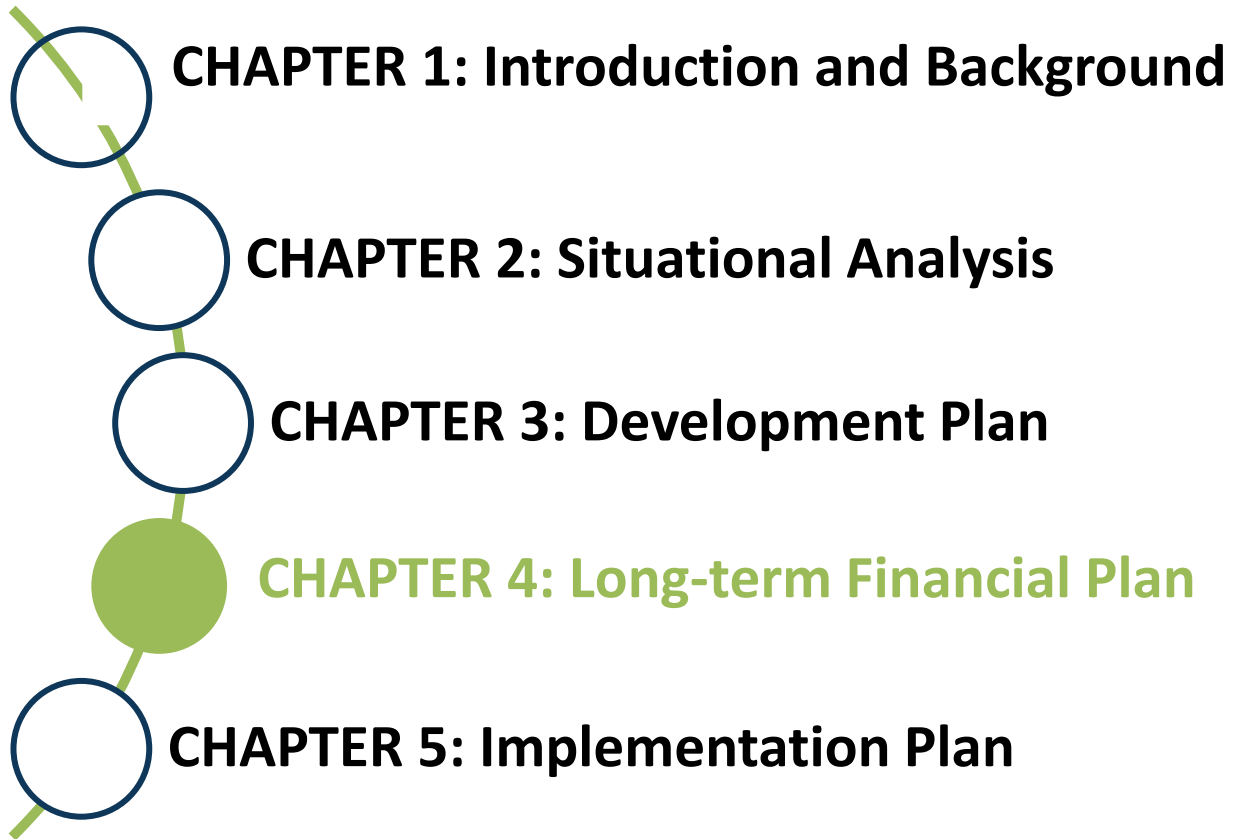


**DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2022/2027**

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

**DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2022/2027**

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



## **4. CHAPTER 4: LONG-TERM FINANCIAL PLAN**

### **4.1 INTRODUCTION**

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

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

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

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

### **4.2 KEY INFLUENCES AND RISKS**

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

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

Unforeseen political and economic changes or circumstances such as:

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

- International instability, eg. Wars.

**Variable climatic conditions such as:**

- Flooding;
- Fires; and
- Drought.

**4.2.2 Internal Influences – items that the Municipality can control:**

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

**4.3 MACRO ECONOMIC SITUATIONAL ANALYSIS**

After the resurgence of COVID-19 infections towards the end of 2021, the International Monetary Fund (IMF) lowered its expectation for global growth in 2022 from 4.9 to 4.4 per cent. Alongside new restrictions, elevated inflation, withdrawal of the US fiscal support package and the consequences of volatility in China's troubled real-estate sector have reduced growth projections. A key risk is that new COVID-19 variants will prolong the pandemic and disrupt economic activity. Vaccination rates in developing countries are much lower than in their developed counterparts, and the emergence of new variants increases global vulnerability. There remains a high degree of uncertainty over the trajectory of the virus and policy responses.

The shape of the global recovery has exacerbated inequality across countries and sectors. At the time of the Budget Speech by the Minister of Finance at the end of February 2022, it was estimated that by the end of 2022, developed countries will have returned to pre-pandemic output levels, but developing countries will not have fully recovered.

The more recent invasion of Ukraine by Russia carries huge risks for a world economy that's yet to fully recover from the COVID-19 pandemic shock. The conflict already looks like the most serious war in Europe since 1945. The conflict has sent tremors through the world economy by accelerating up energy prices. Oil has climbed past \$100 a barrel for the first time since 2014, while European natural gas jumped as much as 62%. The COVID-19 pandemic has already left the global economy with two key points of vulnerability — high inflation and jittery financial markets. Aftershocks from the invasion could easily worsen both as well as affect growth too, as plunging markets in response to the conflict would add another drag, hitting wealth and confidence, and making it harder for firms to tap funds for investment.

**Table 80: Economic growth in selected countries**

Region/country	2020	2021	2022	2023
Percentage	Actual	Estimate	Forecast	
<b>World</b>	<b>-3.1</b>	<b>5.9</b>	<b>4.4</b>	<b>3.8</b>
<b>Advanced economies</b>	<b>-4.5</b>	<b>5.0</b>	<b>3.9</b>	<b>2.6</b>
United States	-3.4	5.6	4.0	2.6
Euro area	-6.4	5.2	3.9	2.5
United Kingdom	-9.4	7.2	4.7	2.3
Japan	-4.5	1.6	3.3	1.8
<b>Emerging and developing countries</b>	<b>-2.0</b>	<b>6.5</b>	<b>4.8</b>	<b>4.7</b>
Brazil	-3.9	4.7	0.3	1.6
Russia	-2.7	4.5	2.8	2.1
India	-7.3	9.0	9.0	7.1
China	2.3	8.1	4.8	5.2
<b>Sub-Saharan Africa</b>	<b>-1.7</b>	<b>4.0</b>	<b>3.7</b>	<b>4.0</b>
Nigeria	-1.8	3.0	2.7	2.7
South Africa <sup>1</sup>	-6.4	4.8	2.1	1.6
<b>World trade volumes</b>	<b>-8.2</b>	<b>9.3</b>	<b>6.0</b>	<b>4.9</b>

1. National Treasury forecast

Source: IMF World Economic Outlook, January 2022

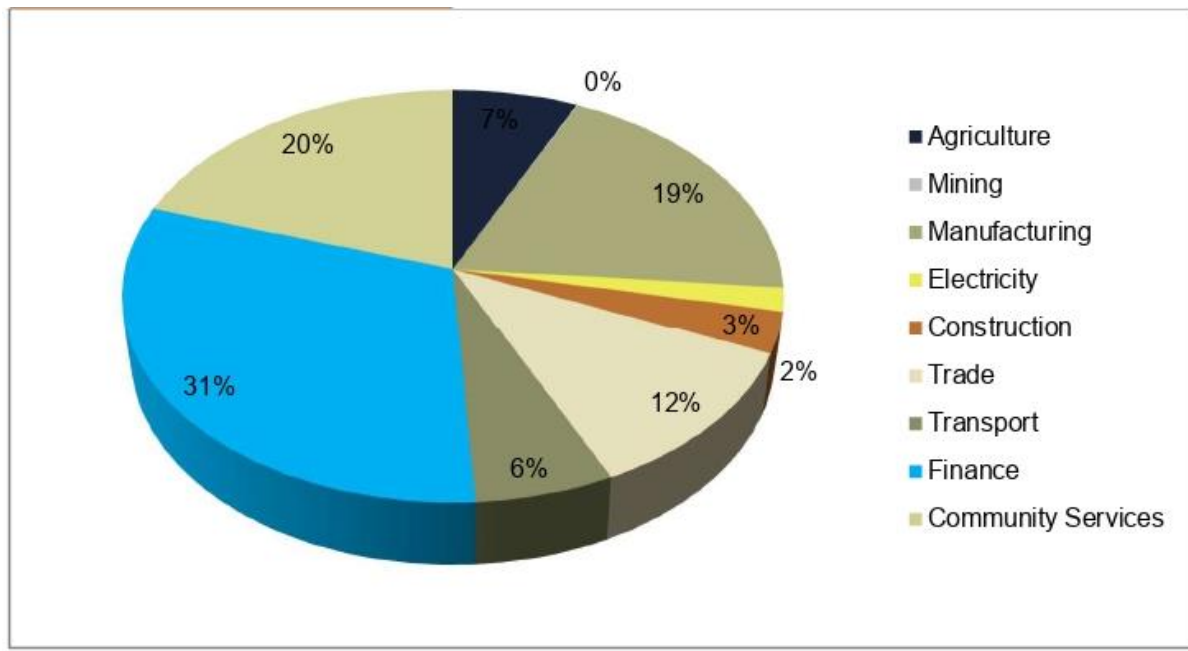
The South African economy grew by an estimated 4.8 per cent in 2021 compared with the 5.1 per cent projected in the 2021 MTBPS. The downward revision reflects a sharp third-quarter contraction driven by a new wave of COVID-19, the outbreak of public violence in July 2021, heightened global uncertainty and modest growth expectations for the fourth quarter following renewed power cuts. Nevertheless, the growth outlook for 2022 has improved slightly since the 2021 MTBPS. Real GDP growth is expected to moderate to 1.7 per cent in 2024. Although South Africa is still expected to return to pre-pandemic production levels this year, it is important to note that the economy was in recession before the outbreak of the pandemic – largely due to the impact of existing structural constraints.

However, the Financial and Fiscal Commission has now warned that the Ukraine-Russia conflict will put pressure on the South African economy and warned that it's now improbable that the economy will return to pre-pandemic levels this year. This is especially in the Western Cape, where the export of horticultural products to Russia and the Ukraine, of grapes, wine, pears, apples and other citrus, contributes approximately R3.4 billion to the Western Cape's economy annually.

## Economy

The Drakenstein's Gross Value Add (GVA) came to R20.18 billion in 2020 (constant prices). The Tress Index of 51.09 indicates a well-diversified economy that is driven by four sectors, namely - Finance (31%); Community Services (20%); Manufacturing (19%); and Trade (12%). Together, these four sectors contribute approximately 82% to economic output. The impact of COVID-19 is evident in the 6.4% GVA contraction in 2020 – this compared to the sluggish GVA growth of 0.9% p.a. since the last update (2017).

**Graph 2: Economic Sectors**



Over the last 10 years, proportional growth was experienced by mainly the Finance, Community Services and Agriculture sectors and proportional reduction in the Manufacturing Sector.

The shrinking economy along with a population growth of 1.5% p.a. (2020), resulted in a reduction of GVA per capita. This will have a negative impact on average household income and increase the pressure of households to settle their municipal bill (household ability to pay risk).

**Table 81: Proportional Contribution Of Economic Sectors**

Subsector	2011	2020
Agriculture	6.0%	7.0%
Mining	0.1%	0.1%
Manufacturing	21.6%	19.4%
Electricity	2.2%	1.9%
Construction	4.2%	3.3%
Trade	12.5%	11.5%
Transport	6.5%	6.0%
Finance	28.4%	30.9%
Community Services	18.6%	20.0%

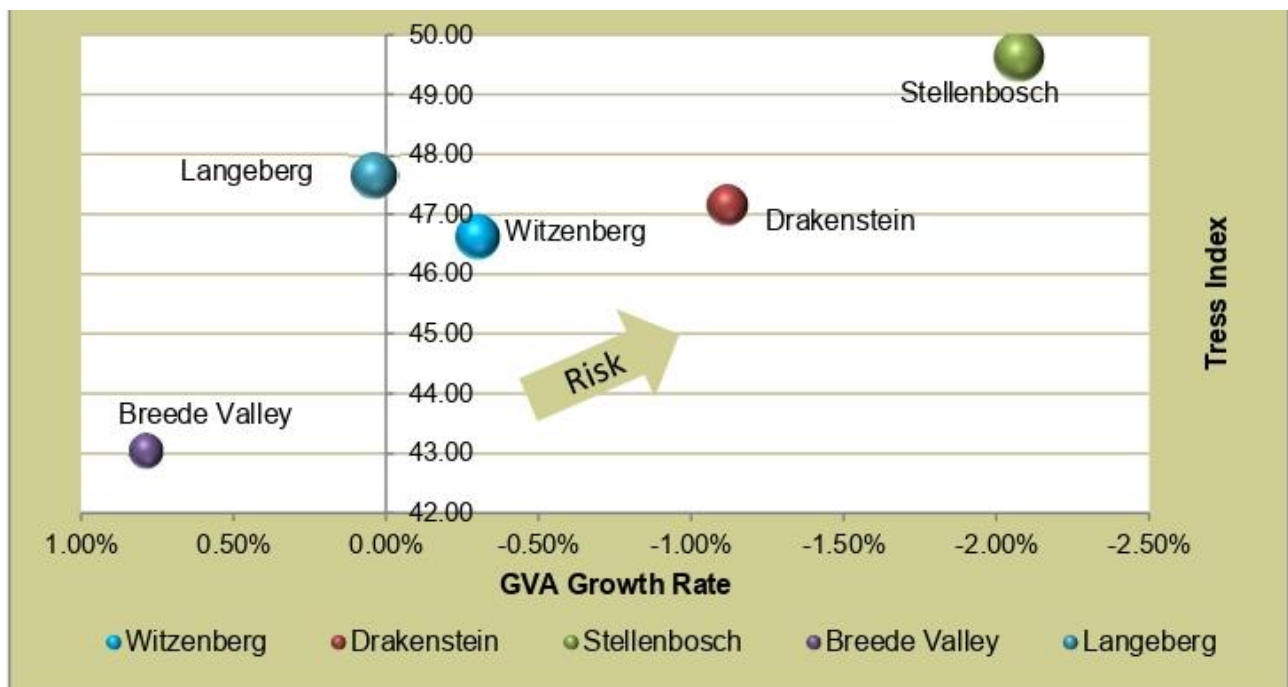
An analysis of the employment figures reveals that Trade (21.2%), Finance (20.9%) and Community Services (18.8%) remain the biggest contributors to employment. Total employment opportunities decreased by 11% from 96 482 in 2019 to 85 760 in 2020. This decrease in job opportunities is an expected result of the impact of COVID-19 lockdown which negatively impacted the economy. The decrease in employment

opportunities, compared to a decrease in economically active people confirms an increase in the official unemployment rate and more importantly an increase in the number of discouraged job seekers in 2020 because of COVID-19. This highlights the need for economic growth in the region to stimulate job opportunities. The continued economic decline poses an economic risk to Drakenstein Municipality over the longer term, and ultimately negatively affects the municipality ability to generate cash revenue from the provision of services

The Municipal Revenue Risk Indicator (“MRRI”) measures the risk of a municipality to generate its own revenues. This risk is a function of the economy (size of the economy as measured by GVA per capita, GVA growth rate and Tress Index) and the household ability to pay (measured by percentage of households with income below R 42 000 p.a., unemployment rate and human development index).

The latest iHS Global Insight update of Drakenstein Municipality’s economy reveals an average economic growth rate over the past 5 years of 0.04% p.a.; with a GVA per capita of R 49 541 in an economy that is fairly diversified as indicated by a Tress Index of 47.66. This resulted in a “Very High” Risk rating by the economic risk component of the MRRI, mainly due to the low economic growth rate over the past five years. This average has been significantly impacted by the decline in GVA experienced in 2020 resulting from COVID-19 and associated lockdowns.

**Graph 3: GVA Growth Rate**

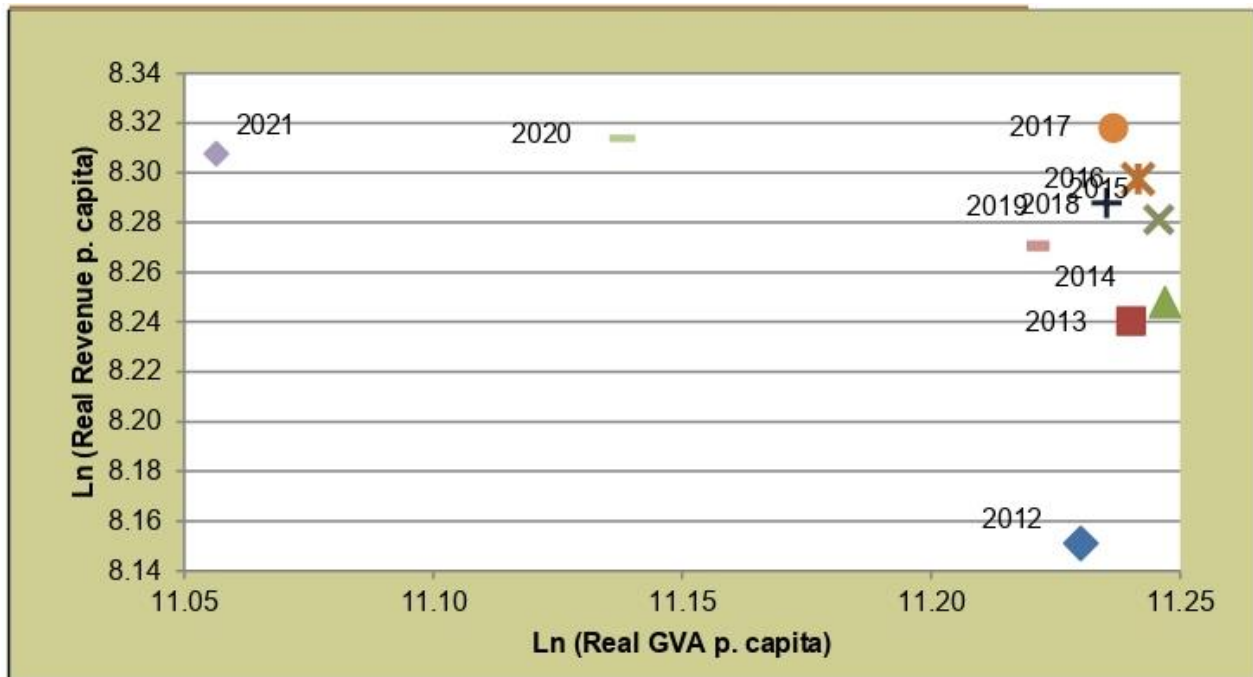


With reference to it is evident that Drakenstein experienced higher levels of economic growth in the past, which enabled the municipality to extract higher municipal revenue per capita from its customers (2012 to 2014). Since 2015, however, the GVA per capita has declined, with accelerated decline from 2019 onward, resulting in a decline in municipal revenue per capita as well. The low economic growth is not financially



sustainable over the long term and limits the municipality's ability to extract more revenue without growing its economic base.

**Graph 4: Ln (Real GVA p. capita)**



#### 4.4 FINANCIAL POLICIES

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

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

The following is a listing of all Budget-related policies:

- Budget and Management Oversight Policy.
- Virement Policy
- Asset Management Policies.
- Developer Contribution Policy
- Tariff Policy.

- Property Rates Policy.
- Credit Control and Debt Collection Policy
- Indigent Support Policy Writing-off of Irrecoverable Debt Policy
- Supply Chain Management Policy
- Assets Transfer Policy.
- Cash Management and Investment Policy.
- Borrowing Policy
- Asset Management Policy (AMP)
- Financial Asset Management Policy (FAMP)
- Long-term financial sustainability policy
- Cost Containment Policy
- Accounting Policy

#### **4.5 BUDGET ASSUMPTIONS**

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

In the table below (2022/2032 LTREF Key Budget Projection), the LTREF budget projection issues are depicted with the current financial year actual percentage increases and the assumed next ten financial year's increases.

Table 82: 2022/2032 LTREF Key Budget Projection

2022/2027 MTREF 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	2031/2032
COLUMN REFERENCE	A	B	C	D	E	F	G	H	I	J	K	L	M
1	<b>GROWTH PARAMETERS</b>												
2	Growth (GDP)	0.90%	5.10%	2.10%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
3	Headline inflation rates	2.90%	4.50%	4.80%	4.40%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
4	<b>TARIFF INCREASES</b>												
5	Property rates	7.50%	-2.00%	0.00%	4.40%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
6	Refuse removal services	7.80%	7.50%	7.50%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%
7	Sanitation services	8.30%	6.00%	6.90%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%
8	Water services	6.90%	6.00%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
9	Electricity life line consumers	6.22%	14.59%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%
10	Electricity domestic consumers	4.90%	14.59%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%
11	Electricity other consumers	6.22%	14.59%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%	7.71%
12	<b>EMPLOYEE RELATED COSTS</b>												
13	Wage bill cost-of-living increases	6.50%	3.50%	4.90%	4.40%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
14	Estimated notch increase	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%
15	<b>BULK PURCHASES</b>												
16	Bulk Purchases - Electricity	6.90%	17.80%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%
17	Bulk Purchases - Water	5.00%	5.00%	4.10%	4.10%	4.10%	4.10%	4.10%	4.10%	4.10%	4.10%	4.10%	4.10%
18	<b>GRANTS: NATIONAL DEPARTMENTS</b>												
19	Equitable share	R 164,466,000	R 171,259,000	R 194,355,000	R 211,292,000	R 229,829,000	R 229,829,000	R 229,829,000	R 229,829,000	R 229,829,000	R 229,829,000	R 229,829,000	R 229,829,000
20	Other National grants	R 81,470,000	R 83,353,000	R 77,778,000	R 61,994,000	R 64,520,000	R 64,420,000	R 64,420,000	R 64,420,000	R 64,420,000	R 64,420,000	R 64,420,000	R 64,420,000
21	<b>GRANTS: PROVINCIAL DEPARTMENTS</b>												
22	Provincial grants	R 152,106,000	R 79,200,000	R 69,705,000	R 49,477,000	R 30,470,000	R 29,544,000	R 29,544,000	R 29,544,000	R 29,544,000	R 29,544,000	R 29,544,000	R 29,544,000
23	<b>GRANTS: DISTRICT MUNICIPALITY</b>								0.00%	0.00%	0.00%	0.00%	0.00%
24	Cape Winelands District Municipality		R 5,500,000	R 650,000	R -	R -	R -	R -	R -	R -	R -	R -	R -
25	<b>GEARING</b>								0.00%	0.00%	0.00%	0.00%	0.00%
26	Gearing ratio (NT Formula)	67.2%	62.4%	54.9%	49.0%	43.3%	37.7%	32.3%	35.6%	37.7%	39.0%	40.0%	40.1%

#### 4.6 SITUATIONAL ANALYSIS: FINANCIAL HEALTH OVERVIEW

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

Current ten-year external loans of the Development Bank of Southern Africa, Standard Bank and Nedbank were restructured in December 2019 to be repaid over a period of up to 17.5 years, including redemption “holidays” until the end of 2022. During the past 2 years the cash reserves have sufficiently grown because of these redemption “holidays” that was received and will assist the liquidity position of the municipality in future. Due to the restructuring of the external loans of the Development Bank of Southern Africa, Standard Bank and Nedbank, no further external loans will be taken up to 2027/2028. The increase of the municipality’s revenue base is expected to reduce the current gearing ratio from 67.2% (2020/21 Audited) to an estimated 32.3% in the 2026/27 financial year.

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

#### 4.7 OPERATING REVENUE

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

Operating revenue will now be discussed and analysed.

##### 4.7.1 **Operating revenue by source**

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

- The last three audited financial years (green colour);
- The current financial year (yellow colour);
- The 2022/23 financial year (pink colour);
- The last four outgoing financial years of the MTREF (no colour) (2023/24 to 2026/27); and
- The last five outgoing years of the LTREF (blue colour) (2027/28 to 2031/32).

##### 4.7.2 **Analysis Of Projected Operating Revenue**

In the table below, on the anticipated operating revenue for 2022/23 is estimated at R2.915 billion or R175.2 million (6.3%) more than the 2021/22 approved adjustments budget revenue of R2.740 billion.

The graph below depicts that Drakenstein's main operating revenue source is their service charges (electricity, water, refuse removal and sanitation charges) of R1.966 billion that represents 67.4% of operating revenue for the 2022/23 financial year. This source of revenue is projecting revenue of R2.638 billion by year five and R3.803 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 51.1% or R1.492 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.

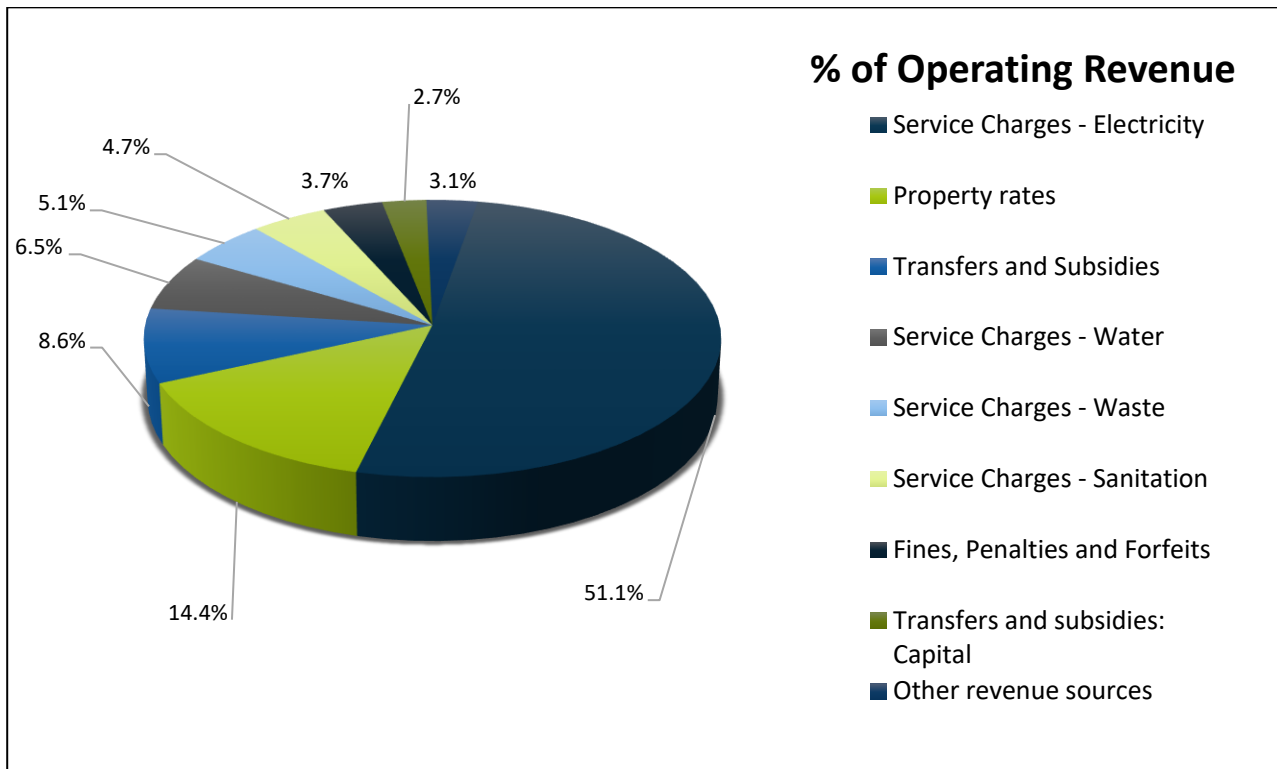
Water represents 6.5% or R188.8 million of operating revenue followed by refuse removal revenue (5.1%) and sanitation revenue (4.7%).

The second highest operating revenue source is property rates with an amount of R421.7 million that represents 14.4% of operating revenue. This revenue source increases to R502.4 million by year five and R626.1 million by year ten.

Operating government grants of R252.4 million are the third highest operating revenue source and represents 8.6% of operating revenue. The bulk of this grant is the municipality's equitable share from the national fiscus and for the building of houses for the poorest of the poor. The housing grant will fluctuate from year to year depending on the housing programme funds made available through the National and Provincial Housing Programme.

Table 83: Operating Revenue per Category

2022/2032 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY																
Serial Number	Description	2018/2019 Audited Actual R'000	2019/2020 Audited Actual R'000	2020/2021 Audited Actual R'000	2021/2022 Original Budget R'000	2021/2022 Revised Operating Budget R'000	2022/2023 Original 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	2031/2032 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	271,147	311,892	343,711	403,841	415,979	421,689	440,243	460,054	480,757	502,391	524,998	548,623	573,311	599,110	626,070
2	Service Charges - Electricity	1,019,090	1,172,378	1,222,752	1,411,764	1,371,523	1,491,502	1,609,496	1,733,589	1,867,248	2,011,213	2,166,278	2,333,298	2,513,195	2,706,962	2,915,669
3	Service Charges - Water	167,820	163,949	152,068	167,485	173,984	188,808	201,836	215,763	230,650	246,565	263,578	281,765	301,207	321,990	344,208
4	Service Charges - Sanitation	95,321	116,384	123,949	124,877	127,989	137,099	146,559	156,672	167,482	179,038	191,392	204,598	218,715	233,807	249,939
5	Service Charges - Waste	101,139	124,773	128,407	136,379	138,806	149,217	160,856	173,403	186,928	201,508	217,226	234,170	252,435	272,125	293,351
6	Rental from Fixed Assets	9,509	15,983	5,181	5,213	4,927	5,080	5,240	5,407	5,581	5,848	6,127	6,420	6,727	7,049	7,386
7	Interest earned - external investments	0	6,153	5,223	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
8	Interest earned - outstanding debtors	25,138	7,274	8,145	8,214	8,183	8,598	9,148	9,738	10,367	11,038	11,752	12,512	13,322	14,184	15,102
9	Fines, Penalties and Forfeits	75,253	82,126	128,603	80,625	80,625	107,354	107,354	107,354	107,354	107,354	107,354	107,354	107,354	107,354	107,354
10	Licences or Permits	3,463	5,695	2,622	3,214	3,495	3,274	3,274	3,274	3,274	3,274	3,274	3,274	3,274	3,274	3,274
11	Agency Services	0	0	17,488	14,123	17,623	18,469	19,282	20,150	21,056	22,004	22,994	24,029	25,110	26,240	27,421
12	Transfers and Subsidies	211,613	193,366	233,236	200,861	211,466	252,396	259,189	259,608	258,682	258,682	258,682	258,682	258,682	258,682	258,682
13	Other Revenue	39,531	31,575	23,601	23,630	37,609	32,840	35,725	33,095	34,097	35,146	36,227	37,342	38,491	39,675	40,896
14	Gains	15,376	(809)	6,581	22,572	22,572	14,238	0	0	0	0	0	0	0	0	0
15	Transfers and subsidies: Capital	150,160	180,714	175,958	96,383	119,832	79,249	53,845	54,670	54,670	54,670	54,670	54,670	54,670	54,670	54,670
16	Total Operating Revenue	2,184,560	2,411,453	2,577,528	2,705,180	2,740,613	2,915,815	3,058,048	3,238,774	3,434,145	3,644,730	3,870,552	4,112,737	4,372,493	4,651,122	4,950,021

**Graph 5: Operating Revenue Distribution for the 2022/23 Financial Year**

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

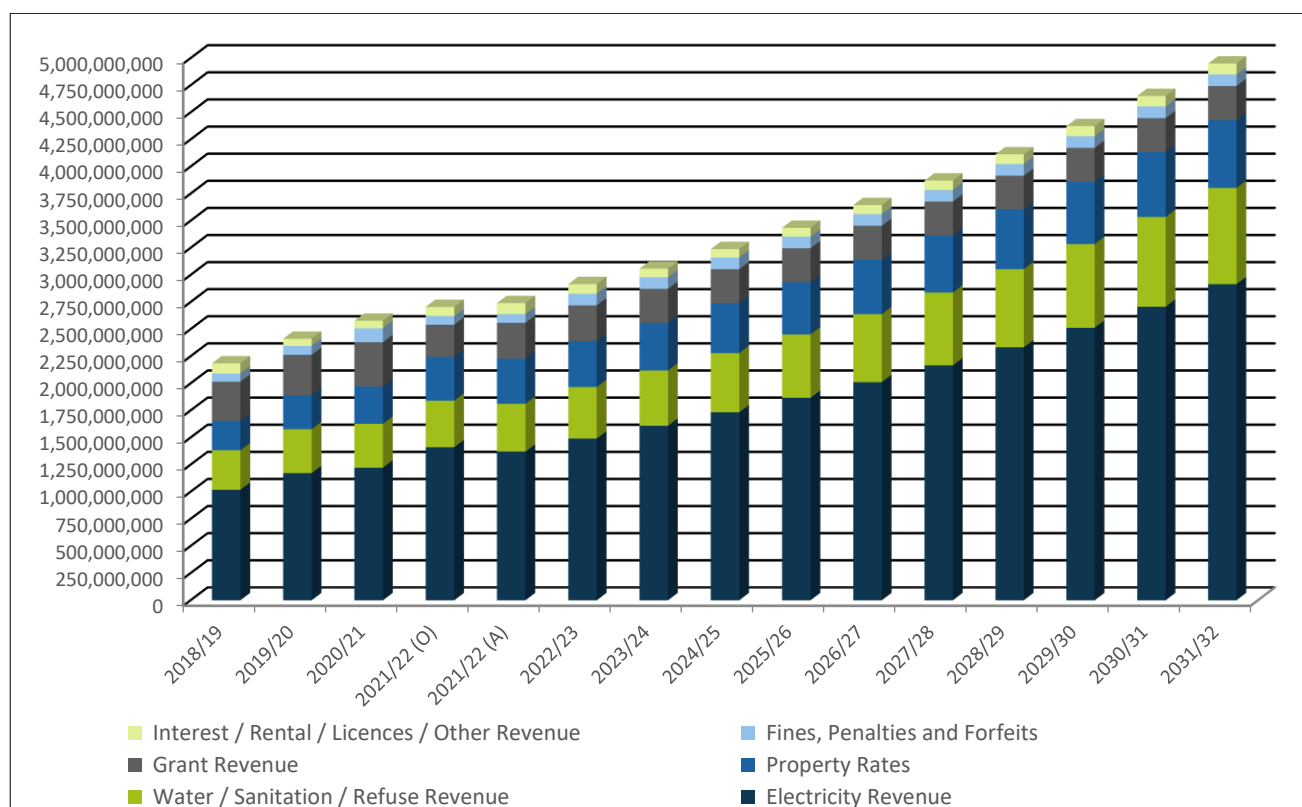
Trends over the years suggest that electricity revenue represented 46.6% of operating revenue in 2018/19 compared with the 50.2% of the 2021/22 adjustments budget, the 51.2% for 2022/23, the estimated 55.2% in 2026/27 and 58.9% in 2031/32. Electricity revenue remains the main revenue source for the Municipality.

Water, sanitation and refuse removal revenue represented 16.7% of operating revenue in 2018/19 compared with the 16.1% of the 2021/22 adjustments budget, the 16.3% for 2022/23, the estimated 17.2% in 2026/27 and 17.9% in 2031/32.

Property rates revenue represented 12.4% of operating revenue in 2018/19 compared with the 15.2% of the 2021/22 adjustments budget, the 14.5% for 2022/23, the estimated 13.8% in 2026/27 and 12.6% in 2031/32.

Grant revenue represented 16.6% of operating revenue in 2018/19 compared with the 11.9% of the 2021/22 adjustments budget, the 11.4% in 2022/23 the estimated 8.6% in 2026/27 and 6.3% in 2031/32.

**Graph 6: Operating Revenue in Main Revenue Clusters**



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

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

#### 4.7.3 Revenue adequacy and certainty

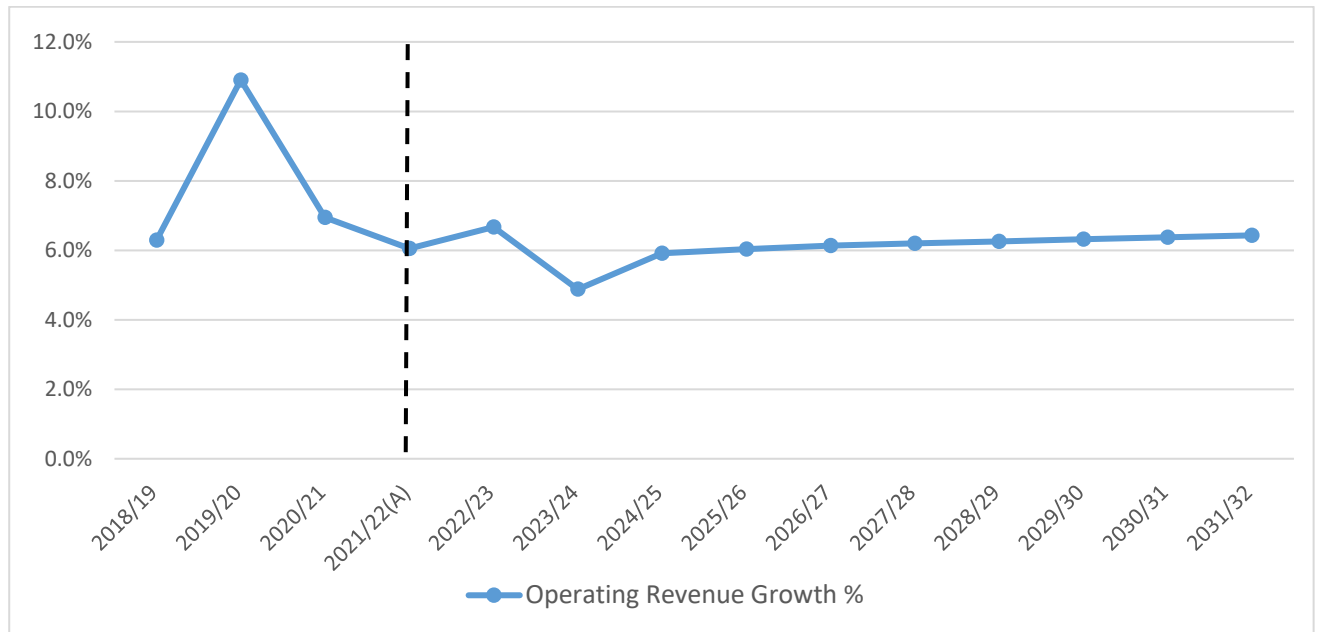
It is essential that Drakenstein has access to adequate sources of revenue from its own operations and intergovernmental transfers to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to the source, amount and timing of revenue. The latest DoRA has laid out the level of funding from National Government that will be received for the 2022/23 to 2024/25 financial years, and from initial indicators, the equitable share for Drakenstein will on average increase with 8.7% per year over the MTREF.

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

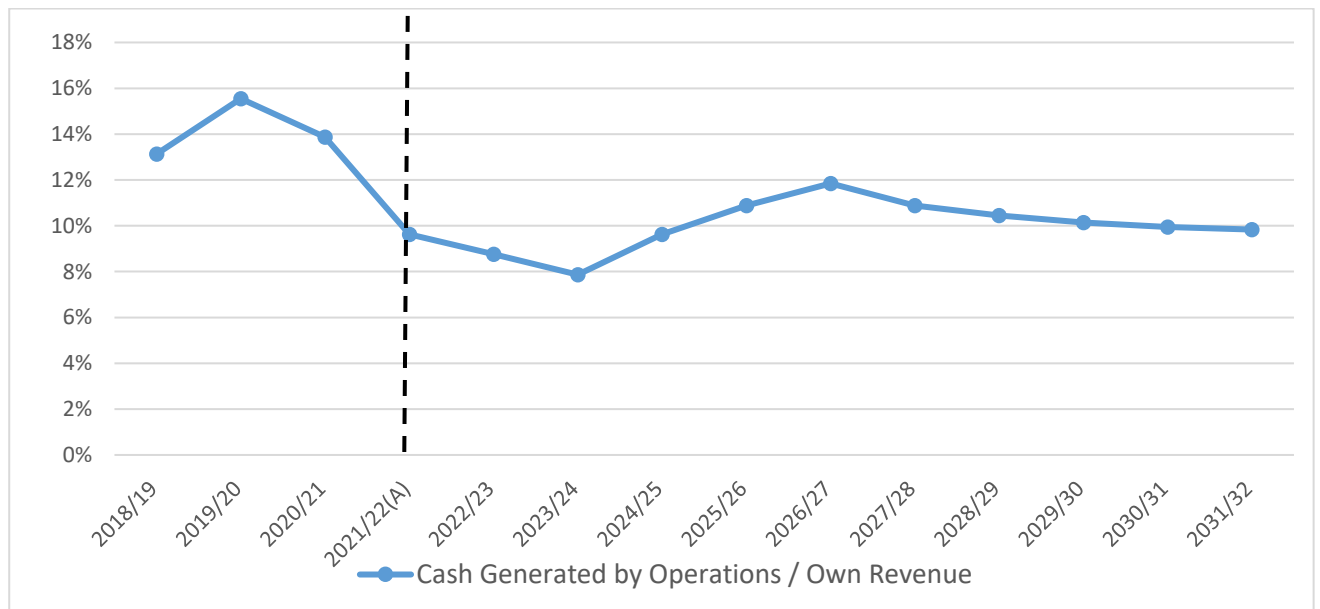


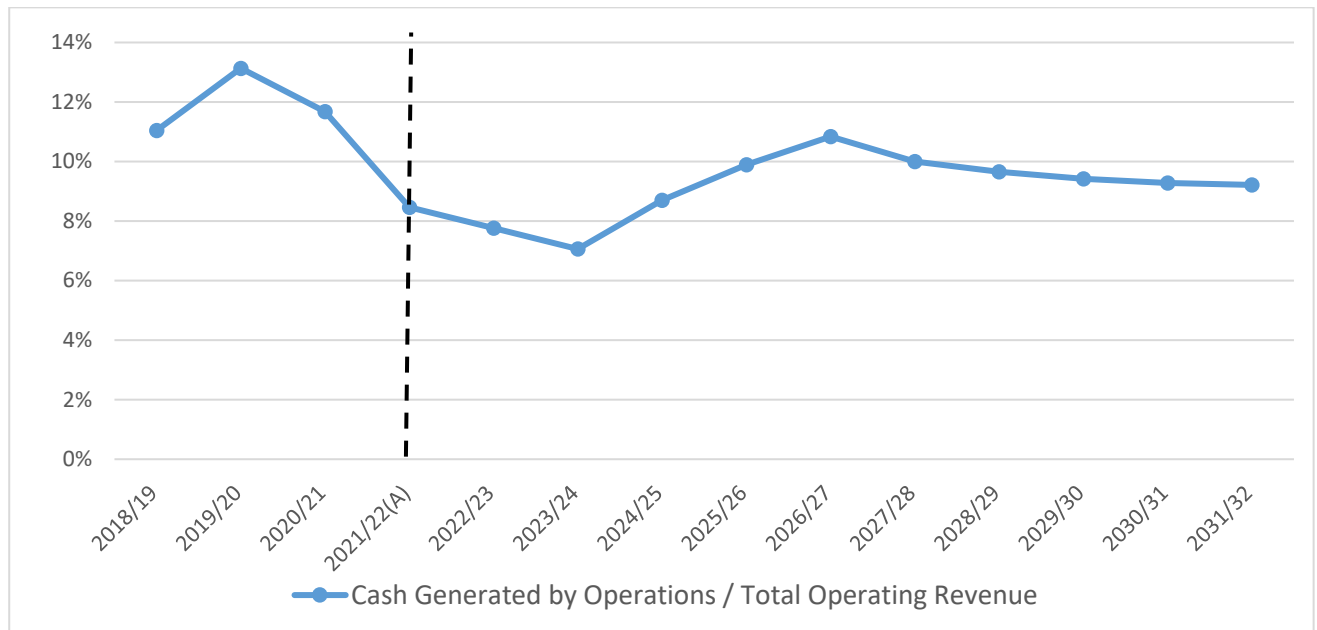
accurately, its ability to secure loans relative to its income and its borrowing capacity. From the Graph below it is estimated that revenue will grow between 4.9% and 6.7% over the LTREF

**Graph 7: Operating Revenue Growth %**



**Graph 8: Cash Generated by Operations/Own Revenue**



**Graph 9: Cash Generated by Operations/Total Operating Revenue**

## 4.8 OPERATING EXPENDITURE

Operating expenditure budgeting is done on a zero-base budget approach where possible. This was done since the adjustments budget was approved by Council in February 2014 and the 2014/15 operating budget approved by Council in May 2014. For the 2022/23 budget further emphasis was placed on preparing a zero-based budget. Other best practice methodologies relating to operating expenditure include infrastructure repairs and maintenance as a priority; budgeted expenditure to be funded by realistically anticipated cash backed revenues; and, operational gains and efficiencies to result in operating surpluses to fund capital expenditure from own cash backed funds. The latter is a great challenge.

### 4.8.1 Operating expenditure by category

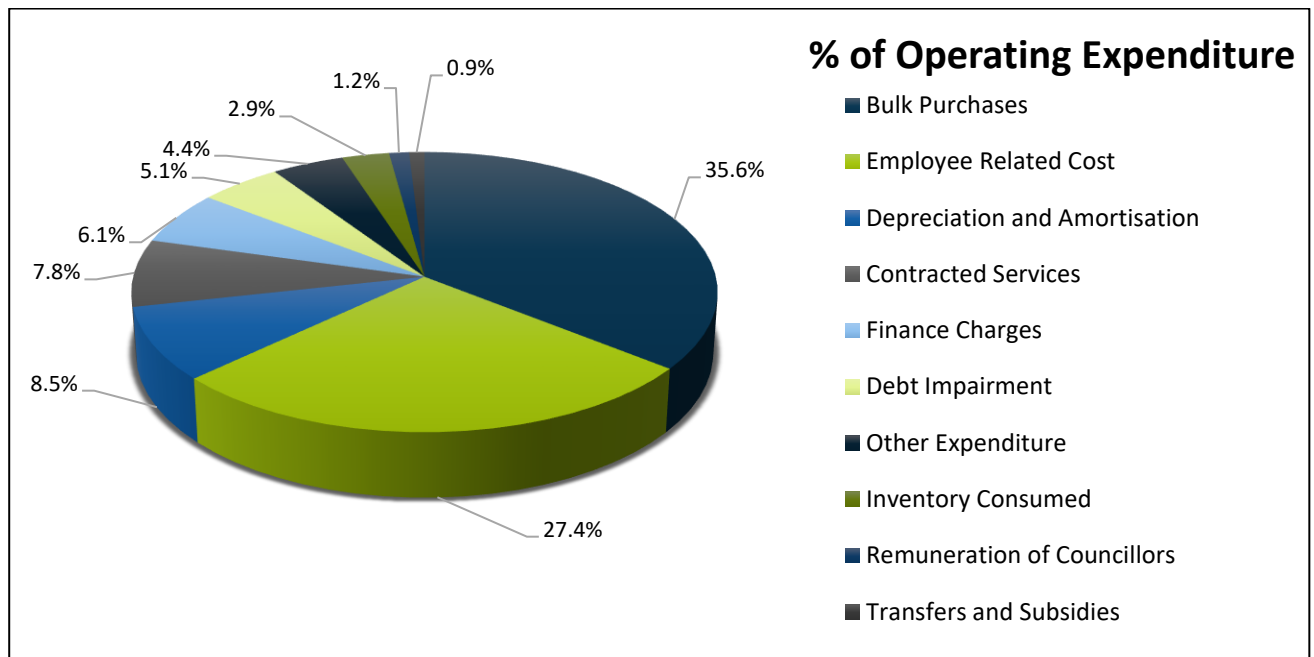
The table below depicts the main category of operating expenditure as follows:

- The last three audited financial years (green colour);
- The current financial year (yellow colour);
- The 2022/23 financial year (pink colour);
- The last four outgoing financial years of the MTREF (no colour) (2023/24 to 2026/27); and
- The last five outgoing years of the LTREF (blue colour) (2027/28 to 2031/32).

### 4.8.2 Analysis of Operating Expenditure

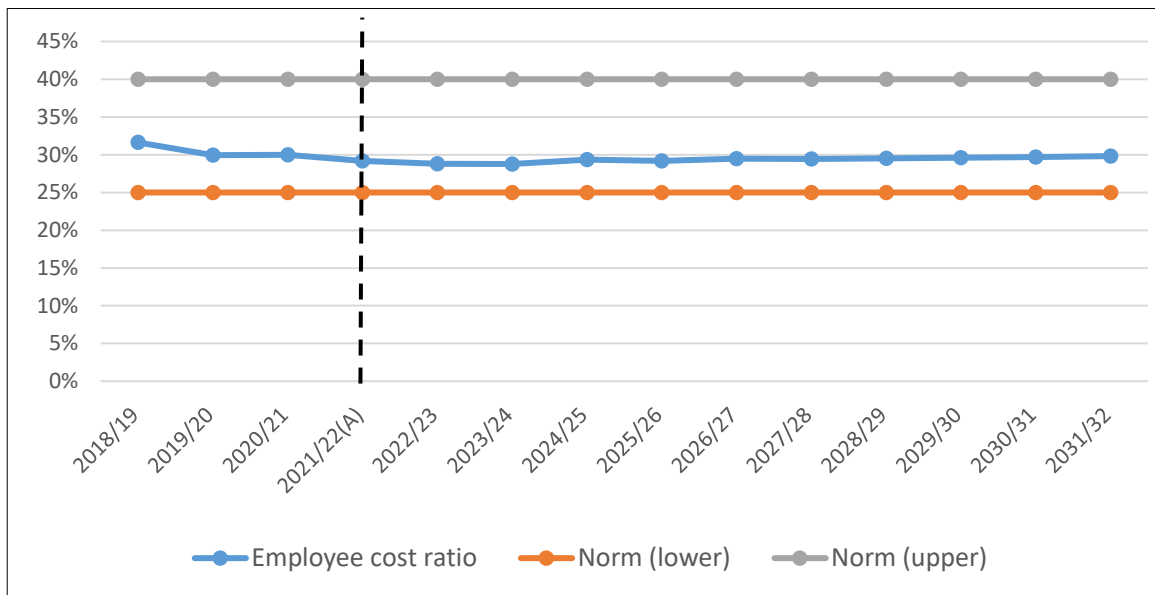
The total operating expenditure forecasted for the 2022/23 financial year (table below) reflects an increase of 7.6% to an amount of R2.878 billion compared with the projected operating expenditure of R2.675 billion for the 2021/22 adjustment budget. Operating expenditure forecasts an increase of 7.6%, 5.9%, 3.8% and 6.0% to R3.537 billion in year five and R4.814 billion by year ten.

**Graph 10: Operating Expenditure Distribution for the 2022/23 Financial Year**



Drakenstein's main operating expenditure category is their bulk electricity purchases of R1.030 billion that represents 35.6% (graph below) of total **operating expenditure for the 2022/23** financial year. This expenditure category is projecting an expenditure of R1.435 billion by year five and R2.070 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 R793.6 million that represents 27.4% of total operating expenditure. This expenditure category increases to R1.001 billion by year five and R1.382 billion by year ten. MFMA Circular No 71 of 17 January 2015 determines that the ratio of employee cost as a percentage (%) of operating expenditure of between 25% and 40% are deemed acceptable – depending on the kind and size of municipality. Over the LTREF it remains below the 30% mark.

**Graph 11: Contribution per Expenditure Item: Employee cost & Council remuneration**

Depreciation on capital assets is the third highest operating expenditure category with an amount R246.1 million that represents 8.5% of total operating expenditure. This expenditure category increase to R261.4 million by year five and R289.5 million by year ten.

Contracted services are the fourth highest operating expenditure category with an amount of R209.7 million that represents 7.8% of total operating expenditure. This expenditure category increase to R248.9 million by year five and R274.5 million by year ten. Over the LTREF it fluctuates above the norm of 5% of total operating expenditure.

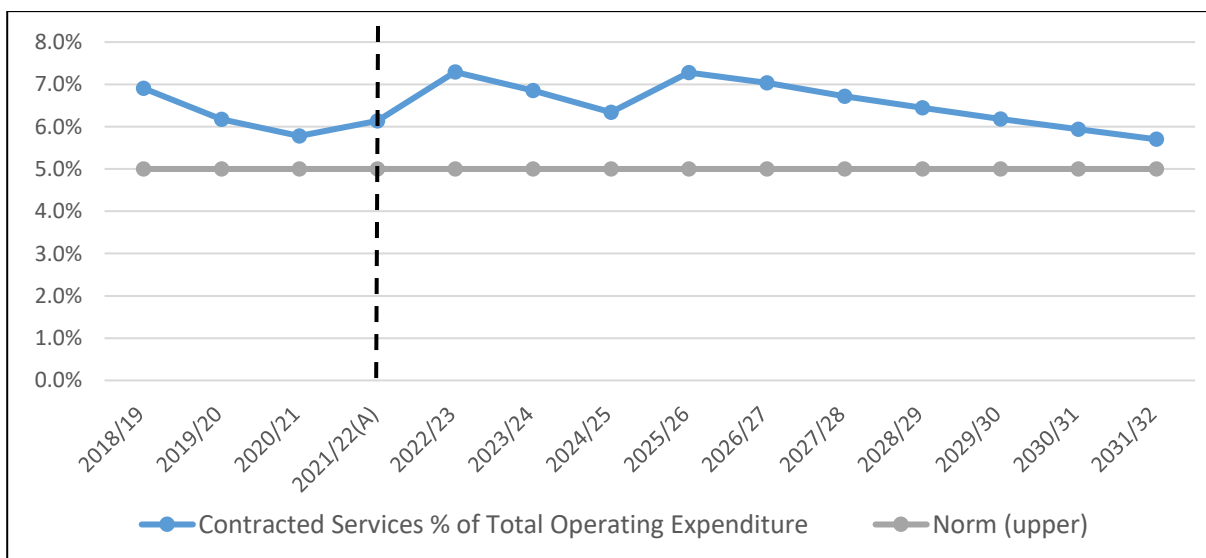
**Graph 12: Contribution per expenditure item: Contracted Services**

Table 84: Operating Expenditure by Category

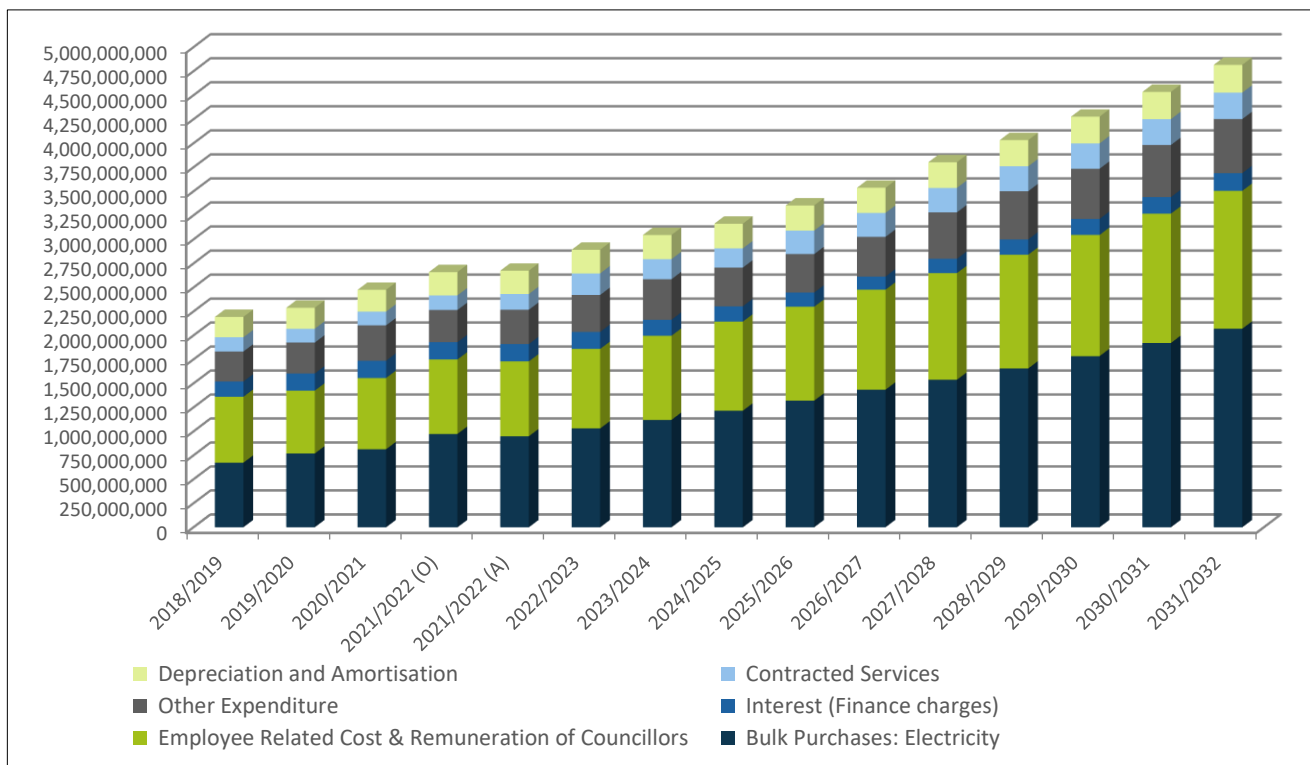
2022/2032 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY																
Serial Number	Description	2018/2019 Audited Actual R'000	2019/2020 Audited Actual R'000	2020/2021 Audited Actual R'000	2021/2022 Original Budget R'000	2021/2022 Revised Operating Budget R'000	2022/2023 Original 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	2031/2032 Indicative Operating Budget R'000
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Employee Related Cost	657,224	624,182	711,273	743,377	746,600	793,646	839,786	890,417	938,646	1,001,203	1,067,929	1,139,102	1,215,019	1,295,995	1,382,368
2	Remuneration of Councillors	29,945	31,027	31,101	33,640	33,640	35,255	36,806	38,463	40,193	42,002	43,892	45,867	47,931	50,088	52,342
3	Debt Impairment	105,608	153,488	175,487	125,514	125,514	146,752	150,684	154,875	159,341	164,101	226,505	236,107	246,408	257,460	269,320
4	Depreciation and Amortisation	212,294	218,955	227,235	242,691	242,691	246,074	251,074	256,096	261,381	261,381	266,776	272,281	277,901	283,636	289,490
5	Finance Charges	158,386	178,731	179,831	180,316	180,316	176,521	167,161	158,991	147,644	135,921	122,741	141,323	157,465	170,944	182,880
6	Bulk Purchases	673,708	769,607	814,164	972,890	949,244	1,030,974	1,119,741	1,216,151	1,320,861	1,434,588	1,538,057	1,656,641	1,784,368	1,921,943	2,070,125
7	Inventory Consumed	62,004	65,713	67,291	61,465	80,991	83,635	87,623	99,511	98,605	102,971	107,530	112,292	117,263	122,456	127,878
8	Contracted Services	148,047	143,553	143,150	152,526	164,020	209,869	208,854	200,586	244,061	248,891	253,817	258,841	263,964	269,188	274,516
9	Transfers and Subsidies	22,541	16,657	8,534	18,118	16,540	27,160	47,160	7,160	7,160	7,160	7,160	7,160	7,160	7,160	7,160
10	Other Expenditure	112,438	87,114	109,233	128,031	132,991	128,117	137,562	141,245	135,611	139,134	142,750	146,459	150,265	154,170	158,176
11	Losses	11,428	(299)	8,900	2,000	2,000	0	0	0	0	0	0	0	0	0	0
12	Total Operating Expenditure	2,193,623	2,288,728	2,476,201	2,660,568	2,674,548	2,878,003	3,046,450	3,163,494	3,353,505	3,537,353	3,777,159	4,016,074	4,267,744	4,533,040	4,814,254

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

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

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

**Graph 13: Operating Expenditure per Category**



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

#### 4.9 OPERATING BUDGET RESULTS

In the table below, the operating budget forecasted for the 2022/23 financial year reflects an operating of R37.8 million. This position should change into a more balanced budget and an operating surplus in 2026/27 to the amount of R107.4 million, by year ten (2031/32) this will increase to R135.8 million.

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

**Table 85: Operating Surplus**

2022/2032 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY																
Serial Number	Description	2018/2019 Audited Actual R'000	2019/2020 Audited Actual R'000	2020/2021 Audited Actual R'000	2021/2022 Original Budget R'000	2021/2022 Revised Operating Budget R'000	2022/2023 Original 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	2031/2032 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 Revenue	2,184,560	2,411,453	2,577,528	2,705,180	2,740,613	2,915,815	3,058,048	3,238,774	3,434,145	3,644,730	3,870,552	4,112,737	4,372,493	4,651,122	4,950,021
2	Total Operating Expenditure	2,193,623	2,288,728	2,476,201	2,660,568	2,674,548	2,878,003	3,046,450	3,163,494	3,353,505	3,537,353	3,777,159	4,016,074	4,267,744	4,533,040	4,814,254
3	Operating Surplus/(Deficit)	(9,063)	122,725	101,327	44,612	66,065	37,812	11,598	75,280	80,640	107,377	93,393	96,662	104,749	118,082	135,768

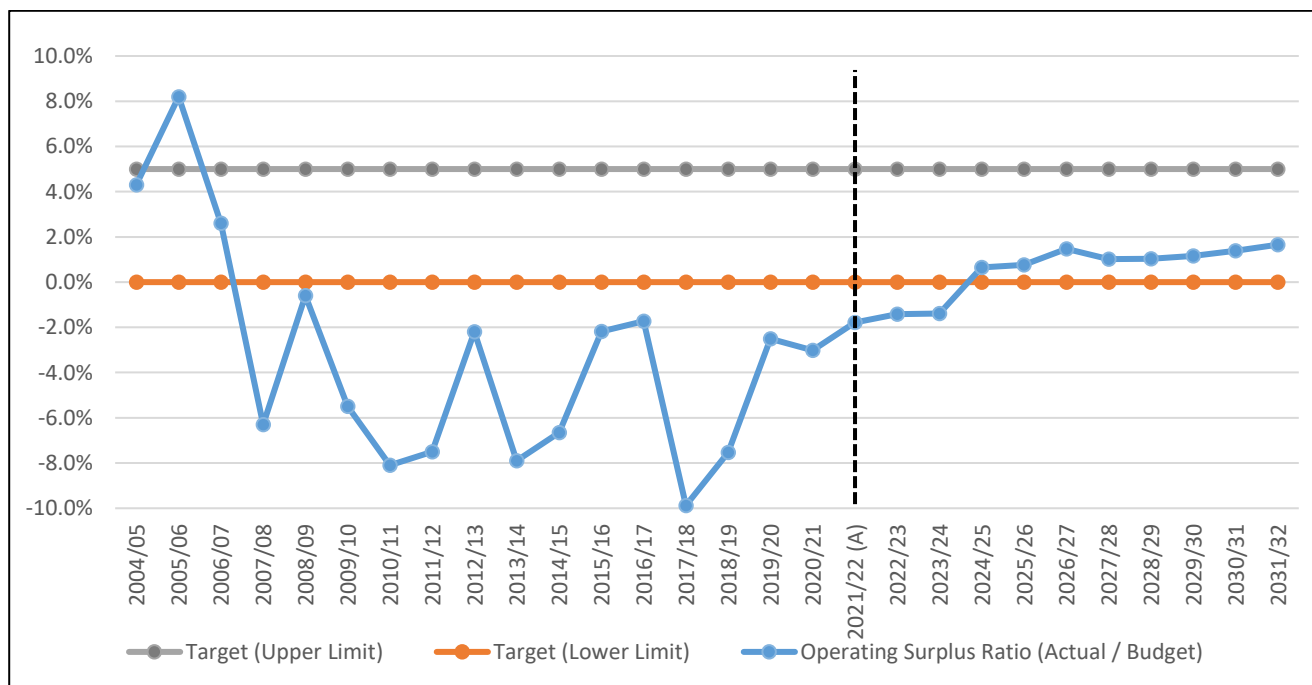
The information below has been populated in the graph below to present a picture of Drakenstein's **Operating Surplus Ratio** developed in terms of the **Long-Term Financial Sustainability Policy**. It is clear from the dark blue line that Drakenstein Municipality's operating results until the 2010/11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

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

The 2022/32 LTREF clearly shows that Drakenstein has absorbed these temporary setbacks of the past few years and the operating surplus ratio projects further positive movements towards long-term financial sustainability. The below graph shows an improvement in the operating surplus ratio for the 2022/23 financial year compared with the 2021/22 operating surplus ratio.

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

**Graph 14: Operating Surplus Ratio**



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



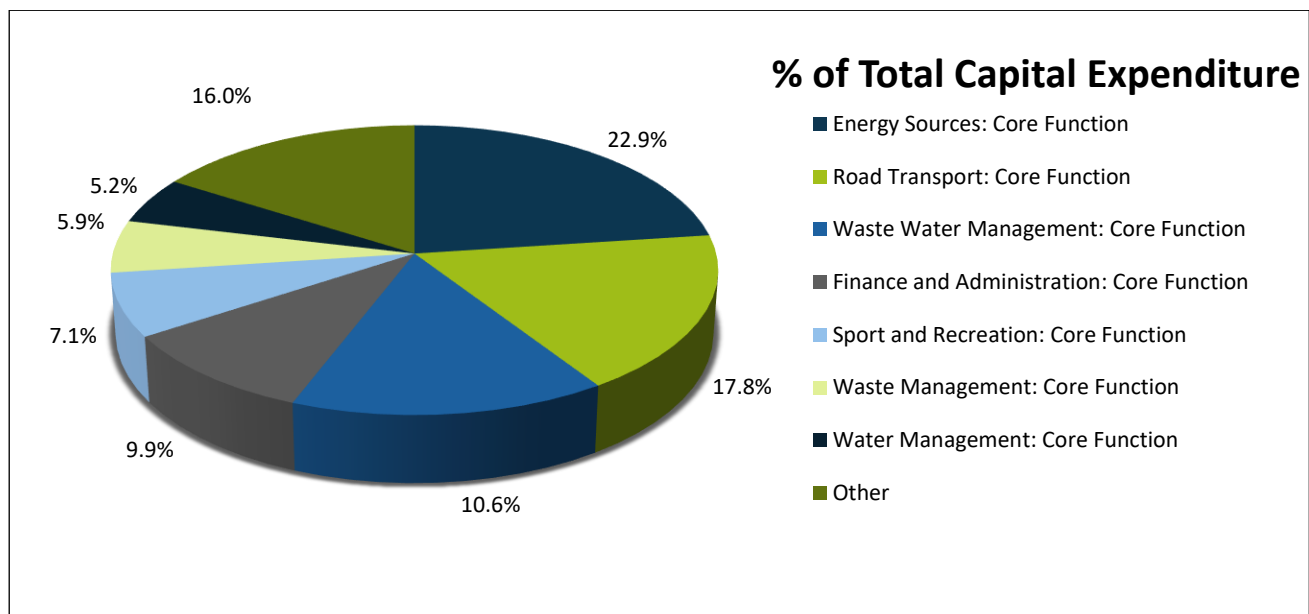
## 4.10 CAPITAL EXPENDITURE

### 4.10.1 Capital expenditure by standard classification

The table below (*Capital Expenditure Distribution per Standard Classification for the 2022/23 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.

**Graph 15: Capital Expenditure Distribution per Standard Classification for the 2022/23 Financial Year**



The amounts in the table hereafter and the percentages in the Graph (*Capital Expenditure Distribution per Standard Classification for the 2022/23 Financial Year*) above reflect the standard classification and its sub-category allocations as a percentage of the total capital budget. Due to the developmental nature of a capital budget it only makes sense to look at what percentage of the available scarce financial resources are spent in what standard classification of capital expenditure. The focus must be on the investment in infrastructure that will improve the quality of life of Drakenstein's customer base and that will raise future economic benefits for the Municipality.

#### 4.10.2 Analysis of the MTREF Capital Expenditure

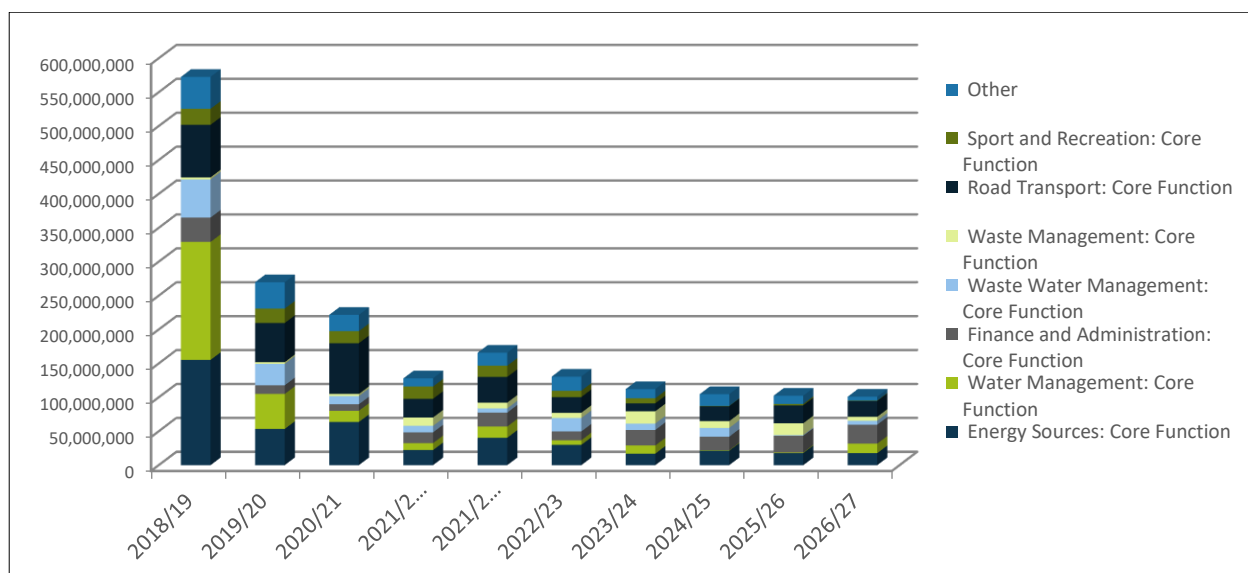
Total capital expenditure forecasted for the 2022/23 financial year amounts to R130.6 million compared with the projected capital expenditure of R165.9 million for the 2021/22 financial year (revised budget). Capital expenditure forecasts for the outer financial years amounts to R112.2 million (2023/24), R104.7 million (2024/25), R102.4 million (2025/26) and R101.0 million in year five (2026/27).

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 2027/28, 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 2022/23 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 2022/23 Financial Year**), are as follows: Electricity receives 22.9% of the capital budget, roads 17.8%, water 6.8% and waste water 10.6%, sport and recreation 7.1%, finance and administration 9.9%, waste 5.9% and other 16.0% (housing, community and social services, public safety and etcetera),

Capital expenditure trends over the years shown in the table below (**MTREF Capital Expenditure by Standard Classification (GFS)**) are depicted in the graph (**Capital Expenditure per Standard Classification**) below. It is clear from this graph that the majority of capital expenditure is invested in those categories previously known as trading services (water, electricity, 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 16: Capital Expenditure per Standard Classification**



The graph below indicates the ratio for capital expenditure to operating expenditure. The National Treasury has a norm of between 10%-20%, but due to the moratorium on the taking up of new external loans, this ratio norm cannot be reached. Even in years six (2027/28) to ten (2031/32) of the LTREF, when external loans can once again be taken up, the bottom norm of 10% will barely be reached.

**Graph 17: Capital Expenditure/Total Expenditure**

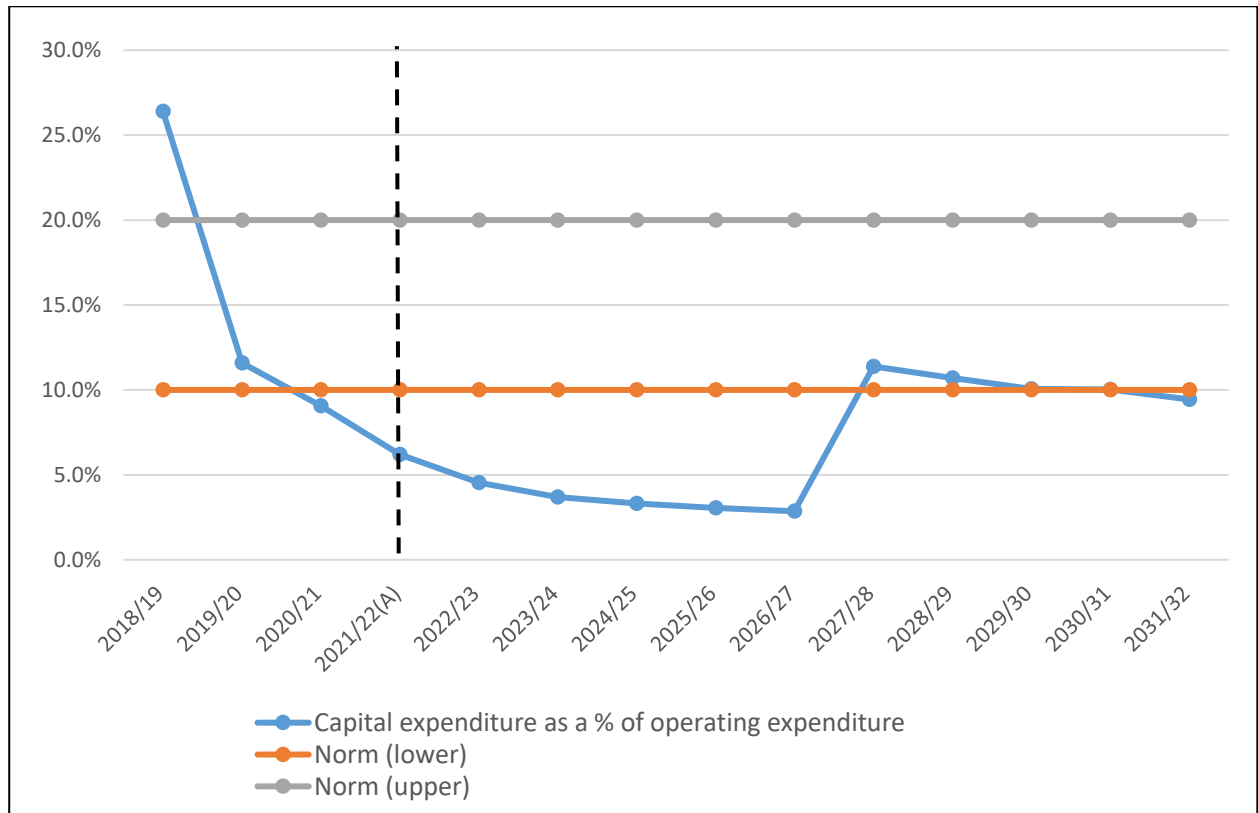


Table 86: MTREF Capital Expenditure by Standard Classification (GFS)

2022/2023 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER GOVERNMENT FINANCIAL STATISTICS											
Serial Number	Description	Audited Expenditure 2018/2019	Audited Expenditure 2019/2020	Audited Expenditure 2020/2021	Original Budget 2021/2022	Revised Capital Budget 2020/2021	2022/2023 Original Capital Budget	2023/2024 Indicative Capital Budget	2024/2025 Indicative Capital Budget	Draft 2025/2026 Indicative Capital Budget	Draft 2026/2027 Indicative Capital Budget
Column Reference	A	B	C	D	E	F	G	I	J	K	L
1	Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	1,609,565	1,618,168	782,344	-	1,046,463	-	-	-	-	-
2	Community and Social Services: Core Function - Community Halls and Facilities	2,545,661	122,797	-	160,000	11,737	600,000	-	-	-	-
3	Community and Social Services: Non-core Function - Agricultural	219,682	-	-	-	-	-	-	-	-	-
4	Community and Social Services: Non-core Function - Cultural Matters	347,302	459,508	-	170,000	563,042	700,000	-	-	-	-
5	Community and Social Services: Non-core Function - Libraries and Archives	61,540	160,808	-	-	-	-	-	-	-	-
6	Energy Sources: Core Function - Electricity	155,203,667	53,542,646	63,721,887	22,382,577	40,447,546	29,945,652	17,021,739	21,280,089	17,763,478	17,763,478
7	Executive and Council: Core Function - Mayor and Council	73,122	2,607	-	-	88,000	-	-	-	-	-
8	Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	142,860	97,205	295,745	-	837,336	1,740,000	700,000	700,000	700,000	700,000
9	Finance and Administration: Core Function - Administrative and Corporate Support	7,313,136	3,809,203	3,573,079	8,911,500	12,697,890	2,293,602	603,000	670,000	1,250,000	-
10	Finance and Administration: Core Function - Budget and Treasury Office	1,020	-	-	-	-	-	-	-	-	-
11	Finance and Administration: Core Function - Finance	402,452	853,478	-	250,000	129,314	-	-	-	-	-
12	Finance and Administration: Core Function - Fleet Management	13,215,034	167,165	517,629	4,090,000	3,452,522	5,534,376	17,316,611	14,233,389	18,595,000	23,095,000
13	Finance and Administration: Core Function - Human Resources	1,961,956	-	-	-	68,000	-	-	-	-	-
14	Finance and Administration: Core Function - Information Technology	5,691,407	6,208,077	4,501,125	2,530,000	2,803,099	4,100,000	4,200,000	4,200,000	4,200,000	4,200,000
15	Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media Co-ordination	24,773	206,280	17,130	196,000	316,000	47,000	90,000	90,000	7,300	60,000
16	Finance and Administration: Core Function - Property Services	6,471,754	577,548	496,330	-	579,980	470,000	720,000	705,000	525,000	550,000
17	Finance and Administration: Core Function - Supply Chain Management	871,820	912,081	511,949	-	486,102	480,000	-	-	-	-
18	Finance and Administration: Non-core Function - Risk Management	-	30,000	1,416	-	-	43,000	-	-	32,700	10,000
19	Housing: Non-core Function - Housing	38,737,059	33,732,642	22,433,061	10,800,000	15,266,989	17,700,000	9,391,536	14,510,000	10,006,087	5,000,000
20	Internal Audit: Core Function - Governance Function	59,506	-	-	-	7,000	-	-	-	50,000	20,000

2022/2023 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER GOVERNMENT FINANCIAL STATISTICS											
Serial Number	Description	Audited Expenditure 2018/2019	Audited Expenditure 2019/2020	Audited Expenditure 2020/2021	Original Budget 2021/2022	Revised Capital Budget 2020/2021	2022/2023 Original Capital Budget	2023/2024 Indicative Capital Budget	2024/2025 Indicative Capital Budget	Draft 2025/2026 Indicative Capital Budget	Draft 2026/2027 Indicative Capital Budget
Column Reference	A	B	C	D	E	F	G	I	J	K	L
21	Other: Core Function - Tourism	-	210,000	-	-	-	-	360,000	-	-	-
22	Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)			-	-	14,000	10,000	10,000	10,000	10,000	10,000
23	Planning and Development: Core Function - Economic Development/Planning	165,848	151,747	-	5,000	9,799	60,000	-	-	-	-
24	Planning and Development: Core Function - Project Management Unit	-	130,995	154,305	-	-	-	-	-	-	-
25	Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement, and City Engineer	-	-	-	-	-	-	-	-	-	-
26	Public Safety: Core Function - Fire Fighting and Protection	2,988,448	2,183,527	266,317	895,000	1,295,000	150,000	3,050,000	2,010,000	1,470,000	-
27	Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	441,491	605,211	1,267,652	2,110,000	1,758,650	4,530,000	1,350,000	-	-	-
28	Road Transport: Core Function - Roads	77,076,695	57,165,823	73,601,417	25,481,404	36,154,501	18,711,490	10,400,389	22,000,000	26,380,000	23,406,087
29	Sport and Recreation: Core Function - Community Parks (including Nurseries)	753,904	865,220	987,127	-	150,000	-	-	-	-	-
30	Sport and Recreation: Core Function - Recreational Facilities	2,195,451	4,082,520	8,475,658	3,934,783	3,596,152	5,300,000	3,300,000	300,000	1,300,000	300,000
31	Sport and Recreation: Core Function - Sports Grounds and Stadiums	20,667,858	16,219,397	8,323,708	14,191,305	12,801,106	3,950,000	4,200,000	200,000	700,000	200,000
32	Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)			-	4,000,000	375,000	-	-	-	-	-
33	Waste Management: Core Function - Solid Waste Removal	2,896,791	2,539,340	3,112,861	8,100,000	7,892,964	1,150,000	1,685,000	7,780,000	15,290,000	5,640,000
34	Waste Management: Core Function - Street Cleaning	190,000	-	-	200,000	200,000	6,500,000	16,400,000	2,150,000	2,150,000	150,000
35	Waste Water Management: Core Function - Public Toilets	-	-	-	-	-	-	-	-	-	-
36	Waste Water Management: Core Function - Sewerage	-	2,320	-	-	-	-	-	-	-	-
37	Waste Water Management: Core Function - Waste Water Treatment	56,164,519	31,527,414	12,054,523	9,600,000	6,234,442	19,791,032	9,339,817	12,983,768	1,000,000	5,795,000
38	Water Management: Core Function - Water Distribution	174,039,211	51,574,113	16,551,194	10,095,000	16,575,222	6,803,000	12,046,768	847,319	1,000,000	14,060,000
39	Grand Total	572,533,531	269,757,843	221,646,457	128,102,569	165,857,856	130,609,152	112,184,860	104,669,565	102,429,565	100,959,565

#### **4.11 LONG TERM CAPITAL EXPENDITURE FUNDING**

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

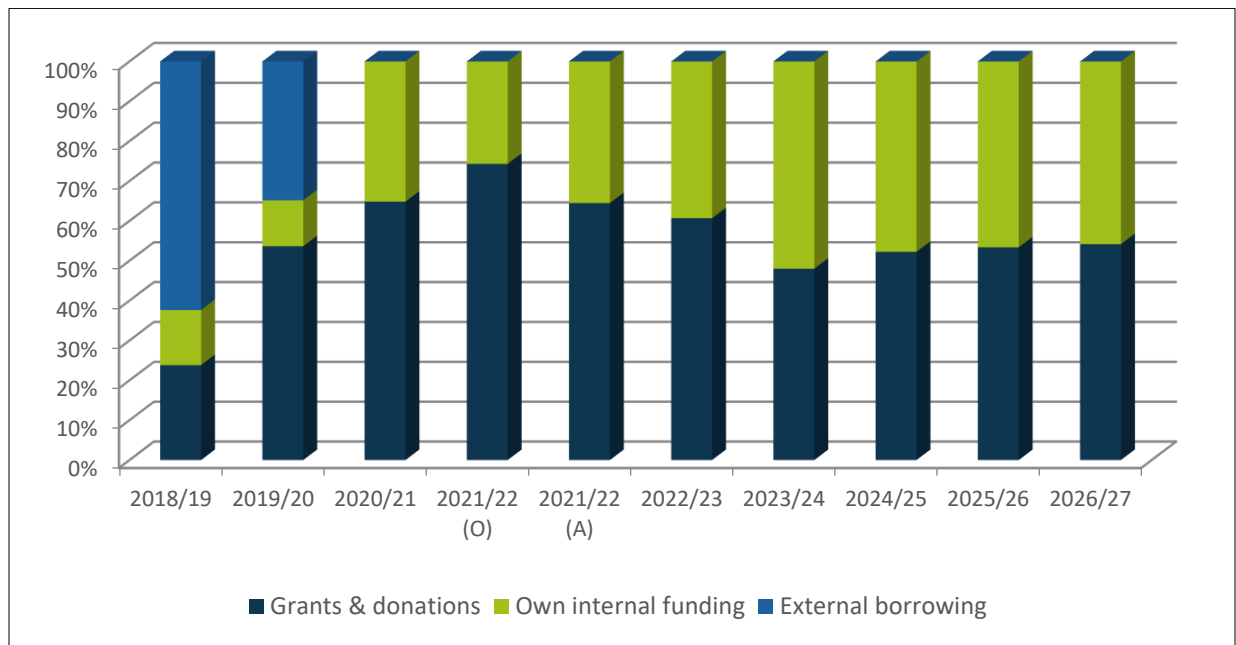
Grants and donations through government programmes and private investors are another important funding source. Government programmes will usually give grants for bulk infrastructure services and internal infrastructure services where the investment in infrastructure is needed to provide basic services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

The capital expenditure funding trends over the past four years and forecasted five years (MTREF) under review are set out in the table (Capital Expenditure per Funding Source (MTREF Affordability Envelope) and the graphs below (Capital Expenditure per Funding Source (MTREF Affordability Envelope)). The available funding from all sources over the MTREF is referred to as the affordability envelope. In the graph below it is clear that external borrowings (blue colour) was the main source of funding of capital expenditure for the period 2016/17 till 2018/19. Due to restructuring of loans no debt will be taken up during the period 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 2031/32. Grant funding (dark blue colour) fluctuates depending on the success of business plan applications for grant funding from government and funding agency programmes.

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

**Table 87: Capital Expenditure per Funding Source (MTREF Affordability Envelope)**

2022/2027 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER FUNDING SOURCE											
Serial Number	Description	2018/2019 Audited Actual	2019/2020 Audited Actual	2020/2021 Audited Actual	2021/2022 Original Budget	2021/2022 Revised Capital Budget	2022/2023 Original Capital Budget	2023/2024 Indicative Capital Budget	2024/2025 Indicative Capital Budget	2025/2026 Indicative Capital Budget	2026/2027 Indicative Capital Budget
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	CRR	79,070,454	31,085,427	77,949,955	31,720,000	46,026,173	51,360,000	58,339,817	50,000,000	47,760,000	46,290,000
2	External Loan	357,114,628	93,963,326	-	-	-	-	-	-	-	-
3	Grants	136,348,449	144,709,089	143,696,502	95,179,165	106,928,279	79,249,152	53,845,043	54,669,565	54,669,565	54,669,565
4	Donations			-	1,203,404	12,903,404	-	-	-	-	-
5	Grand Total	572,533,531	269,757,843	221,646,457	128,102,569	165,857,856	130,609,152	112,184,860	104,669,565	102,429,565	100,959,565

**Graph 18: Capital Expenditure per Funding Source (MTREF Affordability Envelope)**


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

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

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

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

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

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

In the table below, it is clear that operating surpluses to the amount of R253.8 million will contribute 46.1% of the total capital budget of R550.9 million over the 2022/27 MTREF. Grants will contribute R280.7 million or 53.5% of the total capital budget.

No external borrowings will be entered into. Over the LTREF (years one to ten), grants will contribute 20.7% of the total capital budget, Capital Replacement Reserve, 18.3% and External loans (to be taken up from years six to ten), 60.9% of the capital budget.



**Table 88: Available Funding Sources (LTREF Affordability Envelope)**

AVAILABLE FUNDING SOURCES TO BE USED FOR THE PRIORITISATION MODEL FOR CAPITAL ASSET INVESTMENT													
Serial Number	Financial Year	Capital Replacement reserve R'000	% of Total Capex	External Loans R'000	% of Total Capex	Prioritised Capex R'000	% of Total Capex	Total Own Funding R'000	% of Total Capex	Grants R'000	% of Total Capex	Capital Budget Totals R'000	% of Total Capex
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M
1	2022/2023	51,360	39.3%	–	0.0%	51,360	39.3%	51,360	44.2%	79,249	60.7%	130,609	100.0%
2	2023/2024	58,340	52.0%	–	0.0%	58,340	52.0%	58,340	48.3%	53,845	48.0%	112,185	100.0%
3	2024/2025	50,000	47.8%	–	0.0%	50,000	47.8%	50,000	47.8%	54,670	52.2%	104,670	100.0%
4	2025/2026	47,760	46.6%	–	0.0%	47,760	46.6%	47,760	46.6%	54,670	53.4%	102,430	100.0%
5	2026/2027	46,290	45.9%	–	0.0%	46,290	45.9%	46,290	45.9%	54,670	54.1%	100,960	100.0%
6	MTREF Totals	253,750	46.1%	–	0.0%	253,750	46.1%	253,750	46.1%	297,103	53.9%	550,853	100.0%
7	2027/2028	50,000	11.6%	325,000	75.6%	375,000	87.3%	375,000	87.3%	54,670	12.7%	429,670	100.0%
8	2028/2029	50,000	11.6%	325,000	75.6%	375,000	87.3%	375,000	87.3%	54,670	12.7%	429,670	100.0%
9	2029/2030	50,000	11.6%	325,000	75.6%	375,000	87.3%	375,000	87.3%	54,670	12.7%	429,670	100.0%
10	2030/2031	50,000	11.0%	350,000	77.0%	400,000	88.0%	400,000	88.0%	54,670	12.0%	454,670	100.0%
11	2031/2032	50,000	11.0%	350,000	77.0%	400,000	88.0%	400,000	88.0%	54,670	12.0%	454,670	100.0%
12	LTREF Grand Totals	503,750	18.3%	1,675,000	60.9%	2,178,750	79.3%	2,178,750	79.3%	570,451	20.7%	2,749,201	100.0%
13	Capital budget (LTFP affordability envelope) for the next five (2022/2023 - 2026/2027) years to address IDP needs =											550,853	7.38%
14	LTFP affordability envelope for years six (2027/2028) to ten (2031/2032) to address IDP needs =											2,198,348	29.43%
15	IDP needs in capital programme that could not be addressed in years one (2022/2023) to ten (2031/2032) =											4,719,501	63.19%
16	Total capital programme based on IDP needs =											7,468,701	100.00%
17													

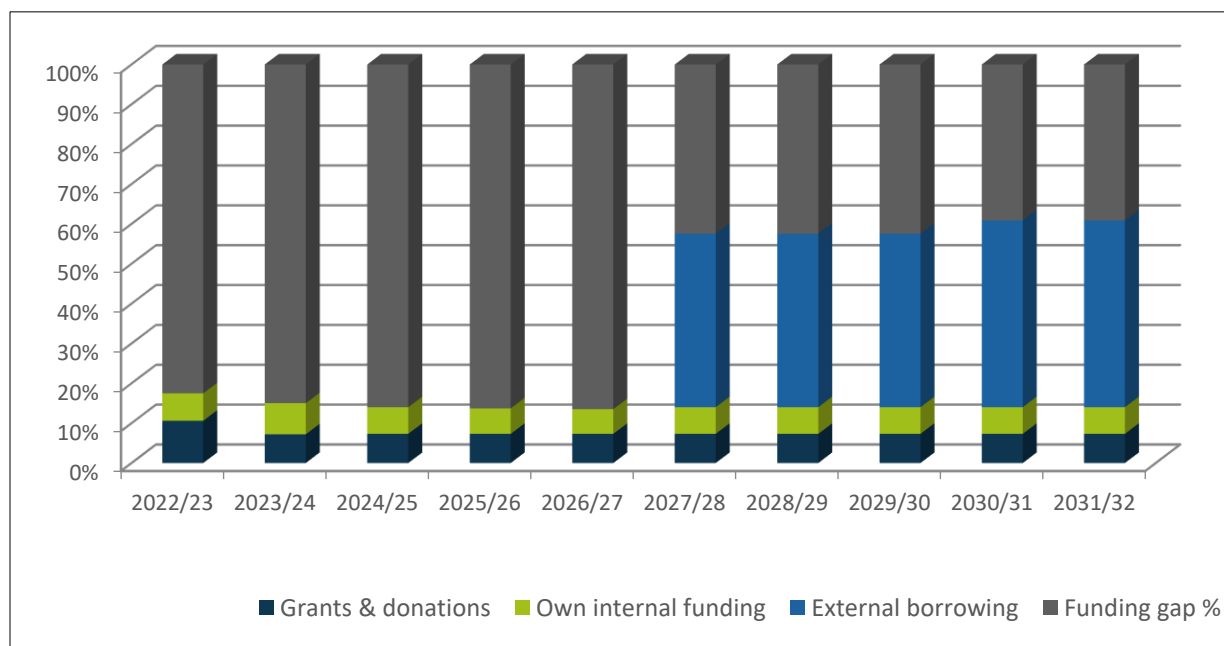
The five-year MTREF indicates that the capital programme of R550.9 million in terms of the affordability envelope will only address 7.38% of Drakenstein's total capital programme needs of R7.468 billion over the MTREF and only 29.43% over the LTREF.

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

The constraints placed on the available funding available for capital project implementation, the moratorium on the taking up of external loans during the loan restructuring period as well as the limited grants received by the Municipality, has necessitated a significant decrease in the capital expenditure over the next 5 years, as can be seen in the next graph. Although recovering in 2027/28, it is barely over the minimum spend required to remain sustainable and has left a major funding gap. From year one (2022/23) to five (2026/27), a mere 14%-16% of the required capital needs can be addressed, while from year six (2027/28) to ten (2031/32) between 58% to 61% of the average

yearly capital needs can be addressed. The average yearly capital needs being the total capital needs as per the CEF of R7.486 billion divided by 10 years, equalling an average of R748.6 million per year.

**Graph 19: Capital Expenditure per Funding Source and Capital Needs (CEF) (LTREF Affordability Envelope)**



#### 4.12 PRIORITISATION MODEL FOR CAPITAL ASSETS INVESTMENT

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

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

Basic services and roads infrastructure comprising of electricity main supply and networks; water main supply and networks; sewer main supply and networks; solid waste infrastructure; and, roads and 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.

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 2022/23 will receive 72.9% of the total capital budget. Over the MTREF basic services infrastructure will receive 63.4%; (2023/24), 68.4% (2024/25), 61.7% (2025/26) and 65.4% (2026/27) of the total capital budget.

Operational infrastructure will receive 13.2% of the total capital budget. Over the MTREF operational infrastructure will receive 24.4% (2023/24), 26.9% (2024/25), 29.8% (2025/26) and 34.0% (2026/27) of the total capital budget.

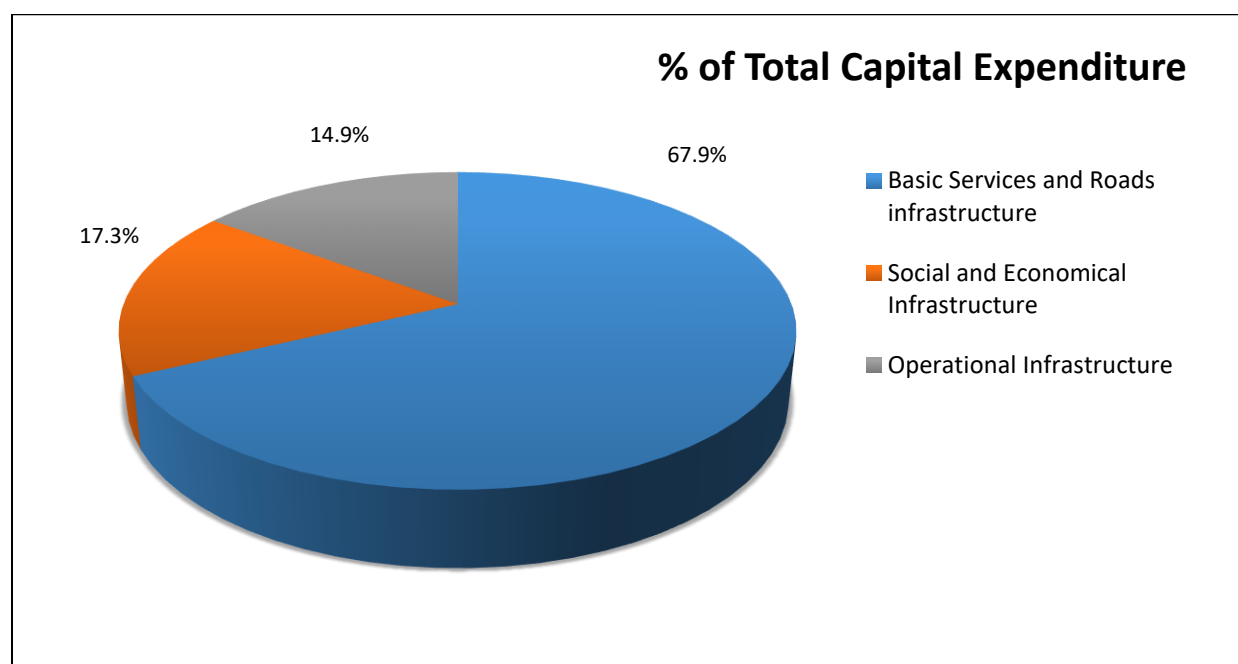
Social and economic infrastructure will receive 13.9% of the total capital budget. Over the MTREF social and economic infrastructure will receive 12.2% (2023/24), 4.7% (2024/25), 8.5% (2025/26) and 0.6% (2026/27) of the total capital budget.

For the 2022/23 financial year, the distribution is as depicted in the following graph.

Table 89: Allocations per Infrastructure Type

2022/2023 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER INFRASTRUCTURE TYPE AND FUNDING											
Serial Number	Infrastructure Type / Funding Source	2022/2023 Original Capital Budget	Distribution %	2023/2024 Indicative Capital Budget	Distribution %	2024/2025 Indicative Capital Budget	Distribution %	2025/2026 Indicative Capital Budget	Distribution %	2026/2027 Indicative Capital Budget	Distribution %
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	Basic Services and Road Infrastructure	95,201,684	72.9%	71,177,249	63.4%	71,616,176	68.4%	63,189,565	61.7%	66,004,565	65.4%
2	Grants	69,399,130	53.1%	46,373,043	41.3%	52,049,565	49.7%	48,519,565	47.4%	54,669,565	54.1%
3	Prioritised Funds	25,802,554	19.8%	24,804,206	22.1%	19,566,611	18.7%	14,670,000	14.3%	11,335,000	11.2%
4	Operational Infrastructure	17,233,866	13.2%	27,324,611	24.4%	28,153,389	26.9%	30,570,000	29.8%	34,305,000	34.0%
5	Grants	650,000	0.5%	-	0.0%	620,000	0.6%	650,000	0.6%	-	0.0%
6	Prioritised Funds	16,583,866	12.7%	27,324,611	24.4%	27,533,389	26.3%	29,920,000	29.2%	34,305,000	34.0%
7	Social & Economical Infrastructure	18,173,602	13.9%	13,683,000	12.2%	4,900,000	4.7%	8,670,000	8.5%	650,000	0.6%
8	Grants	9,200,022	7.0%	7,472,000	6.7%	2,000,000	1.9%	5,500,000	5.4%	-	0.0%
9	Prioritised Funds	8,973,580	6.9%	6,211,000	5.5%	2,900,000	2.8%	3,170,000	3.1%	650,000	0.6%
10	Grand Total	130,609,152	100.0%	112,184,860	100.0%	104,669,565	100.0%	102,429,565	100.0%	100,959,565	100.0%

Graph 20: Capital Expenditure Distribution for the 2022/23 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.

#### 4.13 LINKING OF THE CAPITAL BUDGET TO THE IDP

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

As can be seen from table below, the majority of capital expenditure for the MTREF relates to PDO 24: Water & sanitation services and infrastructure (18.8%); PDO 22: Energy supply and infrastructure (21.8%); and, PDO 23: Transport, roads and storm water infrastructure (14.3%).

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

**Table 90: Capital Expenditure per Pre-Determined Objectives**

2022/2023 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER PRE DETERMINED OBJECTIVE (PDO)							
Serial Number	PDO	Description	2022/2023 Original Capital Budget	2023/2024 Indicative Capital Budget	2024/2025 Indicative Capital Budget	Draft 2025/2026 Indicative Capital Budget	Draft 2026/2027 Indicative Capital Budget
Column Reference	A	B	C	D	E	F	G
1	PDO 02	Risk and Assurance	43,000	-	-	82,700	30,000
2	PDO 03	Stakeholder Participation	10,000	10,000	10,000	10,000	10,000
3	PDO 05	Communications	47,000	90,000	90,000	7,300	60,000
4	PDO 09	Expenditure	1,840,000	700,000	700,000	700,000	700,000
5	PDO 14	Supply Chain Management	480,000	-	-	-	-
6	PDO 19	Systems and Technology	4,100,000	4,200,000	4,200,000	4,200,000	4,200,000
7	PDO 21	Fleet and Mechanical Workshop	5,184,376	8,141,611	3,858,389	27,195,000	10,695,000
8	PDO 22	Electricity and Energy	28,445,652	500,000	4,016,611	500,000	500,000
9	PDO 23	Transport, Roads and Stormwater	18,711,490	10,400,389	22,000,000	26,380,000	23,406,087
10	PDO 24	Water and Wastewater	24,594,032	20,386,585	12,028,768	-	14,060,000
11	PDO 25	Solid Waste	7,650,000	16,885,000	9,930,000	8,440,000	5,790,000
12	PDO 26	Municipal and Public Facilities	1,920,000	11,095,000	11,080,000	925,000	12,950,000
13	PDO 27	Tourism and Investment Promotion	330,000	440,000	490,000	1,250,000	-
14	PDO 28	Land Use and Properties	60,000.00	0.00	0.00	0.00	0.00
15	PDO 30	Environment and Natural Resources	1,863,602	423,000	-	-	-
16	PDO 31	Human Settlements	20,700,000	26,913,275	33,575,797	29,269,565	28,058,478
17	PDO 32	Social Development	700,000	-	-	-	-
18	PDO 33	Sport and Recreation	6,250,000	7,500,000	500,000	2,000,000	500,000
19	PDO 34	Parks and Open Spaces	3,000,000	-	-	-	-
20	PDO 36	Disaster and Emergencies	150,000	3,050,000	2,010,000	1,470,000	-
21	PDO 37	Bylaw Enforcement	2,950,000	-	-	-	-
22	PDO 39	Traffic Law Enforcement	1,580,000	1,450,000	180,000	-	-
23		<b>Total Capital Budget</b>	<b>130,609,152</b>	<b>112,184,860</b>	<b>104,669,565</b>	<b>102,429,565</b>	<b>100,959,565</b>

#### 4.14 LIQUIDITY MANAGEMENT

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

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

##### Cash/liquidity position

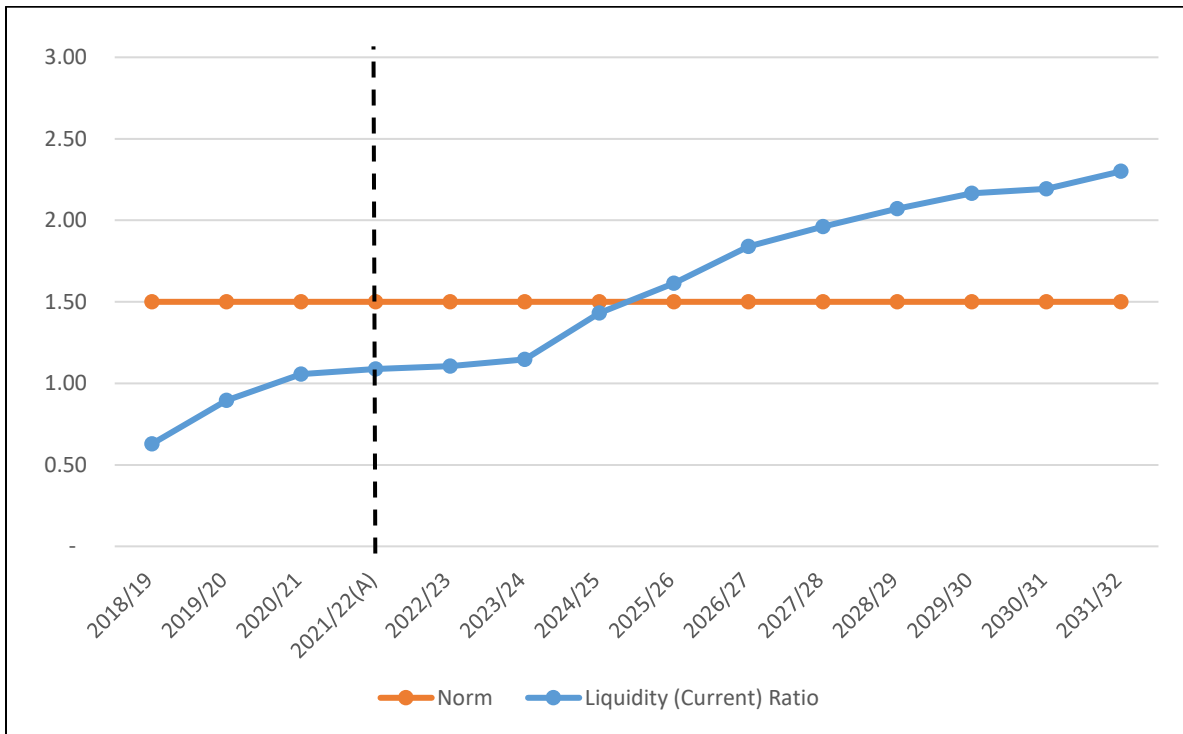
Cash and cash management is vital for the short-, medium- and long-term survival and good management of an organisation. This is also the case with Drakenstein Municipality. The appropriate benchmarks which can assist in assessing the financial health of the Municipality are:

- The **current ratio (Liquidity Ratio)**, which expresses the current assets as a proportion to current liabilities. A current ratio between one point five and two to one (1.5-2:1) is acceptable and considered to be very healthy in terms of the National Treasury Guidelines. Drakenstein's current ratio as at 30 June 2019 was 0.61 and recovered to 0.89 at 30 June 2020 and further increased to 1.06. At 30 April 2022 this ratio stood at 1.81. It is envisaged that it will be 1.11 at 30 June 2022, 1.15 (2023/24), 1.43 (2024/25), 1.61 (2025/26), 1.84 (2026/27) and lastly 2.3 by 2031/32.
- The debtors' turnover ratio, which have a great impact on the liquidity of the Municipality, decreased to 64.5 days at 30 June 2021 compared to 68.3 days at 30 June 2020 and 60.2 days at 30 June 2019. The debtors' turnover ratio (before considering the provision for impairment) at 30 April 2022 stood at 64.6 days. Over the medium- and long-term the Municipality will attempt to stabilise the debtors' turnover ratio to 68.9 days at the end of the 2022/23 financial year, and to 64.3 days, 60.3 days, 64.1 days and 60.4 days at the end of the 2023/24, 2024/25, 2025/26 and 2026/27 financial years respectively, by 2031/32 it is envisaged to be at 45.4 days.
- The debtor's turnover ratio (after provisions for bad debt impairment) decreased to 41.1 days as at 30 June 2021 compared to 46.5 days as at 30 June 2020 and 44.3 days as at 30 June 2019. At 30 April 2022 this ratio stood at 44.5 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 41.9 days over the MTREF period ending on 30 June 2027; by 2031/32 it is envisaged to be at 34 days.

- The “acceptable” norm is 30 days as per MFMA Circular 71. This norm cannot be met and should be at least 45 days due to current credit control legislation requiring certain notification actions from a municipality before the electricity supply to a consumer may be disconnected to enforce reaction from a consumer in arrears. Going the legal route to recover outstanding arrears cannot be done within 30 days. It is an unreasonable norm.
- The revenue collection rate which largely determines if the Municipality remains a going concern. Drakenstein will endeavour over the short-, medium- and long-term to collect at least 95% of its billed revenue. The provision for doubtful debt has been reviewed and a provision for doubtful debt impairment of 2.32% of expected billed revenue (services and property rates) had been made. For each of the four outgoing years of the MTREF a provision of 2.3% (2023/24), 2.3% (2024/25), 2.3% (2025/26) and 2.3% (2026/27) has been made. By 2031/32 it is envisaged to be at 4%. The majority of debt older than 90 days has been provided for and the writing-off of irrecoverable debt of all indigent households and the incentives in the Writing-Off of Irrecoverable Debt Policy will reduce the debtor’s turnover ratio over the short- and medium-term.
- The Creditors Payment Period expresses the normal period it takes for the Municipality to pay its creditors/ accounts payable. The norm is 30 days as per the MFMA and the Municipality achieves this throughout the year. Unfortunately as to how the ratio is calculated at year-end with accruals after year it seems that the ratio is above the norm although it is not.
- The Cash Coverage Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and cash equivalents without collecting any additional revenue, during that month. At 30 April 2022 this ratio stood at 1.9. For the MTREF it is estimated at of 1.35 (2022/23), 1.35 (2023/24), 1.70 (2024/25), 2.16 (2025/26) and 2.74 (2026/27). By 2031/32 it is envisaged to be at 4.

**Graph 21: Liquidity (Current) ratio over the LTREF**

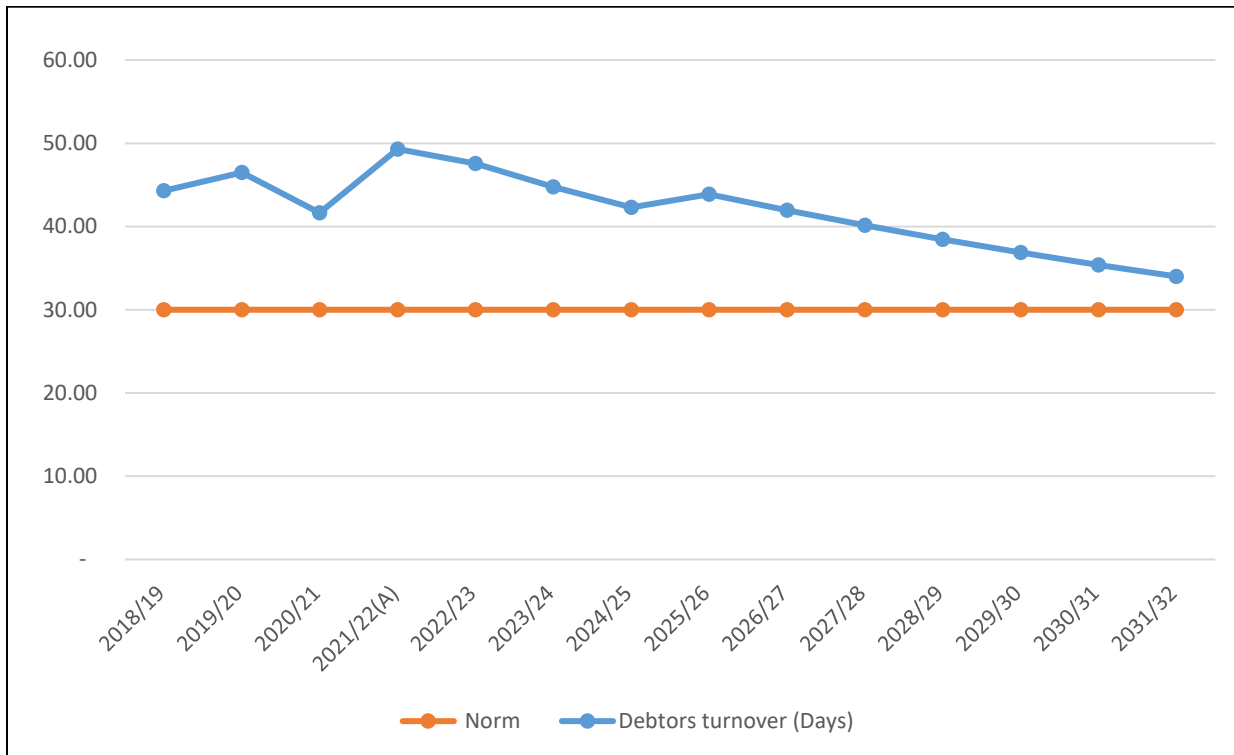


**Graph 22: Debtors payment ratio over the LTREF**

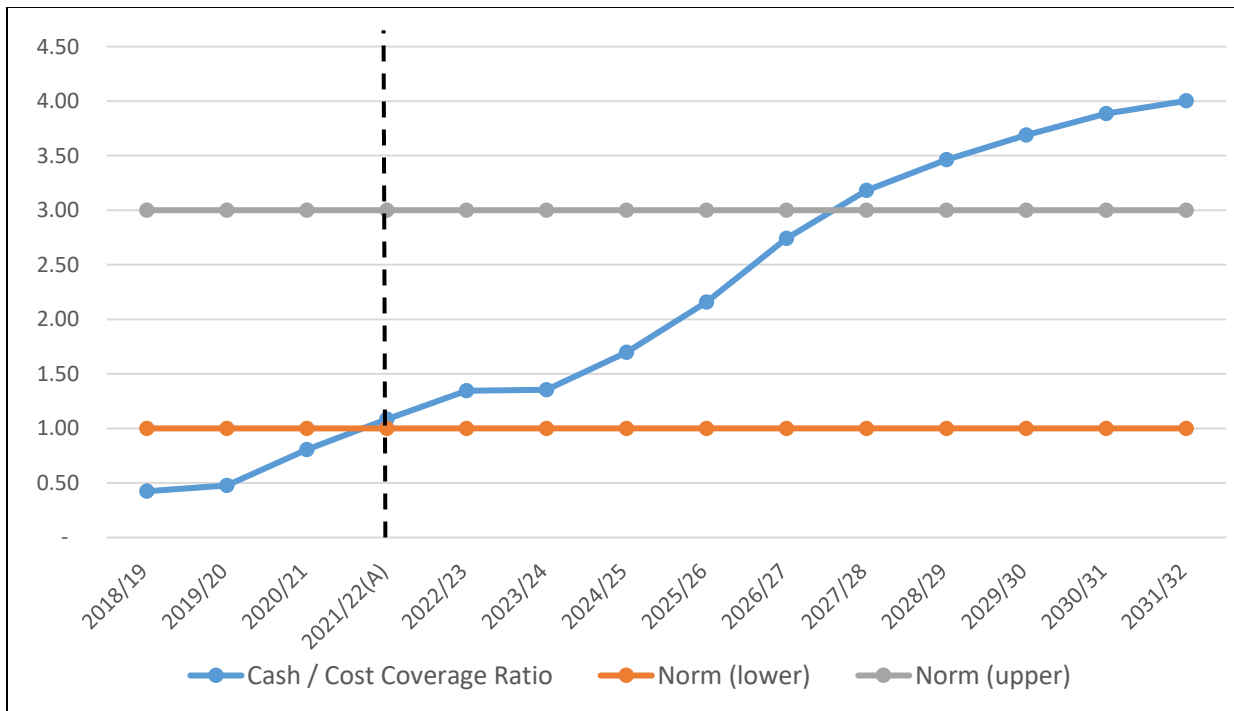




**Graph 23: Debtors turnover ratio (debtors days) over the LTREF**



**Graph 24: Cash Coverage ratio over the LTREF**



#### **4.15 SOLVENCY MANAGEMENT**

##### **External borrowing**

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

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

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

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

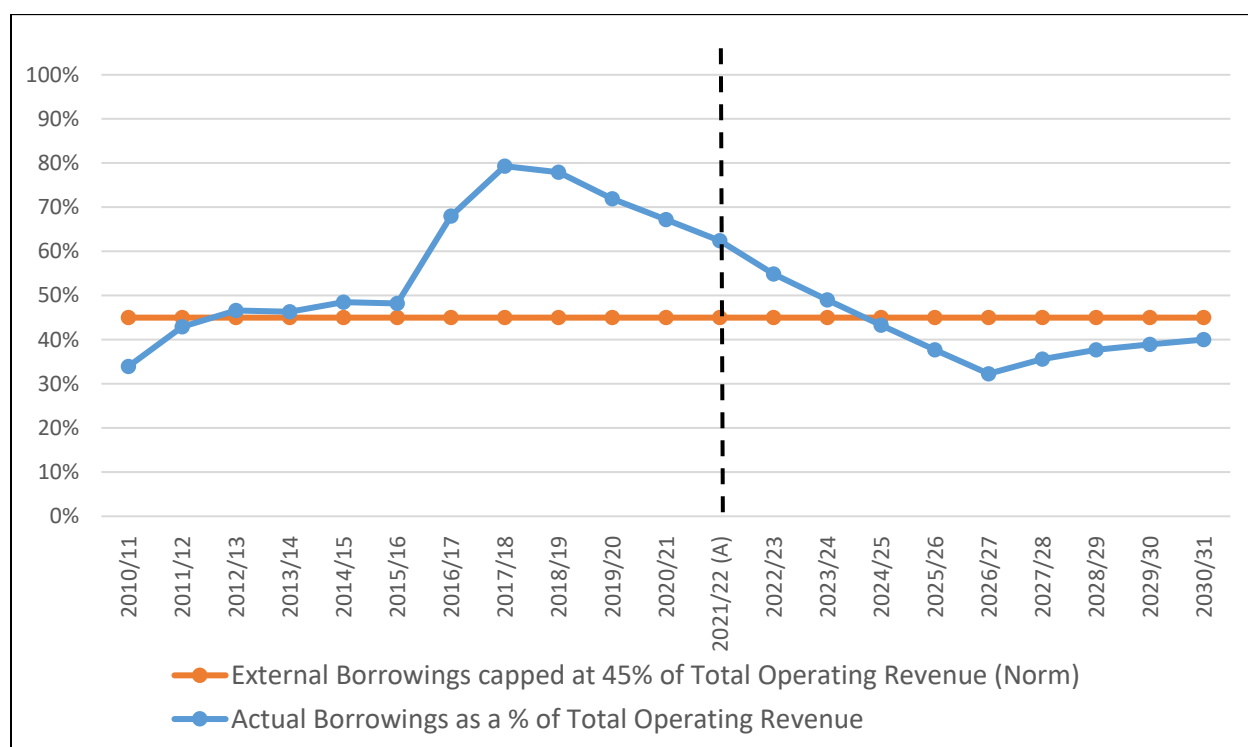
External borrowing as a funding source is capped at 50% of total operating revenue (excluding conditional grants) as per Council's External Borrowing Policy. Due to development opportunities and pressures, Council allowed investment in infrastructure through external borrowings that has led the capped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

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

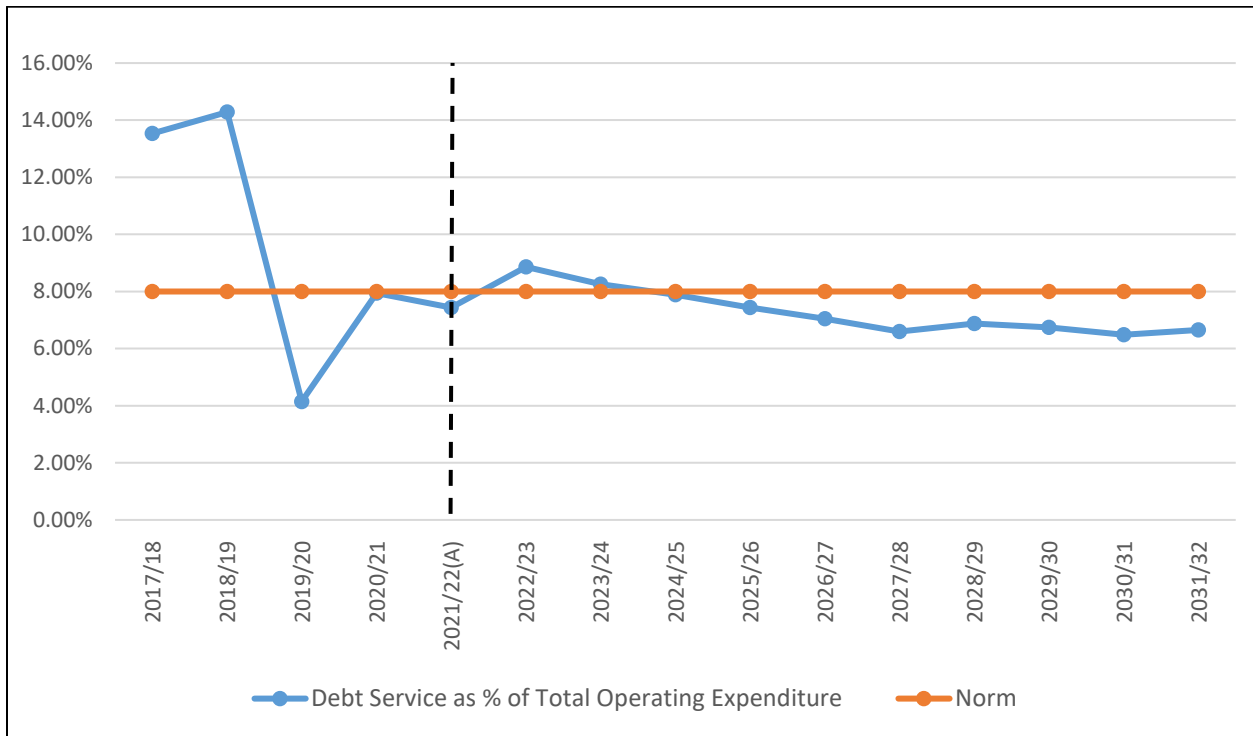
Due to the restructuring of the external loans of the Development Bank of Southern Africa, Standard Bank and Nedbank, no further external loans will be taken up over the next four financial years. This will assist in decreasing the gearing ratio to 62.4% at the end of the 2021/22 financial

year, before decreasing to 54.9% (2022/23), 49.0% (2023/24), 43.7% (2024/25), 37.7% (2025/26) and 32.3% (2026/27) as depicted in the graph on External Borrowings as a Percentage of Total Operating Revenue below. This will result that the gearing ratio decrease to below the National Treasury norm of 45% and within the 50% norm of Council's External Borrowing Policy. From 2024/25 the debt service and gearing ratios will have decreased below the Nation Treasury Norms and from 2027/28 onwards the municipality will once again have to take up loan funding, as capital investment demand already exceeds the capital investment affordability, which indicates the need for financially sustainable accelerated capital investment. These loans will be taken up whilst ensuring that the Gearing and Debt servicing ratios norms as set out by NT is not exceeded.

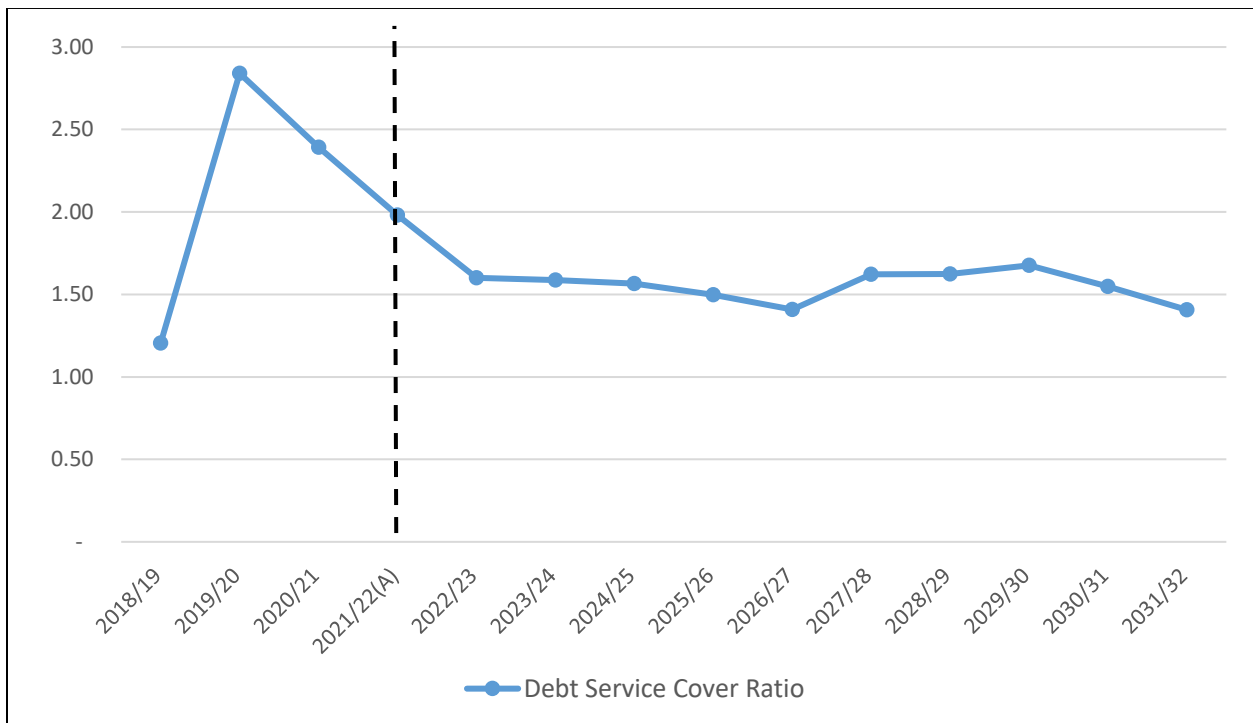
**Graph 25: External Borrowings as a Percentage of Total Operating Revenue (Gearing Ratio)**



**Graph 26: Debt service (Interest and Redemption) as a percentage of Operating expenditure**



**Graph 27: Debt Service Cover Ratio (Cash Generated by Operations/Debt Service)**



#### 4.16 FINANCIAL RATIOS OVER THE LONG TERM

Table 91: Long-Term Financial Ratios Summary

LONG-TERM FINANCIAL RATIOS SUMMARY									
SERIAL NUMBER	DESCRIPTION	Norm	2022/2023 Original Budget	2024/2025 Indicative Budget	2026/2027 Indicative Budget	2028/2029 Indicative Budget	2030/2031 Indicative Budget	2031/2032 Indicative Budget	COMMENTS
COLUMN REFERENCE	A	B	C	D	E	F	G	H	I
1	<b>FINANCIAL PERFORMANCE</b>								
2	<b>ASSET MANAGEMENT</b>								
3	Capital Expenditure / Total Expenditure	10% - 20%	4.5%	3.3%	2.9%	10.7%	10.0%	9.4%	CAPEX as a % of Total Expenditure remains below the lower limit of the recommended expenditure.
4	<b>DEBTORS MANAGEMENT</b>								
5	Gross Consumer Debtors Growth		3.2%	1.2%	2.4%	2.6%	2.8%	2.9%	
6	Payment Ratio / Collection Rate	95%	96.9%	96.8%	95.6%	95.6%	95.6%	95.6%	
7	<b>LIQUIDITY MANAGEMENT</b>								
8	Cash Coverage Ratio (excl Working Capital)	1 - 3	1.35	1.7	2.74	3.46	3.89	4	The cash surplus is forecast to improve over the planning period due to the optimised funding mix that reduces cash utilisation to fund capital expenditure..
9	Liquidity Ratio (Current Assets: Current Liabilities)	1.5 – 2	1.11	1.43	1.84	2.07	2.19	2.3	
10	<b>LIABILITY MANAGEMENT</b>								
11	Debt Service as % of Total Operating expenditure	6% - 8%	7.4%	8.3%	7.4%	6.6%	6.7%	6.5%	The external financing is well within the recommended limits over the LTREF
12	Total Debt (Borrowings) / Operating Revenue (Gearing Ratio)	45%	54.9%	43.3%	32.3%	37.7%	40.0%	40.1%	
13	Debt Service Cover Ratio (Cash Generated by Operations / Debt Service)		1.6	1.57	1.41	1.62	1.55	1.41	

<b>LONG-TERM FINANCIAL RATIOS SUMMARY</b>									
<b>SERIAL NUMBER</b>	<b>DESCRIPTION</b>	<b>Norm</b>	<b>2022/2023 Original Budget</b>	<b>2024/2025 Indicative Budget</b>	<b>2026/2027 Indicative Budget</b>	<b>2028/2029 Indicative Budget</b>	<b>2030/2031 Indicative Budget</b>	<b>2031/2032 Indicative Budget</b>	<b>COMMENTS</b>
<b>COLUMN REFERENCE</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>
14	<b>SUSTAINABILITY</b>								
15	Net Financial Liabilities Ratio	< 60%	67.1%	48.9%	26.8%	26.9%	25.9%	25.0%	Net Financial Liabilities are within the benchmark over the LTREF.
16	Operating Surplus Ratio	0% - 10%	-1.4%	0.6%	1.5%	1.0%	1.4%	1.7%	Operating Surplus Ratio remains at the lower end of the recommended lower benchmark throughout the 10-year period.
17	Asset Sustainability Ratio	> 90%	41.1%	24.2%	25.5%	97.8%	93.0%	91.1%	The Asset Sustainability ratio remains below the lower ratio over the MTREF, mainly due to the moratorium on the taking up of long term borrowings, but improves over years six to ten.
18	<b>FINANCIAL PERFORMANCE</b>								
19	<b>REVENUE MANAGEMENT</b>								
20	Operating Revenue Growth %	CPI	6.4%	5.9%	6.1%	6.3%	6.4%	6.4%	Operating Revenue Growth is above CPI throughout the planning period. Cash generation from operations projected to improve steadily over the planning period.
21	Cash Generated by Operations / Own Revenue		8.8%	9.6%	11.9%	10.4%	10.0%	9.8%	
22	Cash Generated by Operations / Total Operating Revenue		7.8%	8.7%	10.8%	9.7%	9.3%	9.2%	

LONG-TERM FINANCIAL RATIOS SUMMARY									
SERIAL NUMBER	DESCRIPTION	Norm	2022/2023 Original Budget	2024/2025 Indicative Budget	2026/2027 Indicative Budget	2028/2029 Indicative Budget	2030/2031 Indicative Budget	2031/2032 Indicative Budget	COMMENTS
COLUMN REFERENCE	A	B	C	D	E	F	G	H	I
23	<b>EXPENDITURE MANAGEMENT</b>								
24	Creditors Payment Period	30	30	30	30	30	30	30	The Municipality has an average Creditors payment period of less than 30 days
25	Contribution per Expenditure Item: Staff Cost (Salaries, Wages and Allowances)	25% - 40%	28.8%	29.4%	29.5%	29.5%	29.7%	29.8%	Employee costs as a percentage of OPEX remains below the NT maximum benchmark of 40%.
26	Contribution per expenditure item: Contracted Services	2% - 5%	7.3%	6.3%	7.0%	6.4%	5.9%	5.7%	Contracted Services as a percentage of total expenditure are forecasted to decrease but remain above the NT benchmark of 5%, due to the inclusion of housing expenditure included in contracted services
27	<b>GRANT DEPENDENCY</b>								
28	Total Grants / Total Revenue		11.4%	9.7%	8.6%	7.6%	6.7%	6.3%	The municipality generates funds from its own sources and is not overly reliant on grants. This is positive but also negative. Positive as the tightening of the national fiscus will result in a declining reliance on transfers from other spheres of government. It is also negative as it shows that Drakenstein is not receiving its fair share of allocated grants.

#### **4.17 LONG-TERM FINANCIAL SUSTAINABILITY RATIOS**

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

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

##### **4.17.1 Operating surplus ratio**

In the above the operating surplus ratio was discussed in detail. The discussions included envisaged actions to get closer to a balanced budgeted and an operating surplus above 0% by 2024/25. The intention is to increase this operating surplus to about 1.7% in 2031/32 to become less dependable on external borrowings on the long-term.

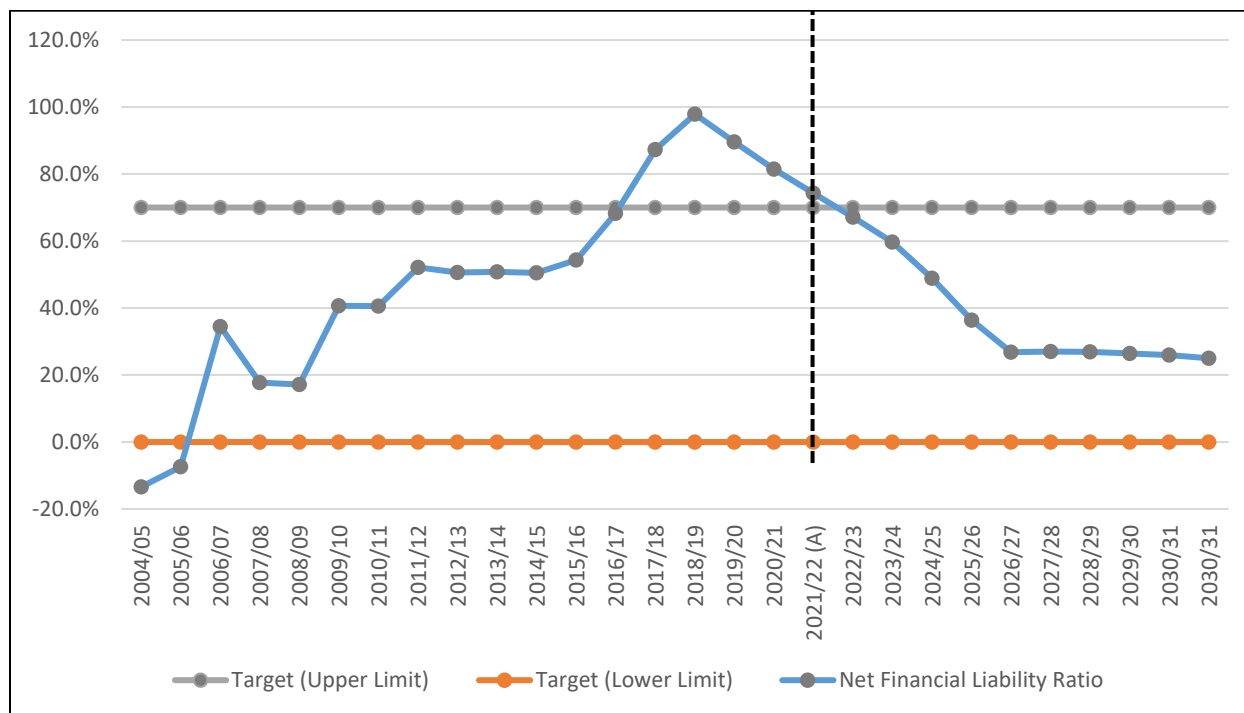
##### **4.17.2 Net financial liability ratio**

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

The graph below sketches the net financial liability ratio picture. The depletion of reserves and the taking up of external loans is the main reasons why the ratio drastically increased from 2004/2005 to 2011/12. Drakenstein went over the sustainability limit of 70% in 2017/2018 and this will continue until 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 2022/23 till 2026/27 it will decrease significantly due to the moratorium on the taking up of long-term borrowings.



**Graph 28: Net Financial Liability Ratio**



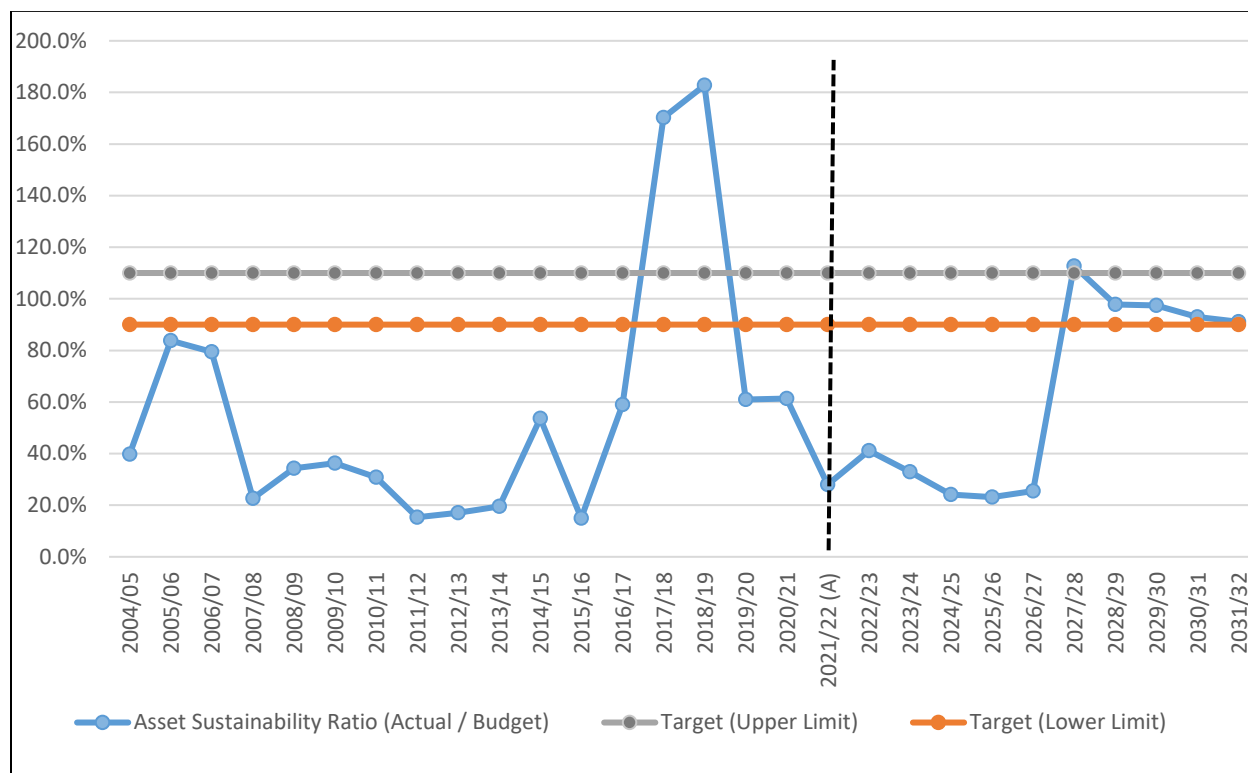
The only way to reduce the net financial liability ratio is to reduce the gearing ratio to below 50% over the long-term as depicted in the Graph (**External borrowings as a percentage of total operating revenue**) above. This however goes together with the assumption that the operating budget must yield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

#### 4.17.3 Asset sustainability ratio

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

Based on the 2022/2027 MTREF capital budget 77.5% (2022/23), 73.7% (2023/24), 59.1% (2024/25), 58.9% (2025/26) and 66.1% (2026/27) of the capital budget expenditure are related to the renewal, replacement and upgrading of existing infrastructure. National Treasury's norm is 40%, thus the current spending models for the outer years are higher than this norm. 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 29: 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 2026/27, before it stabilises over the last five outer years reaching the acceptable limits of between 90% and 110% by 2030/31.

Table 92: Ten (10) Year Forecasted Financial Information

2022/2032 LONG TERM OPERATING REVENUE AND EXPENDITURE FRAMEWORK (MTREF) PER CATEGORY											
Serial Number	Description	2022/2023 Original 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	2031/2032 Indicative Operating Budget R'000
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	Property rates	421,689	440,243	460,054	480,757	502,391	524,998	548,623	573,311	599,110	626,070
2	Service Charges - Electricity	1,491,502	1,609,496	1,733,589	1,867,248	2,011,213	2,166,278	2,333,298	2,513,195	2,706,962	2,915,669
3	Service Charges - Water	188,808	201,836	215,763	230,650	246,565	263,578	281,765	301,207	321,990	344,208
4	Service Charges - Sanitation	137,099	146,559	156,672	167,482	179,038	191,392	204,598	218,715	233,807	249,939
5	Service Charges - Waste	149,217	160,856	173,403	186,928	201,508	217,226	234,170	252,435	272,125	293,351
6	Rental from Fixed Assets	5,080	5,240	5,407	5,581	5,848	6,127	6,420	6,727	7,049	7,386
7	Interest earned - external investments	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
8	Interest earned - outstanding debtors	8,598	9,148	9,738	10,367	11,038	11,752	12,512	13,322	14,184	15,102
9	Fines, Penalties and Forfeits	107,354	107,354	107,354	107,354	107,354	107,354	107,354	107,354	107,354	107,354
10	Licences or Permits	3,274	3,274	3,274	3,274	3,274	3,274	3,274	3,274	3,274	3,274
11	Agency Services	18,469	19,282	20,150	21,056	22,004	22,994	24,029	25,110	26,240	27,421
12	Transfers and Subsidies	252,396	259,189	259,608	258,682	258,682	258,682	258,682	258,682	258,682	258,682
13	Other Revenue	32,840	35,725	33,095	34,097	35,146	36,227	37,342	38,491	39,675	40,896
14	Gains	14,238	0	0	0	0	0	0	0	0	0
15	Transfers and subsidies: Capital	79,249	53,845	54,670	54,670	54,670	54,670	54,670	54,670	54,670	54,670
16	<b>Total Operating Revenue</b>	<b>2,915,815</b>	<b>3,058,048</b>	<b>3,238,774</b>	<b>3,434,145</b>	<b>3,644,730</b>	<b>3,870,552</b>	<b>4,112,737</b>	<b>4,372,493</b>	<b>4,651,122</b>	<b>4,950,021</b>
17	Employee Related Cost	793,646	839,786	890,417	938,646	1,001,203	1,067,929	1,139,102	1,215,019	1,295,995	1,382,368
18	Remuneration of Councillors	35,255	36,806	38,463	40,193	42,002	43,892	45,867	47,931	50,088	52,342
19	Debt Impairment	146,752	150,684	154,875	159,341	164,101	226,505	236,107	246,408	257,460	269,320
20	Depreciation and Amortisation	246,074	251,074	256,096	261,381	261,381	266,776	272,281	277,901	283,636	289,490
21	Finance Charges	176,521	167,161	158,991	147,644	135,921	122,741	141,323	157,465	170,944	182,880
22	Bulk Purchases	1,030,974	1,119,741	1,216,151	1,320,861	1,434,588	1,538,057	1,656,641	1,784,368	1,921,943	2,070,125
23	Inventory Consumed	83,635	87,623	99,511	98,605	102,971	107,530	112,292	117,263	122,456	127,878
24	Contracted Services	209,869	208,854	200,586	244,061	248,891	253,817	258,841	263,964	269,188	274,516
25	Transfers and Subsidies	27,160	47,160	7,160	7,160	7,160	7,160	7,160	7,160	7,160	7,160
26	Other Expenditure	128,117	137,562	141,245	135,611	139,134	142,750	146,459	150,265	154,170	158,176
27	Losses	0	0	0	0	0	0	0	0	0	0
28	<b>Total Operating Expenditure</b>	<b>2,878,003</b>	<b>3,046,450</b>	<b>3,163,494</b>	<b>3,353,505</b>	<b>3,537,353</b>	<b>3,777,159</b>	<b>4,016,074</b>	<b>4,267,744</b>	<b>4,533,040</b>	<b>4,814,254</b>
29	<b>Operating Surplus/(Deficit)</b>	<b>37,812</b>	<b>11,598</b>	<b>75,280</b>	<b>80,640</b>	<b>107,377</b>	<b>93,393</b>	<b>96,662</b>	<b>104,749</b>	<b>118,082</b>	<b>135,768</b>

**DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2022/2027**

2022/2032 BUDGETED LONG TERM STATEMENT OF FINANCIAL POSITION											
Serial Number	Description	2022/2023 Original Budget R'000	2023/2024 Indicative Budget R'000	2024/2025 Indicative Budget R'000	2025/2026 Indicative Budget R'000	2026/2027 Indicative Budget R'000	2027/2028 Indicative Budget R'000	2028/2029 Indicative Budget R'000	2029/2030 Indicative Budget R'000	2030/2031 Indicative Budget R'000	2031/2032 Indicative Budget R'000
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	<b>ASSETS</b>										
2	<b>Current assets</b>										
3	Cash	98,797	98,120	179,139	138,447	183,543	159,603	141,295	138,809	141,700	126,797
4	Call investment deposits	180,000	200,000	210,000	389,139	527,586	711,129	870,732	1,012,028	1,150,836	1,292,536
5	Consumer debtors	312,357	314,789	318,562	353,884	362,227	371,177	380,779	391,080	402,132	413,992
6	Other debtors	56,656	62,322	68,554	68,554	68,554	68,554	68,554	68,554	68,554	68,554
7	Current portion of long-term receivables	15	13	11	11	11	11	11	11	11	11
8	Inventory	28,451	25,462	21,890	21,890	21,890	21,890	21,890	21,890	21,890	21,890
9	<b>Total current assets</b>	<b>676,276</b>	<b>700,705</b>	<b>798,156</b>	<b>971,925</b>	<b>1,163,812</b>	<b>1,332,364</b>	<b>1,483,261</b>	<b>1,632,371</b>	<b>1,785,124</b>	<b>1,923,780</b>
10											
11	<b>Non current assets</b>										
12	Long-term receivables	24	11	–	–	–	–	–	–	–	–
13	Investment property	51,201	53,991	55,647	55,647	55,647	55,647	55,647	55,647	55,647	55,647
14	Property, plant and equipment	6,263,058	6,246,034	6,238,519	6,079,567	5,919,146	6,082,040	6,239,428	6,391,197	6,562,230	6,727,410
15	Intangible	4,092	3,180	68,330	71,500	71,500	71,500	71,500	71,500	71,500	71,500
16	Other non-current assets	40,374	40,374	40,374	40,374	40,374	40,374	40,374	40,374	40,374	40,374
17	<b>Total non current assets</b>	<b>6,358,749</b>	<b>6,343,590</b>	<b>6,402,870</b>	<b>6,247,088</b>	<b>6,086,667</b>	<b>6,249,561</b>	<b>6,406,949</b>	<b>6,558,718</b>	<b>6,729,751</b>	<b>6,894,931</b>
18	<b>TOTAL ASSETS</b>	<b>7,035,025</b>	<b>7,044,295</b>	<b>7,201,026</b>	<b>7,219,013</b>	<b>7,250,478</b>	<b>7,581,925</b>	<b>7,890,210</b>	<b>8,191,089</b>	<b>8,514,875</b>	<b>8,818,711</b>
19											
20	<b>LIABILITIES</b>										
21	<b>Current liabilities</b>										
22	Borrowing	78,688	84,460	86,000	113,895	126,640	154,857	172,217	189,593	229,267	229,267
23	Consumer deposits	69,536	72,456	74,625	77,983	81,492	85,160	88,992	92,996	97,181	101,554
24	Trade and other payables	367,667	358,072	301,194	314,747	328,911	343,712	359,179	375,342	392,233	409,883
25	Provisions	95,576	95,576	95,576	95,576	95,576	95,576	95,576	95,576	95,576	95,576
26	<b>Total current liabilities</b>	<b>611,467</b>	<b>610,565</b>	<b>557,395</b>	<b>602,202</b>	<b>632,620</b>	<b>679,305</b>	<b>715,964</b>	<b>753,508</b>	<b>814,257</b>	<b>836,280</b>
27											
28	<b>Non current liabilities</b>										
29	Borrowing	1,537,026	1,452,566	1,366,566	1,148,361	1,021,721	1,191,864	1,344,647	1,480,054	1,600,788	1,721,521
30	Provisions	431,925	431,925	431,925	451,362	471,673	492,899	515,079	538,258	562,479	587,791
31	<b>Total non current liabilities</b>	<b>1,968,952</b>	<b>1,884,491</b>	<b>1,798,491</b>	<b>1,599,723</b>	<b>1,493,394</b>	<b>1,684,762</b>	<b>1,859,726</b>	<b>2,018,312</b>	<b>2,163,267</b>	<b>2,309,312</b>
32	<b>TOTAL LIABILITIES</b>	<b>2,580,419</b>	<b>2,495,056</b>	<b>2,355,887</b>	<b>2,201,925</b>	<b>2,126,014</b>	<b>2,364,067</b>	<b>2,575,690</b>	<b>2,771,820</b>	<b>2,977,524</b>	<b>3,145,592</b>
33											
34	<b>NET ASSETS</b>	<b>4,454,606</b>	<b>4,549,239</b>	<b>4,845,139</b>	<b>5,017,088</b>	<b>5,124,464</b>	<b>5,217,858</b>	<b>5,314,520</b>	<b>5,419,269</b>	<b>5,537,351</b>	<b>5,673,119</b>
35											
36	<b>COMMUNITY WEALTH/EQUITY</b>										
37	Accumulated Surplus/(Deficit)	2,960,207	2,974,846	3,164,139	3,336,088	3,443,464	3,536,858	3,633,520	3,738,269	3,856,351	3,992,119
38	Reserves	1,494,399	1,574,393	1,681,000	1,681,000	1,681,000	1,681,000	1,681,000	1,681,000	1,681,000	1,681,000
39											
40	<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>4,454,606</b>	<b>4,549,239</b>	<b>4,845,139</b>	<b>5,017,088</b>	<b>5,124,464</b>	<b>5,217,858</b>	<b>5,314,520</b>	<b>5,419,269</b>	<b>5,537,351</b>	<b>5,673,119</b>

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**DRAKENSTEIN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN (IDP) | 2022/2027**

2022/2032 LONG TERM BUDGETED CASH FLOW STATEMENT											
Serial Number	Description	2022/2023 Original Budget R'000	2023/2024 Indicative Budget R'000	2024/2025 Indicative Budget R'000	2025/2026 Indicative Budget R'000	2026/2027 Indicative Budget R'000	2027/2028 Indicative Budget R'000	2028/2029 Indicative Budget R'000	2029/2030 Indicative Budget R'000	2030/2031 Indicative Budget R'000	2031/2032 Indicative Budget R'000
Column Reference	A	B	C	D	E	F	G	H	I	J	K
1	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
2	<b>Receipts</b>										
3	Property rates	401,664	419,338	438,208	461,526	482,295	503,998	526,678	550,379	575,146	601,027
4	Service charges	1,893,306	2,039,822	2,194,468	2,384,075	2,594,112	2,733,149	2,940,251	3,163,076	3,402,820	3,660,769
5	Other revenue	78,987	82,844	81,248	74,530	76,527	78,598	80,748	82,978	85,292	87,694
6	Transfers and Subsidies - Operational	252,396	259,189	259,608	258,682	258,682	258,682	258,682	258,682	258,682	258,682
7	Transfers and Subsidies - Capital	79,249	53,458	54,670	54,670	54,670	54,670	54,670	54,670	54,670	54,670
8	Interest	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
9	Dividends	-	-	-							
10	<b>Payments</b>										
11	Suppliers and employees	(2,281,496)	(2,430,376)	(2,586,372)	(2,744,988)	(2,934,315)	(3,117,950)	(3,321,555)	(3,539,469)	(3,772,728)	(4,022,442)
12	Finance charges	(176,521)	(167,161)	(158,991)	(147,644)	(135,921)	(122,741)	(141,323)	(157,465)	(170,944)	(182,880)
13	Transfers and Grants	(27,160)	(47,160)	(7,160)	(7,160)	(7,160)	(7,160)	(7,160)	(7,160)	(7,160)	(7,160)
13	<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>226,426</b>	<b>215,955</b>	<b>281,678</b>	<b>339,690</b>	<b>394,889</b>	<b>387,245</b>	<b>396,990</b>	<b>411,690</b>	<b>431,778</b>	<b>456,360</b>
15											
14	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
16	<b>Receipts</b>										
17	Proceeds on disposal of PPE	14,238	-	-							
18	Decrease (increase) in non-current receivables	567	13	11	-	-	-	-	-	-	-
19	Decrease (increase) in non-current investments	45	-	-							
20	<b>Payments</b>										
21	Capital assets	(130,609)	(112,185)	(104,670)	(102,430)	(100,960)	(429,670)	(429,670)	(429,670)	(454,670)	(454,670)
22	<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(115,759)</b>	<b>(112,172)</b>	<b>(104,659)</b>	<b>(102,430)</b>	<b>(100,960)</b>	<b>(429,670)</b>	<b>(429,670)</b>	<b>(429,670)</b>	<b>(454,670)</b>	<b>(454,670)</b>
23											
24	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
25	<b>Receipts</b>										
26	Borrowing long term/refinancing	-	-	-	-	-	325,000	325,000	325,000	350,000	350,000
27	Increase (decrease) in consumer deposits	-	-	-	3,358	3,509	3,667	3,832	4,005	4,185	4,373
28	<b>Payments</b>										
29	Repayment of borrowing	(78,688)	(84,460)	(86,000)	(102,172)	(113,895)	(126,640)	(154,857)	(172,217)	(189,593)	(229,267)
30	<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(78,688)</b>	<b>(84,460)</b>	<b>(86,000)</b>	<b>(98,814)</b>	<b>(110,386)</b>	<b>202,027</b>	<b>173,975</b>	<b>156,788</b>	<b>164,592</b>	<b>125,107</b>
31											
32	<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>31,978</b>	<b>19,323</b>	<b>91,019</b>	<b>138,447</b>	<b>183,543</b>	<b>159,603</b>	<b>141,295</b>	<b>138,809</b>	<b>141,700</b>	<b>126,797</b>
33	Cash/cash equivalents at the year begin:	246,819	278,797	298,120	389,139	527,586	711,129	870,732	1,012,028	1,150,836	1,292,536
34	Cash/cash equivalents at the year end:	278,797	298,120	389,139	527,586	711,129	870,732	1,012,028	1,150,836	1,292,536	1,419,333

#### **4.18 CONCLUSION**

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

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

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

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

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

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

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

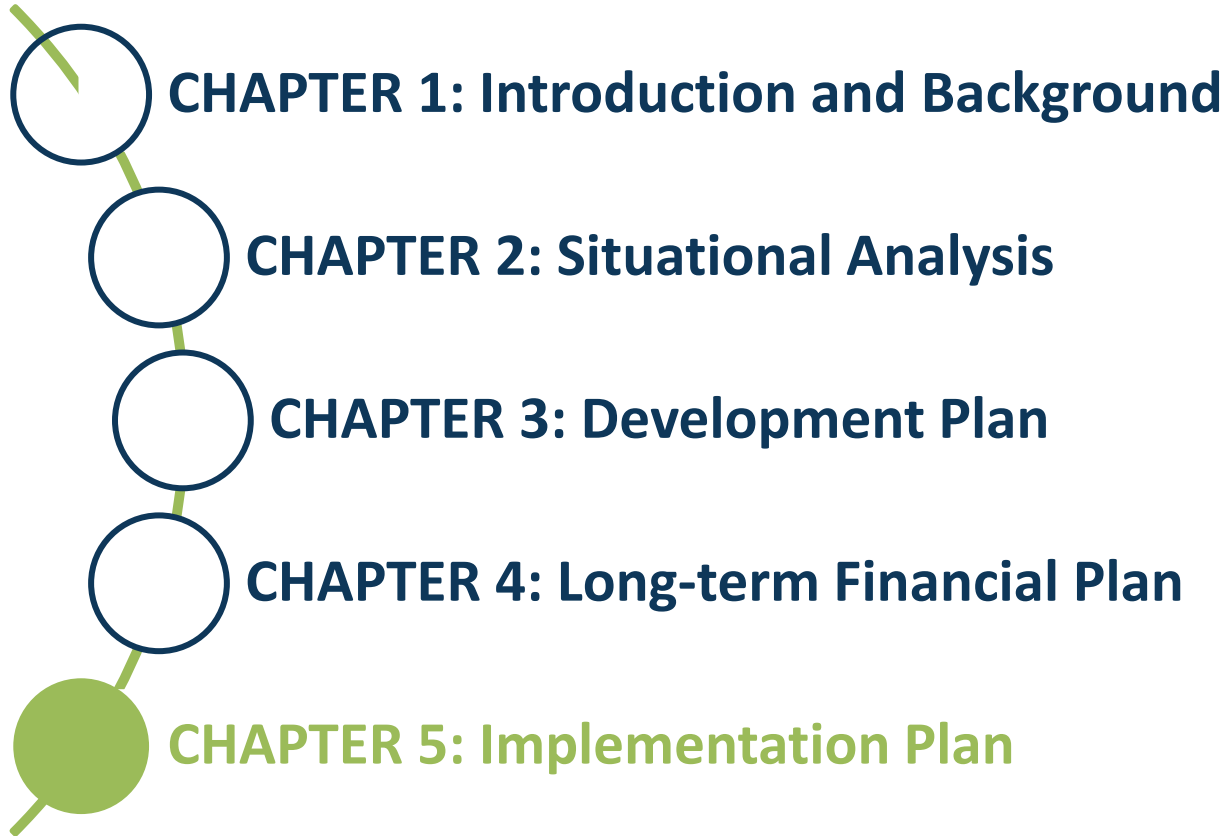
- In light of the low economic growth and declining GVA per capita, it will be challenging for the municipality generate additional revenue from its shrinking economic base or by means of exorbitant increases in tariffs. Following significant reductions in operational expenditure, one can reasonably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

##### **In addition to the strategies above the municipality should:**

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

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

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





## **5. CHAPTER 5: PERFORMANCE MANAGEMENT**

### **5.1 INTRODUCTION**

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

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

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

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

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

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

In addition to performance management legislation and regulations, the Performance Management Policy seeks to promote a culture of performance management within 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 (2022-2027) is implemented.

#### **5.1.1 Service Delivery Budget Implementations Plan (SDBIP)**

Parallel with the completion IDP revision, work has commenced to prepare the SDBIPs for the 2022/2023 financial year for the various functional areas and directorates of the Municipality. The SDBIP will unpack the IDP strategic focus areas and predetermined objectives into more detailed programmes, projects, budgets, and performance targets and measurement criteria. Section 1 of the Municipal Finance Management Act 2003 (Act 56 of 2003) (MFMA) defines the SDBIP as:

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

*(a) projections for each month of-*

*(i) revenue to be collected, by source; and*

*(ii) operational and capital expenditure, by vote;*

*(b) service delivery targets and performance indicators for each quarter”.*

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

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

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (operating and capital) and revenue for each vote;

- Quarterly projections of service delivery targets and performance indicators for each vote;
- Ward information for expenditure and service delivery; and
- Detailed capital works plan broken down by ward over three years.

### **5.1.2 MFMA Circular No. 13**

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

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

## **5.2 HIGH LEVEL SDBIP TARGETS AND INDICATORS**

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

## **5.3 REPORTING ON THE SDBIP**

Various reporting requirements are outlined in the MFMA, both the mayor and the accounting officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports required by the MFMA. The report then allows the Council to

monitor the implementation of service delivery programs and initiatives across the municipality's boundaries.

### **5.3.1 Monthly Reporting**

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

This report includes:

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

### **5.3.2 Quarterly Reporting**

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

#### **Schedule for Performance Reviews**

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

**Table 93: Departmental Quarterly Evaluation**

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

### 5.3.3 Mid-Year Reporting

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

#### The section 72 report must include the following:

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

#### (a) Monitoring and Adjustments Budget Process

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

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

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

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

#### **(b) Internal Auditing of Performance Reports**

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

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

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

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

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

#### **5.4 MFMA CIRCULAR NO. 88 OF 2017**

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

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

Importantly, please note that intermediate cities, districts and local municipalities are still not yet required for 2022/23 to incorporate these indicators in their IDPs and SDBIPs. Instead, the relevant indicators are included as an annexure to the IDP and SDBIP. Although the indicators do not formally have to be included in the IDP/SDBIP, the Municipality will be required to report on performance against said indicators on a quarterly and annual basis. Please do note that the roll-out process currently remains a pilot project. Reporting against these indicators will as such not be audited for 2022/23.

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 will find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 with indicators applicable to the municipality at Tier 1 and 2 levels of readiness.

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

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

- Targets for output indicators should be set on an annual basis; and
- NO targets should be set for compliance indicators as these are tracked for monitoring purposes only.

## **5.5 PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM**

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

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

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

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

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

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

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



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

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

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

## **5.7 MONITORING AND EVALUATION (M&E)**

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

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

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

**M&E is further complemented by the following initiatives:**

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

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

**Table 94: The five-year performance scorecard of the municipality**

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

## **5.8 IMPLEMENTATION MONITORING AND REVIEW**

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

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

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

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

**Note: The TL SDBIP 2022/23 must be approved by the Executive Mayor within 28 days after the adoption of the Municipal Budget to be tabled in Council in May 2022.**

**The Circular 88 Indicators will also be added as an annexure to both the IDP and TL SDBIP 2022/2023 as an annexure.**

**Table 95: Draft Top Layer (TL) Service Delivery Budget Implementation Plan (SDBIP) 2022/2023**

<b>KEY PERFORMANCE AREA (KPA) 01: Governance and Compliance</b>												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2022/2023	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 01. Governance and Compliance> PDO 01. Governance Structure	Submission of Audit Committee reports to Council	Output	Number of quarterly Audit Committee reports submitted to Council	4	4 per annum	4 quarterly Audit Committee reports submitted to Council	DM	1 (1)	1 (2)	1 (3)	1 (4)
TBC	KPA 01. Governance and Compliance > PDO 02: Risk and Assurance	Investigation of all formally reported fraud, theft and corruption cases initiated	Output	Percentage of formally reported fraud, theft and corruption cases initiated within 30 days of receipt	100%	100% per annum	100% of formally reported fraud, theft and corruption cases investigated within 30 days of receipt	DM	100%	100%	100%	100%
TBC	KPA 01. Governance and Compliance > PDO 03: Stakeholder Participation	IDP/Budget/SDF time schedule (process plan) submitted to Mayco/Council	Output	Number of IDP/Budget/SDF time schedules (process plan) submitted to Mayco/Council by 31 August	1	1 per annum	1 IDP/Budget/SDF time schedule (process plan) submitted to Mayco/Council by 31 August	DM	1	N/A	N/A	N/A
TBC	KPA 01. Governance and Compliance> PDO 06: Marketing (Branding and Website)	Launch new intranet webpage	Output	Number of new intranet webpages launched by 31 July	New KPI	1 Per Annum	1 New intranet webpage launched by 31 July	DM	1	N/A	N/A	N/A
TBC	KPA 01. Governance and Compliance> PDO 07: Customer Relations	Implement Customer Service Charter	Output	Number of Customer Service Charters implemented by 31 August	New KPI	1 Per Annum	1 Customer Services Charter implemented by 31 August	DM	1	N/A	N/A	N/A
TBC	KPA 01. Governance and Compliance> PDO 01. Governance Structure	Conclude Memorandum of Agreement with the Department of Justice for the Municipal Court	Output	Number of Memorandum of Agreements concluded with the Department of Justice by 31 April	New KPI	1 Per Annum	1 of Memorandum of Agreements concluded with the Department of Justice by 31 April	DM	1	N/A	N/A	N/A
TBC	KPA 01. Governance and Compliance> PDO 01. Governance Structure	Launch Municipal Court	Output	Number of Municipal Courts launched by 31 August	New KPI	1 Per Annum	1 Municipal Courts launched by 31 August	DM	1	N/A	N/A	N/A



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

KEY PERFORMANCE AREA (KPA) 02: Finance												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2022/2023	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 02. Finance> PDO 15. Financial Reporting	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MFMA, Reg. S10(g)(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
TBC	KPA 02. Finance> PDO 14: Supply Chain Management	Implement electronic contract management system	Output	Percentage of electronic contract management system implemented by 31 July	New KPI	1 per annum	1 electronic contract management system implemented by 31 July	DM	1	N/A	N/A	N/A
TBC	KPA 02. Finance> PDO 14: Supply Chain Management	Implement the stores security plan	Output	Percentage of stores security plan by 31 March	New KPI	1 per Annum	100% of stores security plan by 31 March	DM	N/A	N/A	100%	N/A

KEY PERFORMANCE AREA (KPA) 03: Organisational and Human Capital												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2022/2023	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 03. Organisation and Human Capital > PDO 16. Organisational Structure	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a Municipality's approved employment equity plan reports (NKPI Proxy - MFMA, Reg. S10(e))	Output	Number of reports on the number of people from employment equity groups employed in the three highest levels of management submitted to the City Manager by 30 November and 30 June	2	2 per annum	2 reports submitted to the City Manager (30 November and 30 June)	DM	N/A	1 (1)	N/A	1 (2)
TBC	KPA 03. Organisation and Human Capital > PDO 17. Human Capital	The percentage of the municipality's budget actually spent on implementing its workplace skills plan (NKPI Proxy - MFMA, Reg. S10(f))	Output	Percentage of the Municipality's approved workplace skills budget actually spent on implementing its Workplace Skills Plan by 30 June	100%	98% per annum	98% of the Municipality's approved Workplace skills budget actually spent on implementing its Workplace Skills Plan by 30 June	DM	N/A	N/A	N/A	98%
TBC	KPA 03. Organisation and Human Capital > PDO 18. Performance Management	Submission of the Mid- Year MFMA S72 Performance Report to the Mayor	Output	Number of the Mid-Year MFMA S72 Performance Reports submitted to the Mayor by 25 January	1	1 per annum	1 Mid-Year MFMA S72 Performance Report submitted to the Mayor by 25 January	DM	N/A	N/A	1	N/A
TBC	KPA 03. Organisation and Human Capital > PDO 16. Organisational Structure	Finalisation of the Municipal Organogram (funded positions)	Outcome	Number of Finalised Municipal Organograms submitted to Council 31 July	New KPI	1 per annum	1 Municipal Organogram (funded positions) submitted by 31 July	DM	1	N/A	N/A	N/A

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

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

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

<b>KEY PERFORMANCE AREA (KPA) 06: COMMUNITY DEVELOPMENT</b>												
IDP/ Ref No.	KPA > Pre-determined Objective (PDO)	Indicator	Indicator type	Unit of Measurement	Baseline (Actual 2020/2021)	5 Year Target	2022/2023	Funding Source	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2022/2023)			
									Q1	Q2	Q3	Q4
TBC	KPA 6. Community Development > PDO 36. Disaster and Emergencies	Submit Disaster Management Plan to Portfolio Committee (Community Services)/Mayco	Output	Number of Disaster Management Plans submitted to Portfolio Committee (Community Services)/Mayco by 31 March	1	1 per annum	1 Management Plan to Portfolio Committee (Community Services)/Mayco by 31 March	DM	N/A	N/A	<u>1</u>	N/A
TBC	KPA 6. Community Development > PDO 39. Traffic Law Enforcement	Establishment of electronic driving license system	Output	Number of electronic driving license system established by 30 December	1	1 per annum	1 electronic driving license system established by 30 December	DM	N/A	1	N/A	N/A