



Annual Report 2014/2015

This Annual Report is drafted in terms of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) and the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

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TABLE OF CONTENTS

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY.....	11
COMPONENT A: MAYOR'S FOREWORD.....	12
COMPONENT B: EXECUTIVE SUMMARY	15
1.1 MUNICIPAL MANAGER'S OVERVIEW	15
1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW.....	19
1.3 SERVICE DELIVERY OVERVIEW	22
1.4 FINANCIAL HEALTH OVERVIEW.....	25
1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW.....	29
1.6 AUDITOR-GENERAL REPORT	31
1.7 STATUTORY ANNUAL REPORT PROCESS	32
CHAPTER 2: GOVERNANCE	33
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE.....	34
2.1 POLITICAL GOVERNANCE	34
2.2 ADMINISTRATIVE GOVERNANCE	38
COMPONENT B: INTERGOVERNMENTAL RELATIONS.....	40
2.3 INTERGOVERNMENTAL RELATIONS.....	41
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	42
2.4 PUBLIC MEETINGS.....	43
2.5 IDP PARTICIPATION AND ALIGNMENT	46
COMPONENT D: CORPORATE GOVERNANCE	47
2.6 RISK MANAGEMENT.....	47
2.7 ANTI-CORRUPTION AND FRAUD	48
2.8 SUPPLY CHAIN MANAGEMENT	48
2.9 BY-LAWS.....	50
2.10 WEBSITES	51
2.11 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES	51
CHAPTER 3: SERVICE DELIVERY PERFORMANCE	52
COMPONENT A: BASIC SERVICES	54
3.1 WATER PROVISION.....	54

3.2	WASTEWATER (SANITATION) PROVISION.....	60
3.3	ELECTRICITY.....	67
3.4	WASTE MANAGEMENT	74
3.5	HOUSING.....	79
3.6	FREE BASIC SERVICES AND INDIGENT SUPPORT	85
COMPONENT B: ROAD TRANSPORT		88
3.7	ROADS	88
3.8	STORMWATER DRAINAGE	94
COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT		98
3.9	PLANNING	98
3.10	LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKETPLACES).....	106
COMPONENT D: COMMUNITY AND SOCIAL SERVICES.....		110
3.11	LIBRARIES	112
3.12	CEMETERIES AND CREMATORIA	116
3.13	CHILD CARE, AGED CARE AND SOCIAL PROGRAMMES.....	119
COMPONENT E: ENVIRONMENTAL PROTECTION.....		123
3.14	POLLUTION CONTROL	124
3.15	BIODIVERSITY, LANDSCAPE (INCLUDING OPEN SPACES)	126
COMPONENT F: SECURITY AND SAFETY		128
3.16	TRAFFIC, LICENSING AND LAW ENFORCEMENT.....	128
3.17	FIRE SERVICE	132
COMPONENT G: SPORT AND RECREATION.....		138
3.18	SPORT AND RECREATION	138
COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES		141
3.19	EXECUTIVE AND COUNCIL.....	141
3.20	FINANCIAL SERVICES	145
3.21	HUMAN RESOURCE SERVICES.....	149
3.22	INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	152
3.23	PROPERTY, LEGAL, RISK MANAGEMENT AND PROCUREMENT	156
CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE		164
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL		165
4.1	EMPLOYEE TOTALS, TURNOVER AND VACANCIES	165
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE		167

4.2	POLICIES	167
4.3	INJURIES, SICKNESS AND SUSPENSIONS	168
4.4	PERFORMANCE REWARDS	170
	COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	170
	COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE	175
4.5	EMPLOYEE EXPENDITURE	176
	CHAPTER 5: FINANCIAL PERFORMANCE	179
	COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE	180
5.1	GRANTS	184
5.2	ASSET MANAGEMENT	185
5.3	FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS.....	189
	COMPONENT B: SPENDING AGAINST CAPITAL BUDGET	194
5.4	CAPITAL EXPENDITURE.....	195
5.5	SOURCES OF FINANCE	195
5.6	CAPITAL SPENDING ON FIVE LARGEST PROJECTS	196
5.7	BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW	198
	COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS	200
5.8	CASH FLOW	201
5.9	BORROWING AND INVESTMENTS.....	202
5.10	PUBLIC-PRIVATE PARTNERSHIPS.....	204
	COMPONENT D: OTHER FINANCIAL MATTERS	204
5.11	SUPPLY CHAIN MANAGEMENT	204
5.12	GRAP COMPLIANCE.....	204
	CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS	206
	COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2013/2014.....	207
	COMPONENT B: AUDITOR-GENERAL OPINION 2014/2015	207
6.1	AUDITOR-GENERAL REPORT 2014/2015.....	207
	GLOSSARY.....	209
	APPENDICES	211
	APPENDIX A: COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE	211
	APPENDIX B: COMMITTEES AND COMMITTEE PURPOSES	213
	APPENDIX C: SECOND- AND THIRD-TIER ADMINISTRATION STRUCTURE.....	214
	APPENDIX D: FUNCTIONS OF MUNICIPALITY.....	215

APPENDIX E: WARD REPORTING	216
APPENDIX F: WARD INFORMATION	225
APPENDIX G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2014/2015	226
APPENDIX H: LONG-TERM CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS	228
APPENDIX I: DISCLOSURES OF FINANCIAL INTEREST	229
APPENDIX J: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE	231
APPENDIX J (i): REVENUE COLLECTION PERFORMANCE BY VOTE	231
APPENDIX J (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE	232
APPENDIX K: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG	233
APPENDIX L: CAPITAL EXPENDITURE – NEW AND UPGRADE/RENEWAL PROGRAMMES	234
APPENDIX L (i): CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME	234
APPENDIX L (ii): CAPITAL EXPENDITURE – Upgrade/Renewal Programme	237
APPENDIX M: CAPITAL PROGRAMME BY PROJECT 2014/2015	241
APPENDIX N: CAPITAL PROGRAMME BY PROJECT BY WARD 2014/2015.....	243
APPENDIX O: SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS	244
APPENDIX P: SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	245
APPENDIX Q: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY.....	246
APPENDIX R: DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71.....	250
APPENDIX S: PRESIDENTIAL OUTCOME FOR LOCAL GOVERNMENT	251
VOLUME I: ANNUAL AUDITED FINANCIAL STATEMENTS 2014/2015	252
VOLUME II: REPORT OF THE AUDITOR-GENERAL 2014/2015.....	253
VOLUME III: AUDIT OUTCOME IMPROVEMENT PLAN	254
VOLUME IV: REPORT OF THE AUDIT COMMITTEE 2014/2015	255
VOLUME V: ANNUAL PERFORMANCE REPORT 2014/2015	256

LIST OF GRAPHS

<i>Graph 1: Households</i>	20
<i>Graph 2: Socio-economic Status</i>	21
<i>Graph 3: Proportion of households with access to basic services</i>	24
<i>Graph 4: Total Capital Expenditure</i>	29
<i>Graph 5: Water use by sector</i>	55
<i>Graph 6: Access to water</i>	57
<i>Graph 7: Sanitation/Sewerage</i>	61
<i>Graph 8: Electricity</i>	70

<i>Graph 9: Free basic household services</i>	<i>85</i>
<i>Graph 10: Road Infrastructure costs</i>	<i>90</i>
<i>Graph 11: Stormwater infrastructure costs</i>	<i>95</i>
<i>Graph 12: Average number of days sick leave</i>	<i>169</i>
<i>Graph 13: Workforce Expenditure Trends</i>	<i>176</i>
<i>Graph 14: Liquidity Ratio</i>	<i>189</i>
<i>Graph 15: Cost Coverage</i>	<i>189</i>
<i>Graph 16: Outstanding Service Debtors to Revenue</i>	<i>190</i>
<i>Graph 17: Debt Coverage</i>	<i>190</i>
<i>Graph 18: Creditors System Efficiency</i>	<i>191</i>
<i>Graph 19: Capital Charges to Operating Expenditure</i>	<i>191</i>
<i>Graph 20: Employee Cost</i>	<i>192</i>
<i>Graph 21: Repairs and Maintenance</i>	<i>192</i>
<i>Graph 22: Capital Expenditure</i>	<i>195</i>
<i>Graph 23: Actual Borrowings</i>	<i>203</i>

LIST TABLES

<i>Table 1: Population Details</i>	<i>19</i>
<i>Table 2: Socio-economic Status</i>	<i>20</i>
<i>Table 3: Overview of neighbourhoods in Drakenstein Municipality</i>	<i>21</i>
<i>Table 4: Natural Resources</i>	<i>22</i>
<i>Table 5: Financial Overview 2014/2015</i>	<i>27</i>
<i>Table 6: Operating Ratios</i>	<i>27</i>
<i>Table 7: Total Capital Expenditure</i>	<i>28</i>
<i>Table 8: Statutory Annual Report Process</i>	<i>32</i>
<i>Table 9: Political Structure</i>	<i>36</i>
<i>Table 10: Executive Mayoral Committee</i>	<i>37</i>
<i>Table 11: Top Administrative Structure</i>	<i>40</i>
<i>Table 12: Public Meetings</i>	<i>46</i>
<i>Table 13: IDP Participation and Alignment Criteria</i>	<i>46</i>
<i>Table 14: Procurement per sector</i>	<i>49</i>
<i>Table 15: By-laws introduced during 2014/2015</i>	<i>50</i>
<i>Table 16: By-laws passed</i>	<i>50</i>
<i>Table 17: Municipal Website Content</i>	<i>51</i>
<i>Table 18: Total use of water by sector (cubic metres)</i>	<i>55</i>
<i>Table 19: Water Service Delivery Levels</i>	<i>56</i>
<i>Table 20: Households – Water Service Delivery Levels below the minimum</i>	<i>56</i>
<i>Table 21: Water Service Policy Objectives taken from IDP</i>	<i>58</i>
<i>Table 22: Employees – Water Services</i>	<i>59</i>
<i>Table 23: Financial Performance 2014/2015 – Water Services</i>	<i>59</i>
<i>Table 24: Capital Expenditure 2014/2015 – Water Services</i>	<i>60</i>
<i>Table 25: Sanitation Service Delivery Levels</i>	<i>61</i>
<i>Table 26 : Households – Sanitation Service Delivery Levels below the minimum</i>	<i>62</i>
<i>Table 27: Wastewater (Sanitation) Service Policy Objectives taken from the IDP</i>	<i>63</i>

<i>Table 28: Employees – Sanitation Services</i>	<i>64</i>
<i>Table 29: Financial Performance 2014/2015 – Sanitation Services</i>	<i>64</i>
<i>Table 30: Capital Expenditure 2014/2015 – Sanitation Services</i>	<i>65</i>
<i>Table 31: Electricity Service Delivery Levels</i>	<i>70</i>
<i>Table 32: Households – Electricity Service Delivery Levels below the minimum</i>	<i>71</i>
<i>Table 33: Electricity Service Policy Objectives taken from IDP</i>	<i>72</i>
<i>Table 34: Employees – Electricity Services.....</i>	<i>73</i>
<i>Table 35: Financial Performance 2014/2015 – Electricity Services.....</i>	<i>73</i>
<i>Table 36: Capital Expenditure 2014/2015 – Electricity Services.....</i>	<i>73</i>
<i>Table 37: Solid Waste Service Delivery Levels</i>	<i>74</i>
<i>Table 38: Households – Solid Waste Service Delivery Levels below the minimum</i>	<i>75</i>
<i>Table 39: Waste Management Service Policy Objectives taken from IDP.....</i>	<i>76</i>
<i>Table 40: Employees – Solid Waste Management Services</i>	<i>77</i>
<i>Table 41: Financial Performance 2014/2015 – Solid Waste Management Services.....</i>	<i>77</i>
<i>Table 42: Capital Expenditure 2014/2015 – Waste Management Services</i>	<i>78</i>
<i>Table 43: Housing Demand Database</i>	<i>81</i>
<i>Table 44: Housing Service Policy Objectives taken from IDP</i>	<i>82</i>
<i>Table 45: Employees – Housing Services.....</i>	<i>83</i>
<i>Table 46: Financial Performance 2014/2015 – Housing Services</i>	<i>83</i>
<i>Table 47: Capital Expenditure 2014/2015 – Housing Services</i>	<i>84</i>
<i>Table 48: Free Basic Services to low-income households</i>	<i>85</i>
<i>Table 49: Financial Performance 2014/2015 – Cost to Municipality of Free Basic Services delivered</i>	<i>86</i>
<i>Table 50: Free Basic Service Policy Objectives taken from IDP</i>	<i>87</i>
<i>Table 51: Gravel Road Infrastructure</i>	<i>89</i>
<i>Table 52: Asphalted Road Infrastructure.....</i>	<i>89</i>
<i>Table 53: Cost of Construction/Maintenance</i>	<i>90</i>
<i>Table 54: Road Service Policy Objectives taken from IDP</i>	<i>91</i>
<i>Table 55: Employees – Road Services</i>	<i>92</i>
<i>Table 56: Financial Performance 2014/2015 – Road Services</i>	<i>92</i>
<i>Table 57: Capital Expenditure 2014/2015 – Road Services.....</i>	<i>93</i>
<i>Table 58: Stormwater Infrastructure.....</i>	<i>95</i>
<i>Table 59: Cost of Construction/Maintenance</i>	<i>95</i>
<i>Table 60: Stormwater Policy Objectives taken from IDP.....</i>	<i>96</i>
<i>Table 61: Employees – Stormwater Services.....</i>	<i>97</i>
<i>Table 62: Financial Performance 2014/2015 – Stormwater Services.....</i>	<i>97</i>
<i>Table 63: Capital Expenditure 2014/2015 – Stormwater Services.....</i>	<i>97</i>
<i>Table 64: Valuation Roll</i>	<i>99</i>
<i>Table 65: Applications for Land Use Development</i>	<i>101</i>
<i>Table 66: Planning Policy Objectives taken from IDP.....</i>	<i>102</i>
<i>Table 67: Employees – Planning Services.....</i>	<i>103</i>
<i>Table 68: Financial Performance 2014/2015 – Planning Services.....</i>	<i>103</i>
<i>Table 69: Capital Expenditure 2014/2015 – Planning Services.....</i>	<i>103</i>
<i>Table 70: Economic Activity by Sector</i>	<i>107</i>

<i>Table 71: Economic Employment by Sector</i>	<i>107</i>
<i>Table 72: Job creation through EPWP Projects</i>	<i>107</i>
<i>Table 73: Local Economic Development Policy Objectives taken from IDP</i>	<i>108</i>
<i>Table 74: Employees – Local Economic Development Services</i>	<i>109</i>
<i>Table 75: Financial Performance 2014/2015 – Local Economic Development Services</i>	<i>109</i>
<i>Table 76: Capital Expenditure 2014/2015 – Local Economic Development Services</i>	<i>109</i>
<i>Table 77: Community Development Policy Objectives taken from IDP</i>	<i>111</i>
<i>Table 78: Service Statistics for Libraries</i>	<i>113</i>
<i>Table 79: Libraries, Community Facilities, and other Policy Objectives taken from IDP</i>	<i>114</i>
<i>Table 80: Employees – Libraries, Community Facilities and Other</i>	<i>115</i>
<i>Table 81: Financial Performance 2014/2015 – Libraries, Community Facilities and Other</i>	<i>115</i>
<i>Table 82: Capital Expenditure 2014/2015 – Libraries, Community Facilities and Other</i>	<i>116</i>
<i>Table 83: Cemeteries and Crematoria Policy Objectives taken from IDP</i>	<i>117</i>
<i>Table 84: Employees – Cemeteries and Crematoria</i>	<i>118</i>
<i>Table 85: Financial Performance 2014/2015: Cemeteries and Crematoria</i>	<i>118</i>
<i>Table 86: Capital Expenditure 2014/2015 – Cemeteries and Crematoria</i>	<i>118</i>
<i>Table 87: Child Care, Aged Care, and Social Programmes Policy Objectives taken from IDP</i>	<i>120</i>
<i>Table 88: Employees – Child Care, Aged Care, Social Programmes</i>	<i>121</i>
<i>Table 89: Financial Performance 2014/2015 – Child Care, Aged Care, Social Programmes</i>	<i>121</i>
<i>Table 90: Capital Expenditure 2014/2015 – Child Care, Aged Care, Social Programmes</i>	<i>122</i>
<i>Table 91: Skills Training for youth</i>	<i>122</i>
<i>Table 92: Strategic Objectives: Social and Community Development</i>	<i>123</i>
<i>Table 93: Pollution Control Policy Objectives taken from IDP</i>	<i>125</i>
<i>Table 94: Biodiversity, Landscape and Other Policy Objectives taken from IDP</i>	<i>127</i>
<i>Table 95: Law Enforcement Service Data</i>	<i>129</i>
<i>Table 96: Law Enforcement Objectives taken from IDP</i>	<i>130</i>
<i>Table 97: Employees – Law Enforcement</i>	<i>131</i>
<i>Table 98: Financial Performance 2014/2015 – Law Enforcement</i>	<i>131</i>
<i>Table 99: Capital Expenditure 2014/2015 – Law Enforcement</i>	<i>132</i>
<i>Table 100: Firefighter Training</i>	<i>133</i>
<i>Table 101: Fire Safety – Activities</i>	<i>133</i>
<i>Table 102: Fire Service Data</i>	<i>134</i>
<i>Table 103: Fire Service Policy Objectives taken from IDP</i>	<i>135</i>
<i>Table 104: Employees – Fire Service</i>	<i>136</i>
<i>Table 105: Financial Performance 2014/2015 – Fire Service</i>	<i>136</i>
<i>Table 106: Capital Expenditure 2014/2015 – Fire Service</i>	<i>137</i>
<i>Table 107: The different sports codes' utilisation of sports facilities</i>	<i>138</i>
<i>Table 108: Sport and Recreation Policy Objectives taken from IDP</i>	<i>139</i>
<i>Table 109: Employees – Sports and Recreation</i>	<i>140</i>
<i>Table 110: Financial Performance 2014/2015 – Sports and Recreation</i>	<i>140</i>
<i>Table 111: Capital Expenditure 2014/2015 – Sport and Recreation</i>	<i>140</i>
<i>Table 112: Service Statistics for the Executive and Council</i>	<i>142</i>
<i>Table 113: The Executive and Council Policy Objectives taken from IDP</i>	<i>143</i>
<i>Table 114: Employees – The Executive and Council</i>	<i>144</i>

<i>Table 115: Financial Performance 2014/2015 – The Executive and Council</i>	144
<i>Table 116: Capital Expenditure 2014/2015 – The Executive and Council</i>	144
<i>Table 117: Debt Recovery</i>	146
<i>Table 118: Financial Service Policy Objectives taken from IDP</i>	147
<i>Table 119: Employees – Financial Services</i>	148
<i>Table 120: Financial Performance 2014/2015 – Financial Services</i>	148
<i>Table 121: Capital Expenditure 2014/2015 – Financial Services</i>	148
<i>Table 122: Human Resource Services Policy Objectives taken from IDP</i>	150
<i>Table 123: Employees – Human Resource Services</i>	151
<i>Table 124: Financial Performance 2014/2015 – Human Resource Services</i>	151
<i>Table 125: Expenditure Capital 2014/2015 – Human Resource Services</i>	151
<i>Table 126: Service Statistics for ICT</i>	153
<i>Table 127: ICT Services Policy Objectives taken from IDP</i>	154
<i>Table 128: Employees – ICT Services</i>	155
<i>Table 129: Financial Performance 2014/2015 – ICT Services</i>	155
<i>Table 130: Capital Expenditure 2014/2015 – ICT Services</i>	155
<i>Table 131: Properties sold</i>	157
<i>Table 132: Properties leased</i>	157
<i>Table 133: Community Hall Usage</i>	158
<i>Table 134: Capital and Maintenance Projects</i>	158
<i>Table 135: Property Policy Objectives taken from IDP</i>	159
<i>Table 136: Employees – Property</i>	160
<i>Table 137: Employees – Legal Services</i>	160
<i>Table 138: Employees: Risk Management (Internal Audit)</i>	161
<i>Table 139: Employees: Procurement Services</i>	161
<i>Table 140: Financial Performance 2014/2015 – Property, Legal, Risk Management and Procurement Services</i>	161
<i>Table 141: Capital Expenditure 2014/2015 – Property</i>	162
<i>Table 142: Total number of employees</i>	165
<i>Table 143: Vacancy Rate 2014/2015</i>	166
<i>Table 144: Turnover Rate</i>	166
<i>Table 145: HR Policies and Plans</i>	167
<i>Table 146: Number and cost of injuries on duty</i>	168
<i>Table 147: Number of days and cost of sick leave (excluding injuries on duty)</i>	168
<i>Table 148: Number and period of suspension</i>	169
<i>Table 149: Performance Rewards by Gender</i>	170
<i>Table 150: Internal bursary fund</i>	171
<i>Table 151: Skills Matrix</i>	172
<i>Table 152: Financial Competency Development – Progress Report</i>	173
<i>Table 153: Skills Development Expenditure</i>	174
<i>Table 154: Additional Skills Development Expenditure</i>	175
<i>Table 155: Number of employees whose salaries were increased due to their positions being upgraded</i>	177
<i>Table 156: Employees whose salary levels exceed the grade determined by job evaluation</i>	177

<i>Table 157: Employees appointed to posts not approved</i>	<i>177</i>
<i>Table 158: Financial Summary.....</i>	<i>182</i>
<i>Table 159: Financial Performance of Operational Services</i>	<i>183</i>
<i>Table 160: Grant Performance</i>	<i>184</i>
<i>Table 161: Grants received from sources other than Division of Revenue Act (DORA).....</i>	<i>185</i>
<i>Table 162: Treatment of the largest assets acquired 2014/2015.....</i>	<i>188</i>
<i>Table 163: Repairs and Maintenance Expenditure 2014/2015</i>	<i>188</i>
<i>Table 164: Capital Expenditure – Funding Sources – 2014/2015</i>	<i>196</i>
<i>Table 165: Capital Expenditure of five largest projects</i>	<i>197</i>
<i>Table 166: Service Backlogs as at 30 June 2015</i>	<i>198</i>
<i>Table 167: MIG Expenditure 2014/2015 on Service Backlogs</i>	<i>199</i>
<i>Table 168: Cash Flow Outcomes</i>	<i>201</i>
<i>Table 169: Actual Borrowings 2012/2013 – 2014/2015.....</i>	<i>202</i>
<i>Table 170: Municipal and Entity Investments</i>	<i>203</i>
<i>Table 171: GRAP Compliance List.....</i>	<i>205</i>
<i>Table 172: Auditor-General Report on Financial Performance 2013/2014.....</i>	<i>207</i>
<i>Table 173: Auditor-General Report on Service Delivery 2013/2014</i>	<i>207</i>
<i>Table 174: Auditor-General Report on Financial Performance 2014/2015.....</i>	<i>207</i>
<i>Table 175: Auditor-General Report on Service Delivery 2014/2015</i>	<i>207</i>
<i>Table 176: Councillors, Committees allocated and Council attendance</i>	<i>212</i>
<i>Table 177: Committees (other than Mayoral/Executive Committee) and purposes of committees</i>	<i>213</i>
<i>Table 178: Second- and Third-tier Structure</i>	<i>214</i>
<i>Table 179: Municipal Functions</i>	<i>215</i>
<i>Table 180: Functionality of Ward Committees</i>	<i>224</i>
<i>Table 181: Ward – Capital Projects.....</i>	<i>225</i>
<i>Table 182: Basic Service Provision</i>	<i>225</i>
<i>Table 183: Top four Service Delivery Priorities</i>	<i>225</i>
<i>Table 184: Municipal Audit Committee Recommendations</i>	<i>228</i>
<i>Table 185: Long-term Contracts</i>	<i>228</i>
<i>Table 186: Public-Private Partnerships entered into 2014/2015.....</i>	<i>229</i>
<i>Table 187: Disclosure of Financial Interests</i>	<i>231</i>
<i>Table 188: Revenue Collection Performance by Vote</i>	<i>232</i>
<i>Table 189: Revenue Collection Performance by Source.....</i>	<i>233</i>
<i>Table 190: Conditional Grants excluding MIG</i>	<i>234</i>
<i>Table 191: Capital Expenditure – New Assets Programme</i>	<i>237</i>
<i>Table 192: Capital Expenditure –Upgrade/Renewal Programme</i>	<i>240</i>
<i>Table 193: Capital Programme by Project 2014/2015</i>	<i>242</i>
<i>Table 194: Capital Programme by Project by Ward 2014/2015</i>	<i>244</i>
<i>Table 195: Service Backlogs – Schools and Clinics</i>	<i>244</i>
<i>Table 196: Service backlogs experienced by the community where another sphere of government is the service provider</i>	<i>246</i>
<i>Table 197: Declaration of loans and grants made by the Municipality 2014/2015</i>	<i>250</i>

<i>Table 198: MFMA S71 returns not made during 2014/2015 according to reporting requirements</i>	250
<i>Table 199: Presidential outcome for Local Government</i>	251

Chapter 1: Mayor's Foreword and Executive Summary

Chapter 2: Governance

Chapter 3: Service Delivery Performance (Performance Report)

Chapter 4: Organisational Development Performance

Chapter 5: Financial Performance

Chapter 6: Auditor-General Audit Findings

Glossary

Appendices

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

- COMPONENT A: MAYOR'S FOREWORD
- COMPONENT B: EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

It is always a daunting task to provide a complete account on the responsibilities conferred upon us by the electorate – our residents. Most significantly, we do so being quite conscious of the fact that the general public deserves its rightful place at the zenith of the 'accountability chain'. In presenting this Annual Report, Drakenstein Municipality sets out the performance highlights and financial management for the 2014/2015 financial year.

The format and content of the Annual Report is largely prescribed by Section 46 of the Local Government: Municipal Systems Act (Act 32 of 2000) and Sections 121 and 127(2) of the Local Government: Municipal Finance Management Act (Act 56 of 2003). The above legislation compels the Municipality to prepare an Annual Report for each financial year and the Executive Mayor to table such report in Council.

The 2014/2015 financial year marked this administration's fourth year in office. It saw the Municipality accelerate its efforts in implementing the overarching strategic focus areas (SFAs) of the Integrated Development Plan (IDP), Budget and the Service Delivery and Budget Implementation Plan (SDBIP) – our blueprints. These SFAs have been developed into a clear programme of action, which has seen the Municipality deliver on a range of initiatives, all aimed at improving the subsistence of all residents of Drakenstein. We have worked hard to further ensure that these SFAs and their related objectives are aligned with the strategic intent/commitment of the Provincial Government of the Western Cape ('Province') as well as National Government's National Development Plan.

In essence, the report is an account of Drakenstein Municipality's achievements in the year under review and, as with any rigorous instrument, it also assists in identifying our successes and failures. This report is therefore intended to attest to the collective efforts of the administrative and political arms of the Municipality to progressively address the expectations of our residents.

While challenges still confront our Municipality, we have made huge progress in delivering on the objectives of the Municipal 'blueprints'. Some of these challenges include an increasing demand for service delivery in the face of an ever-growing population that is characterised by high levels of unemployment and poverty.

Drakenstein Municipality has been lauded for its administrative and governance standards which serves as a testimony of the distinctive political and administrative leadership contained in this organisation. However, this does not mean that we now rest on our laurels, but we shall continue to pursue ever-reaching benchmarks for governance excellence.

We have spent extensive time and resources on developing, refining and converting these strategic focus areas into action, so that it can form the solid foundation on which the Municipality can raise its pillars. We will continue to demonstrate a commitment to making a difference in the lives of our ordinary citizens and in maintaining this organisation's reputation as a "Place of Excellence".

Whilst the report reflects on the successes the Municipality achieved in the period between July 2014 and June 2015, it also provides an opportunity for deep reflection on the challenges encountered by the Municipality in our concerted efforts to implement our Integrated Development Plan. Our vision echoes a call for all of Drakenstein to reach for higher achievements in both the ordinary and extraordinary circumstances of life.

I am particularly proud of the fact that the Municipality, through its focus on poised service delivery, continues to prioritise the needs of the poor and the vulnerable, with the targeted allocation of the budget to indigent relief in the form of free basic services and rates rebates, as well as through direct service delivery to the poor. To provide further relief to vulnerable citizens, we have also invested in service delivery in informal settlements. We have continued to make the necessary investments in critical infrastructure to enable economic growth as evidence of our commitment of service delivery excellence to our residents.

We have also adopted forward-looking economic growth and social development strategies that are structured to complement one another and to reposition the Municipality's approach to economic and social development. In so doing, the Municipality is poised to introduce a range of incentives that will help attract investment and drive economic growth, development and inclusion as part of our broader plans to position Drakenstein Municipality as the 'city' of the future.

All of these accomplishments are the result of the combined efforts of all involved, many of whom go the extra mile to ensure that Drakenstein meets the service delivery needs of its residents. My heartfelt gratitude goes towards the officials, councillors and members of the public who share the same vision of excellence exemplified by the political leadership. A vision that requires absolute commitment to collaboration, partnership and close working relationships. And I am happy to say that the past year has been characterised by such cooperation and mutual commitment from all the Municipal stakeholders.

Development is not an event, but rather a process which requires multiple resources and effective leadership. I remain committed to working together with my Mayoral Committee, the whole Council and the Municipal Administration in realising our vision and making it a practical reality. We are positive that the future of Drakenstein

Municipality holds the promise of a financially viable institution which delivers excellent services to our communities.

(Signed by:) _____
MAYOR/EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW

This Annual Report bears testament to what is possible in local government through hard work, focus and determination in the face of various forms of adversity. In presenting this Annual Report 2014/2015, we affirm that Drakenstein Municipality has made massive strides towards becoming a "Place of Excellence".

Adversity notwithstanding, we are able to assert that our financial records, procedures, processes and internal controls are, in the opinion of the Auditor-General, **clean**. The public of Drakenstein can therefore be assured that the current political leadership and the administration are managing their assets responsibly and are rendering services at acceptable levels.

In keeping with the performance of last year, the capital budget spending for the financial year yielded a result of **98.72%** when compared with the Final Adjustments Budget for 2014/2015. The financial performance of the organisation also yielded excellent results as the actual operating revenue and expenditure yielded results of **96.52%** and **92.85%** respectively when compared with the Final Adjustments Budget for 2014/2015.

Various key service delivery improvements achieved during the year under review confirmed the appropriateness of the strategic direction embarked on at the beginning of the term of office of the current leadership. These include, amongst others, the completion of and promising progress made towards the implementation of a number of vital bulk sewerage and water reticulation projects, providing thousands of Drakenstein residents with improved basic services and setting the tone for steadfast economic growth.

Infrastructure maintenance, upgrading and development remain the key in the development and growth of every municipality. It is also critical that the infrastructure development is done timeously to allow for future development and especially allowing the economy to grow. The Drakenstein Municipality continues to invest in infrastructure within the development of all our towns to create the best opportunities and provide excellent services for all our residents. Large contracts are under way to underpin this development. These include the completion of the Stokery Road construction, the refurbishment of bridge infrastructure, new bulk sewer lines, the construction of the Newton reservoir, the construction of the Welvanpas Water Treatment Works and the continuation with the Strawberry King water pipeline. The Municipality has also taken a big step in the electrification of informal settlements to raise the quality of life of our poorest residents. More than 500 units were electrified in the 2014/2015 financial year.

The planning of the Waste-to-Energy project to enable the drastic reduction of waste to the Wellington Landfill Site is progressing at the pace determined by legislation. Council has accepted the MFMA Section 78(3) report and has taken the Section 78(4) decision to proceed with the PPP process whereby a private partner may construct and manage the

waste-to-energy plant. Currently an environmental impact assessment process has been launched and it is expected that this process will be completed in the second semester of 2016. Council will thereafter be able to take the final decision to launch the project itself.

In 2014, the Local and Economic Development and Tourism unit embarked on a process to consolidate our key economic development priorities as reflected in the current IDP, which primarily focus on job creation, investment promotion and sector development, rural economic development and the facilitation of skills development.

Our new approach to local economic development is that economic development is not a linear approach, but rather the outcome of a complex set of relationships which involve managing the integration of the key components of production and relying heavily on how local communities and the public and private sectors respond to these interventions. To maximise our existing resources, we realised that we will have to focus on creating an economy that promotes innovation through collaboration. During 2014/2015, we launched our first 'MAYCO meets Business' networking session which serves as a platform for the private sector to engage with the Municipality on key strategic economic interventions to transform Drakenstein's economy into a dynamic inclusive economy of innovation. We continued to exceed our Expanded Public Works Programme (EPWP) and Community Works Programme (CWP) beneficiary targets after we adopted a rigorous broad-based recruitment process through our electronic-based Unemployment Database.

In terms of our contribution in poorer communities, the Municipality managed 12 food and nutrition centres across the Drakenstein Municipal Area. This was enabled through a partnership agreement with the provincial Department of Social Development. We also initiated a skills development programme, which provides quarterly training courses for the unemployed in order to make them more employable. The Municipality offered various skills development workshops for the unemployed youth and these included home-based care training, beautician training, waiter training and computer training. The aim of the skills training was to empower unskilled and unemployed youth with skills so that they could immediately access job opportunities. Two skills development workshops were also facilitated for the Drakenstein Early Childhood Development (ECD) sector, including the rural areas of Saron, Gouda and Hermon.

This financial year started off slowly as far as the implementation of housing projects was concerned. This can be attributed to a number of reasons, including defaulting contractors, community dynamics, change in construction strategy and high tender prices. Despite these challenges, the Municipality managed to get contractors on site in four of the five projects implemented during the financial year. In total, 311 housing opportunities out of the targeted 400 were created, translating into a 78% success rate.

One of the above projects, the Fairyland project (conversion of an informal settlement into a formal township), received an award as second runner-up in its category (Upgrade of Informal Settlement Programme) in the Western Cape. The local housing committee was

also honoured with a merit award by the MEC for Human Settlements in the Province for the tenacity and dedication to make the project a success.

Despite the above accomplishment, informal settlements still pose major challenges in relation to electrification, vandalism of service infrastructure, and the proliferation of structures. Ongoing evictions, increasing demand for housing and an increase in backyarders are further challenges that the Municipality is grappling with.

What is becoming abundantly clear, is that the Municipality and its housing partners need a complete rethink of how we address the challenges of informal settlements and the provision of new housing opportunities.

During this financial year, 15,095 households were provided with free sanitation and refuse removal and 15,186 households were provided with free basic electricity, whilst 36,448 households were provided with free basic water. The households which were actually provided with free basic services far exceed the targets set by the organisation, which means that more people could benefit from this grant.

Due to the exorbitant costs of procuring an external consultant to conduct a public satisfaction survey, the Municipality procured an online survey system to assist with such survey. The first online public satisfaction survey was conducted from April to June 2015. Although we did not receive the number of responses that we anticipated, we will use the information that we received. This survey will be repeated annually and we will take the necessary steps to ensure that more residents participate. This will enable us to respond more meaningfully to the messages that we receive from the public.

The centralised complaints management system procured to improve customer care is fully operational. Additional access options have been introduced in order to ensure that all residents have easy access to the system. In addition, the system has been expanded to all directorates of the Municipality. During the reporting period, a total number of 26,381 service requests were registered and more than 25,000 of these were attended to and finalised during the review period. This indicates that the system is being utilised extensively by the residents and the Municipality.

Drakenstein Municipality established a climate partnership with the Municipality of Neumarkt, Germany. Following the signing of the Memorandum of Understanding by the respective Mayors in 2014, a 'Joint Programme of Action' was finalised in 2015. This programme sets out mutual objectives and measures for climate change mitigation and adaptation and it also provides a strategic framework for further development of this partnership.

We are excited about this and other initiatives that are focused on fulfilling the Drakenstein vision of excellence. Our greatest encouragement is the continued support and commitment of our Drakenstein residents and business community who are as passionate as we are about exceeding all expectations on all service delivery fronts. Thank

you also to all my committed, passionate and hard-working colleagues across the Municipality who actively endeavour to develop Drakenstein into a "Place of Excellence".

(Signed by:) _____
MUNICIPAL MANAGER

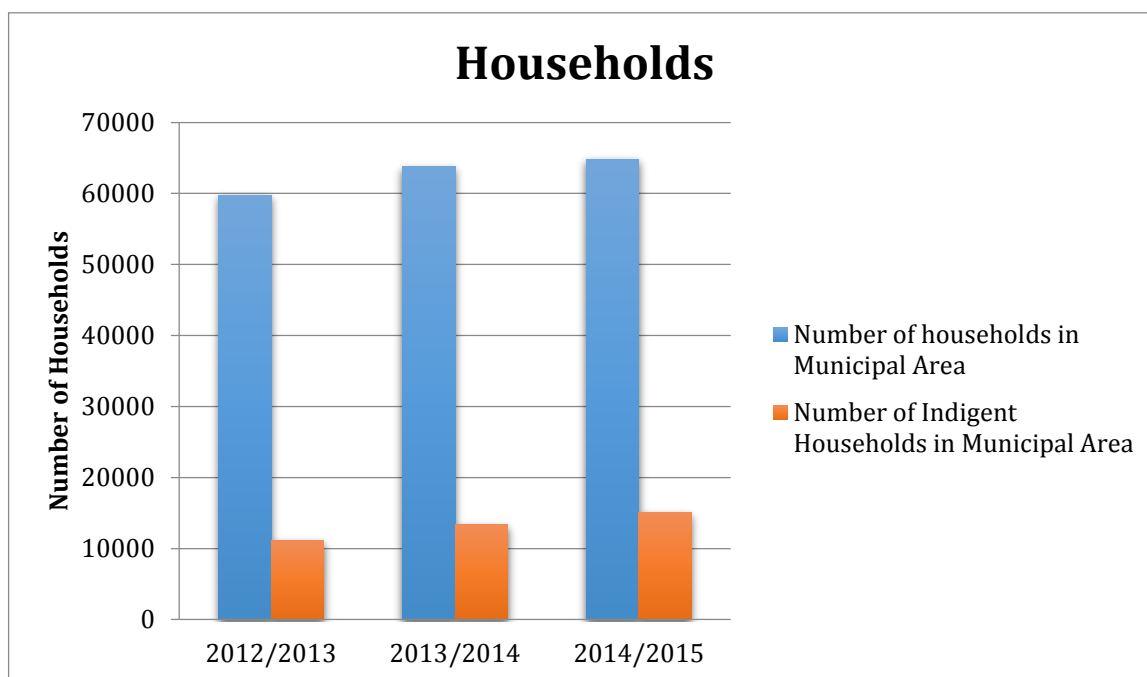
1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

In 2014 the Western Cape Government and Drakenstein Municipality jointly agreed that skills development in Drakenstein needs to be elevated as a ‘game changer’ to facilitate accelerated local economic development. The Municipality is currently in the joint planning phase to pool appropriate government resources to develop a sustainable skills development programme which meets the needs of both the public and private sector. Further innovation in accelerating service delivery to reduce the cost of doing business in Drakenstein includes the automation of building plan submissions and centralising the implementation of high-impact catalytic economic development projects.

Population Details									
Age	2012/2013			2013/2014			2014/2015		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0-4	12,276	12,412	24,688	12,423	12,584	25,007	12,429	12,590	25,019
Age: 5-9	10,772	10,936	21,709	11,056	11,230	22,286	11,057	11,231	22,288
Age: 10-14	10,040	10,193	20,233	10,249	10,416	20,665	10,250	10,417	20,667
Age: 15-19	10,642	10,615	21,257	10,644	10,600	21,244	10,650	10,615	21,265
Age: 20-29	22,503	22,386	44,899	22,513	22,281	44,794	22,562	22,318	44,880
Age: 30-39	18,456	19,031	37,487	18,647	19,157	37,804	18,661	19,169	37,830
Age: 40-49	17,465	18,070	35,535	17,876	18,466	36,342	17,883	18,471	36,354
Age: 50-59	11,464	12,652	24,116	11,975	13,212	25,187	11,979	13,216	25,195
Age: 60-69	5,983	7,235	13,218	6,199	7,616	13,815	6,203	7,619	13,822
Age: 70+	3,502	5,277	8,779	3,616	5,544	9,160	3,738	5,814	9,552

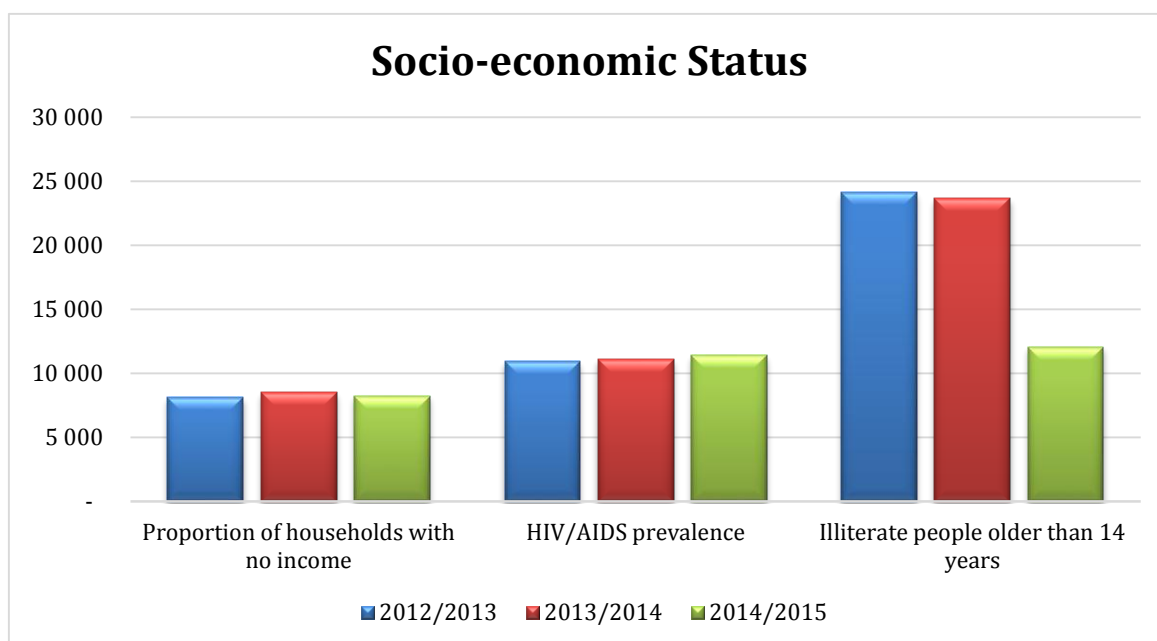
Table 1: Population Details



Graph 1: Households

Socio-economic Status					
Year	Unemployment Rate	Proportion of Households with no income	Proportion of Population in low-skilled employment	HIV/AIDS prevalence	Illiterate people older than 14 years
2012/2013	21.9%	8,130	24%	10,907	24,141
2013/2014	20.3%	8,517	44%	11,078	23,640
2014/2015	21.1%	8,230	47%	11,404	24,547

Table 2: Socio-economic Status



Graph 2: Socio-economic Status

Overview of neighbourhoods in Drakenstein Municipality		
Settlement Type	Households	Population
Towns		
Paarl	26,943	112,045
Wellington	12,739	55,543
Gouda	828	3,441
Saron	1,899	7,843
Sub-total	42,409	178,872
Townships		
Mbekweni	8,239	30,875
Rural Settlements		
Simondium	2,207	9,890
Windmeul	2,395	11,707
Hermon	824	8,303
Other rural settlements within Drakenstein General Jurisdictional Area	3,267	10,382
Sub-total	8,693	40,282
Informal Settlements		
There are currently 28 informal settlements. The Department of Human Settlements is in the process of conducting a study on these settlements.	3,750	15,000
Sub-total	3,750	15,000
Total	63,091*	265,029*

* Note: Household and population figures differ from other reported information in this report as a result of the different source documents used to compile reports. This will increase as the quality of data increases.

Table 3: Overview of neighbourhoods in Drakenstein Municipality

Natural Resources	
Major Natural Resources	Relevance to Community
Berg River and tributaries	Important irrigation, recreation and tourism feature
Paarl Mountain Reserve	Significant tourist and cultural asset
Arboretum	Scientific research and recreation
Several mountain ranges	Water provision, recreation, contribution towards agriculture
Agriculture	Major employer of low-skilled labour, export and local markets are serviced. Contributes towards local economy

Table 4: Natural Resources

COMMENT ON BACKGROUND DATA

The burden of increased unemployment and population numbers continues to exacerbate the Municipality's ability to provide inclusive quality services to the citizens of Drakenstein. In recent years the Municipality has also attracted a significant number of job seekers from elsewhere in the province and country, which have placed an increased burden on the provision of Municipal services and other infrastructure. Issues of food security, household nutrition and the impacts of climate change will add to the challenges.

The Municipality continues to innovate through meaningful and sustainable partnerships such as the climate change partnership with Neumarkt in Germany and the VPUU (Violence Prevention through Urban Upgrading) Programme, which focuses on empowering citizens to become active as agents of change in their own communities.

1.3 SERVICE DELIVERY OVERVIEW

The Directorate: Infrastructure Services is responsible for basic service delivery, i.e. water, sewerage, streets, stormwater, traffic engineering, waste services and electricity.

All formal and informal areas within the urban area have access to all basic services except electricity. Electricity was previously available to formally reticulated dwellings only. All formal dwellings have been electrified. A number (261) of informal dwellings received electricity connections during the 2014/2015 financial year, which was funded with INEP funding. Informal and illegal electricity connections remain a challenge. Basic services are provided to farms in the rural area through a subsidy scheme for farm workers. Basic services in the rural areas are addressed by Eskom as they mostly reside in the Eskom supply areas.

The Electricity Supply By-Laws were amended and changed to facilitate co-generation by means of solar photo voltaic systems. PV installation applications were processed by the Electrotechnical Engineering Department for approval, as required for safety reasons.

A Time of Use project was initiated during the financial year. Smart meters will be introduced during the 2015/2016 financial year on a test and research basis prior to introducing a Time of Use tariff for domestic consumers.

Basic services are provided to all new developments and all the services are maintained in terms of sound asset management principles.

Council has accepted the MFMA Section 78(3) report and has taken the Section 78(4) decision to proceed with the PPP process whereby a private partner may construct and manage the waste-to-energy plant. An environmental impact assessment process has been launched and it is expected that this process will be completed in the second semester of 2016. Council will thereafter be able to take the final decision to launch the project itself.

Major upgrading of the bulk sewerage system for Paarl is in progress and the upgrading of the Paarl Wastewater Treatment Works (WWTW) has been completed. The bulk sewer pipeline from the Paarl WWTW to Carolina Road and Amstelhof Area has been completed and approximately 12,000 development opportunities will now benefit from the R 162 million asset.

The 11-megalitre Newton Reservoir (the first of two) and the upgraded Newton bulk water pipeline have been completed and are in full operation. The second 11-megalitre Newton Reservoir will be completed by the beginning of 2016. The new 10-megalitre/day Welvanpas Water Treatment Works is in progress together with bulk water pipe replacements between Welvanpas Reservoir and the Bergendal Area at Wellington.

The Municipality employed trained and highly qualified staff with clear career paths and development programmes.

Construction of the Stokery Road upgrade in Wellington was completed in April 2015. Additional work will be executed on the project to improve the intersections with other main roads during 2015/2016.

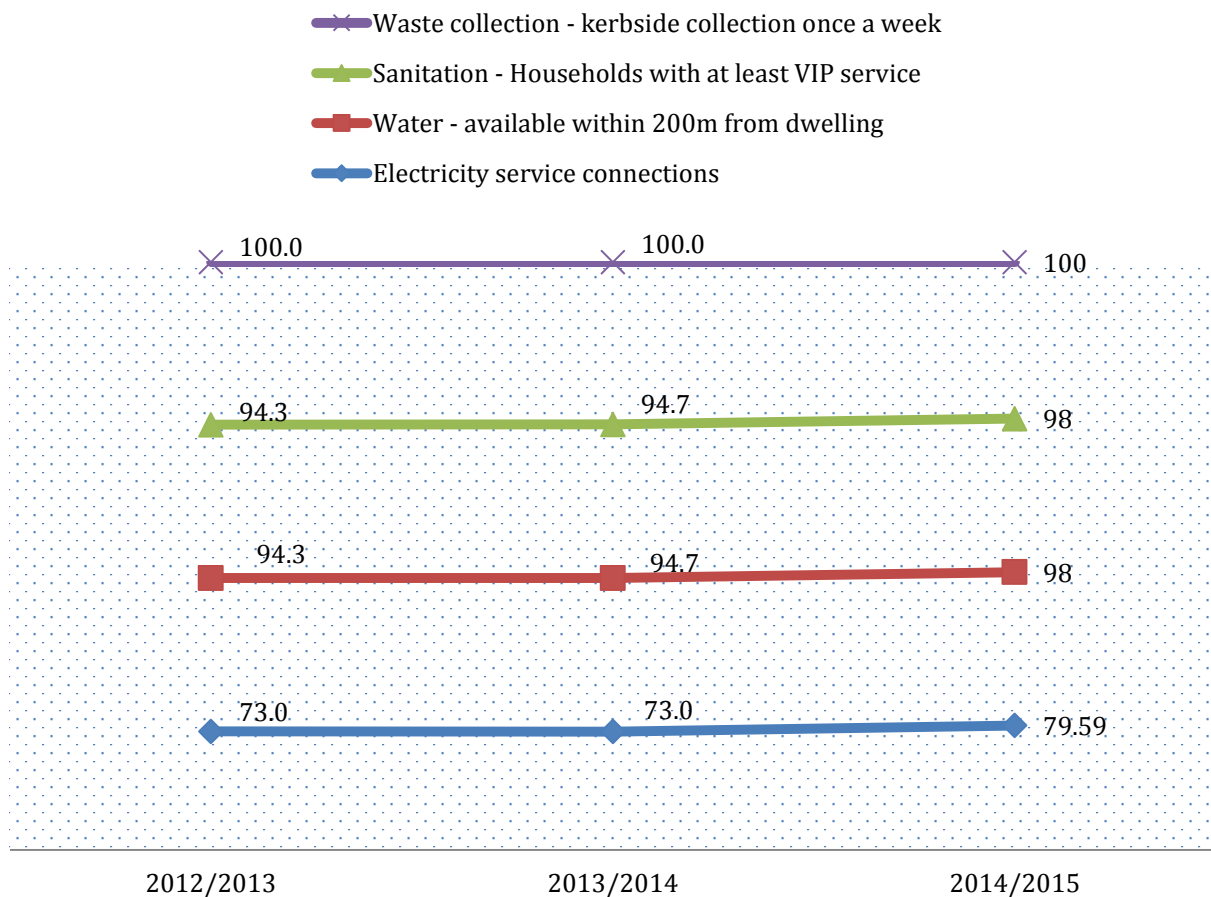
The final planning for the construction of Van der Stel Road between Abattoir Street and Klein Drakenstein Road has been completed. Final planning for the upgrading of Bergriver Boulevard between Lady Grey Street and Oosbosch Street and Oosbosch Street between Bergriver Boulevard and Jan van Riebeeck Drive to dual carriageway divided roads has commenced and will be completed in 2015/2016.

The services for the Drommedaris Housing Project comprising of 1,106 dwellings have been completed.

The project to re-programme all prepaid meters, starting in the Paarl Area, approaches completion.

All persons registered as indigent in terms of Council's policy receive free basic services, namely 10 kℓ of water, 100 kWh of electricity limited to a 20 amp circuit breaker as well as a subsidised refuse removal service.

Proportion of households with access to basic services (%)



Graph 3: Proportion of households with access to basic services

COMMENT ON ACCESS TO BASIC SERVICES

All formal households have access to basic civil engineering and electricity services.

Informal areas within the urban edge have been provided with a minimum level of basic civil services since 2007. The provision of services to the informal areas is as a result of rural-urban migration and new family formation which makes planning difficult.

An assessment is made annually to determine the backlogs to be addressed, based on available funding.

Theft and vandalism disrupt the provision and maintenance of services.

1.4 FINANCIAL HEALTH OVERVIEW

The Municipality has made a concerted effort to ensure that the limited resources of the organisation are utilised in a sustainable and responsible manner. The financial overview of the organisation can be summarised as follows:

Financial Sustainability

The Municipality has a significant revenue base that continues to grow substantially when compared with previous years. This revenue base has enabled the organisation to aggressively increase the external gearing to address its capital infrastructure needs. However, an independent Portfolio Manager (INCA) who reviewed the financial position and performance of the organisation, has cautioned the organisation that future increases in tariffs would have to be benchmarked against the consumer's ability to pay. Lower tariff increases coupled with higher inflation could hamper the Municipality's present services roll-out programme.

The liquidity levels of the organisation have been managed in a fair manner, although only a slight incline in the current assets to current liabilities ratio is evident. The liquidity ratio (current assets/current liabilities) of the organisation as at 30 June 2015 was 1.10 to 1 as opposed to the ratios of 1.06 to 1 (2013/2014), 1.14 to 1 (2012/2013) and 1.18 (2011/2012) for the previous three financial years. Although the industry norm is 1 to 1, it is encouraging that the ratio increased over the last financial year compared with the decrease year-on-year over the previous three financial years.

The overall financial operational performance of the organisation can be considered as being finely balanced with very little room for budgetary mistakes.

Key successes and outcomes for 2014/2015

The Capital Budget spending for the financial year yielded a result of **98.72%** when compared with the Final Adjustments Budget for 2014/2015. This can be regarded as a very good performance in terms of all the role-players within the organisation responsible for ensuring that service delivery is of the highest quality in the Municipal Area.

The financial performance of the organisation also yielded excellent results. The actual operating revenue yielded a result of 96.52% when compared with the Final Adjustments Budget for 2014/2015. The actual operating expenditure yielded a result of 92.85% of the Final Adjustments Budget for 2014/2015. The Statement of Financial Performance (capital grants included) yielded a deficit of R 32.6 million compared with the budgeted deficit of R 103.2 million – a positive variance of R 70.6 million.

Two factors influenced the operating revenue and expenditure results for the 2014/2015 financial year. Firstly, housing budgeted expenditure (Drakenstein being an agent for provincial government) in terms of the Accounting Standards had to be offset against housing grant revenue received. Secondly, indigent subsidy budgeted expenditure given to indigent households in terms of the Accounting Standards had to be recognised as revenue forgone. In both these instances, budgeted revenue and expenditure therefore decreased with the same amounts since budgeted practices and Accounting Standards disclosure principles are not fully synchronised as yet. To obtain a clean audit opinion, Drakenstein must apply the budget guidelines of National Treasury as well as the Accounting Standards approved by the Accounting Standards Board.

Challenges identified and proposals to address these challenges

Consumer debt remains a challenge and a number of initiatives were implemented. However, consumer debt (property rates, service charges, housing and sundry debtors – VAT excluded) increased by R 19.9 million from R 253.4 million as at 30 June 2014 to R 273.3 million as at 30 June 2015. The relationship between the ever-increasing tariffs and outstanding debtors is an indication that consumers are struggling to meet their obligations in terms of payment for services. The worsening economic climate puts pressure not only on the world economy, but also filters down to households in all municipalities globally.

Despite all of this, the Municipality's debtors collection period in days (before impairment) reduced to 79.8 days as at 30 June 2015 compared with the 94.9 days as at 30 June 2014. The Municipality's debtors collection period in days (after impairment) reduced to 47.5 days as at 30 June 2015 compared with 49.9 days as at 30 June 2014. The Municipality's debtors collection period in days (before impairment) reduced by 15.1 days and our debtors collection period in days (after impairment) reduced by 2.4 days during the financial year under review. This was certainly a contributing factor to our net increase of R 76.7 million in cash and cash equivalents as reflected in the Cash Flow Statement.

The ability of Council to finance the capital programme from internally-generated funds remains a big challenge. This challenge has an inverse relationship with the increasing external loan debt of Council, which amounted to 46.74% of the total operating expenditure at the end of the 2014/2015 financial year. Council has capped the aforementioned percentage at 50% and, in terms of its Long-Term Financial Sustainability Policy, envisages to generate operating surpluses of just over 2% by the 2023/2024 financial year. This, together with more government grants, will ease the pressure on external borrowings that Council would like to cap at about 40% by 2023/2024.

Several other initiatives are envisaged for the 2015/2016 financial year, with the aim of improving Council's ability to finance future capital requirements. One of these initiatives is the Revenue Enhancement Programme, which will look at closing off any revenue

leakages to ensure the collection of revenue that was not collected before in order to increase the revenue base of Council. The continued efficient and effective management of expenditure will also be improved in order to limit the spending on unnecessary commodities.

Financial Overview 2014/2015			
Details	Original Budget	Adjustments Budget	Actual
Income	R	R	R
Grants	161,876,170	156,720,233	152,924,083
Taxes, Levies and Tariffs	1,265,348,441	1,299,818,105	1,252,722,820
Other	84,573,758	143,260,929	137,937,449
Sub-total	1,511,798,369	1,599,799,267	1,543,584,352
Less: Expenditure	1,559,513,890	1,767,447,684	1,641,087,143
Total (Capital Grants Excluded)	-47,715,521	-167,648,417	-97,502,791
Plus: Capital Grants	54,671,140	64,885,854	64,885,854
Total (Capital Grants included)	6,955,619	-103,261,644	-32,616,937

Table 5: Financial Overview 2014/2015

Operating Ratios	
Details	%
Employee Cost	25.48 (24.06)
Repairs and Maintenance	3.77 (3.85)
Finance Charges and Depreciation	14.03 (14.69)

Table 6: Operating Ratios

COMMENT ON OPERATING RATIOS

The operating ratios as depicted above compare favourably with the current industry norms. The employee cost of 25.48% of total operating expenditure (2014/2015) is at the lower level of the 25% to 40% range regarded as the industry norm (depending on the size and type of municipality), which means that the salary bill of the organisation is well within the required norms. It slightly increased from the 24.06% for 2013/2014 due to the filling of prioritised vacant positions. It has to be highlighted that the restructuring process and the filling of vacant positions added to the structure through this process will affect this ratio even further in future.

The repairs and maintenance ratio of 3.77% for 2014/2015 compared with the 3.85% for 2013/2014 could be viewed as unfavourable if compared with the industry norm of 7% to 8%. It needs to be noted that the repairs and maintenance costs reflected in the Statement of Financial Performance only include materials and not salaries, vehicle costs and contracted services. Taking the latter into consideration, the Municipality's ratio

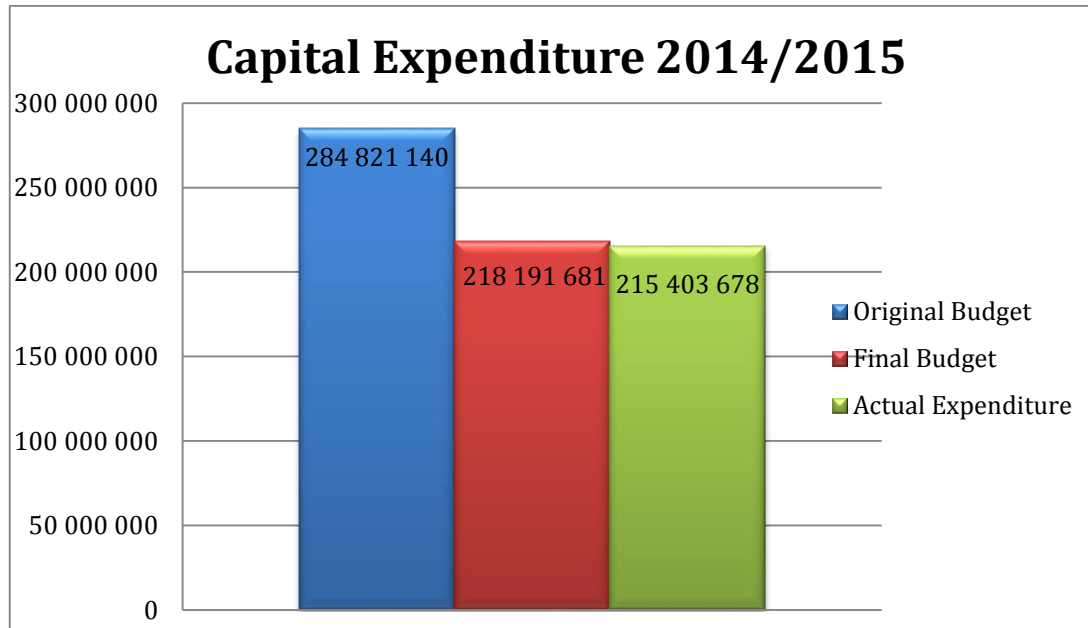
increases to about 7.5% is well within the norm. The Municipality's infrastructure reflects this position.

However, it needs to be noted that Drakenstein's infrastructure is very old and will need to be replaced or refurbished to maintain current service delivery levels. The repairs and maintenance ratio of 3.77% in Table 6 above is well below the norm of 8% that National Treasury sets out in MFMA Circular 71 for repairs and maintenance expenditure as a percentage of the carrying value of infrastructure assets in the assets register. The norm is not reasonable, simply because all municipalities' asset registers are not compiled on the same monetary basis. If Drakenstein wants to adhere to this norm, the Municipality will have to increase all current property taxes and service charges with a further 23.08%, which in the current economic climate is not a proposition.

Finance charges and depreciation expenditure represent 14.03% of total operating expenditure for 2014/2015 compared with the 14.69% for 2013/2014. Finance charges and capital redemption represent 10.91% of total operating expenditure for 2014/2015 compared with the 10.27% for 2013/2014. This compares unfavourably with National Treasury's norm of 6% to 8%. These norms of National Treasury imply that the Municipality is currently over-committed in terms of external loans. However, National Treasury's norm of 45% for total borrowing debt compares reasonably favourably with our result of 48.02% (2014/2015) and 46.75% (2013/2014) that the Municipality capped at 50% and wants to reduce to 45% by 2023/2024. A borrowing plan over the MTREF has been developed and is aimed at ensuring that the borrowings of the organisation are kept at an affordable and acceptable level.

Total Capital Expenditure			
	R'000		
Details	2012/2013	2013/2014	2014/2015
Original Budget	284,822	187,360	284,821
Adjustments Budget	246,787	210,331	218,191
Actual	235,214	207,951	215,403

Table 7: Total Capital Expenditure



Graph 4: Total Capital Expenditure

COMMENT ON CAPITAL EXPENDITURE

Less capital expenditure was incurred during 2014/2015 compared with the originally approved capital budget. This points to project management issues within the organisation. However, red tape pertaining to supply chain management is also making it difficult to spend all budgeted funds before the end of the financial year.

The variation between the Original Budget and the Final Adjustments Budget is mainly due to capital roll-overs for contracts awarded and orders issued of which the work was not completed at year-end.

The variation between the Final Adjustments Budget and the actual capital expenditure amounted to R 2.79 million or 1.28% of the Final Adjustments Budget that was not spent. The Municipality thus spent 98.72% of its capital expenditure when compared to the Final Adjustments Budget.

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

After its election in 2011, Council resolved to undertake an organisational review to ensure that the structure of the Municipality is in keeping with the function it is expected to perform, thereby ensuring that it is in a position to fulfil the vision and service delivery objectives set out in the IDP. A new organisational structure was adopted on 13 December 2012 and has been revised three times to keep up with changing demands in service delivery. The structure was populated and TASK implemented with effect from 1 July 2014. The Municipality was re-graded to a Category 7-municipality to finalise the outstanding appeal issue in this regard. The categorisation issue was also needed to allow the implementation of TASK. The process of job evaluation started as a focus area in June

2015 after the establishment of a Regional Unit to deal with evaluations. Prioritised vacancies have been identified for recruitment purposes and posts are advertised on an ongoing basis.

The view that ICT should be governed and managed at all levels within a given organisational structure is supported by internationally accepted good practice and standards. These practices and standards are defined in the King III Code of Good Governance, ISO 38500 Standard for the Corporate Governance of ICT and other best practice ICT Process Frameworks. Translated into a municipal operating environment, the corporate governance of ICT places a very specific responsibility on the Council and management within a municipality to ensure that the decision-making process for ICT-related investments and the operational efficiencies of the municipality's ICT environment remain transparent and are upheld. This accountability enables the municipality to align the delivery of ICT services with the municipality's Integrated Development Plan and strategic goals.

Taking all of the above into consideration, a new ICT Governance policy framework was created and adopted by the ICT Steering Committee for approval by the Corporate Services Portfolio Committee and Council. This policy therefore adopts the approach of establishing and clarifying principles and practices to support and sustain the effective Corporate Governance of ICT.

Due to the demands of the electronic age, a COBIT 5 exercise was undertaken to enable the Municipality to update the ICT framework and set target dates for implementation of the strategies required. The replacement of the existing human resources and payroll system with a new, advanced system was successfully implemented. The new system provides for improved control over the management of human resources. The final phase will be rolled out in 2015/2016 when Self-assist will be implemented. The system will also allow supervisory staff to gain easy access to information in order to effectively manage subordinates as well as overtime and stand-by services. A lot of work went into virtualising the computer centre, which reduced the number of physical file servers from 21 to 11. The number of virtual servers increased from 10 to 43 and the number of physical servers increased from 11 to 12. Although the Municipality has effectively doubled the number of file servers, the cooling and electricity demands have basically remained the same. The latest Microsoft technologies were also successfully implemented, which replaced the former Novell infrastructure. The Municipality migrated its e-mail system from GroupWise to Exchange, and file services from Novell to Microsoft with minimum impact on end-users. In addition, the network security was upgraded to be in line with recommendations of the Auditor-General of South Africa (AGSA).

The Property Services Unit spent all available funding for the maintenance and upgrading of leased properties. The funds needed for building maintenance continue to grow faster than the funding available for this purpose.

The Legal Services Section played a supporting role to protect the Municipality against legal action, making use of both internal and external legal support services. Legal action is also taken by the Municipality, where necessary, to enforce municipal legislation and contractual obligations. Because of the very nature of this unit's work, no capital projects were undertaken.

There are 196 funded vacancies out of a total of 1,909 funded posts, which represents a vacancy rate of 9.7%. The Municipality experienced a slight rise in the turnover rate to 8%. Both these figures are well within accepted norms. Drakenstein's workforce expenditure of R 368,388,765 accounted for 24% of the total Operating Budget expenditure of R 1,520,947,672 for the 2014/2015 financial year. This is slightly lower than the 2013/2014 figure of 24% of the total Operating Budget expenditure.

1.6 AUDITOR-GENERAL REPORT

For the second consecutive year, Drakenstein Municipality received an unqualified audit opinion with no other matters (a so-called 'clean' audit opinion) for the 2014/2015 financial year. This was achieved with in-house capacity and without the appointment of any consultants. The audit opinions received for the last thirteen financial years clearly indicate an improvement in leadership and control on the matters that the Auditor-General focuses on during its audits –

- 2014/2015: Unqualified audit opinion with no other matters ('clean' audit);
- 2013/2014: Unqualified audit opinion with no other matters ('clean' audit);
- 2012/2013: Unqualified audit opinion with other matters;
- 2011/2012: Unqualified audit opinion with other matters;
- 2010/2011: Unqualified audit opinion with other matters;
- 2009/2010: Unqualified audit opinion with other matters;
- 2008/2009: Unqualified audit opinion with other matters;
- 2007/2008: Unqualified audit opinion with other matters;
- 2006/2007: Qualified audit opinion with other matters;
- 2005/2006: Qualified audit opinion with other matters;
- 2004/2005: Qualified audit opinion with other matters;
- 2003/2004: Unqualified audit opinion with other matters; and
- 2002/2003: Qualified audit opinion with other matters.

The unqualified and qualified audit opinions have to do with the Annual Financial Statements. The other matters deal with leadership and control issues, predetermined objectives and legislative compliance issues.

Further details can be found in the Audit Outcome Improvement Plan attached as Volume III to the Annual Report 2014/2015.

1.7 STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feed seamlessly into the Annual Report process at the end of the budget/IDP implementation period.	July
2	Implementation and monitoring of approved budget and IDP commences. (In-year financial reporting.)	
3	Finalise 4 th Quarter Performance Report for previous financial year.	
4	Submit Draft Annual Performance Report to Internal Audit and Audit Committee.	
5	Audit/Performance Committee considers Draft Annual Performance Report of municipality.	August
6	Municipality submits Annual Financial Statements and Annual Performance Report including Draft Annual Report to Auditor-General.	
7	Annual Performance Report as submitted to Auditor-General to be provided as input to the IDP analysis phase.	
8	Auditor-General assesses Annual Financial Statements and Annual Performance Report data, including Draft Annual Report.	September – November
9	Municipality receives and addresses the Auditor-General's Communication of Findings.	
10	Mayor tables Draft Annual Report and audited Annual Financial Statements and Annual Performance Report to Council complete with the Auditor-General's Report.	January
11	Draft Annual Report is made public and representation is invited.	February - March
12	Oversight Committee assesses Draft Annual Report and issues an Oversight Report.	
13	Council considers Oversight Report.	
14	Oversight Report is made public.	
15	Oversight Report is submitted to relevant provincial departments.	February - March
16	Commencement of draft budget/IDP finalisation for next financial year. Annual Report and Oversight Report to be used as input.	

Table 8: Statutory Annual Report Process

Chapter 1: Mayor's Foreword and Executive Summary

Chapter 2: Governance

Chapter 3: Service Delivery Performance (Performance Report)

Chapter 4: Organisational Development Performance

Chapter 5: Financial Performance

Chapter 6: Auditor-General Audit Findings

Glossary

Appendices

CHAPTER 2: GOVERNANCE

- Component A: Political and Administrative Governance
- Component B: Intergovernmental Relations
- Component C: Public Accountability and Participation
- Component D: Corporate Governance

INTRODUCTION TO GOVERNANCE

In the quest to realise Drakenstein Municipality's vision of *"A Place of Excellence"*, it is imperative that the Municipality is governed in a way that promotes good governance. The Municipality strives to achieve excellence by balancing the needs of all residents and the constitutional and legal framework applicable to local government with the available resources in such a way that service delivery takes place in an efficient, economic and effective manner.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political and Administrative Governance

In compliance with Section 151(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), Section 53 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), Drakenstein's Municipal Council governs the local government affairs of the local community on its own initiative. The roles and areas of responsibility of each political structure and each political office-bearer of the Municipality and of the Municipal Manager are defined and adhered to accordingly.

2.1 POLITICAL GOVERNANCE

Council

The Council's primary role is to govern the municipality in a democratic and accountable manner, to perform legislative and executive functions and generally to fulfil its roles and responsibilities as set out in the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). It focuses on legislative, decision-making, oversight and participatory roles, and has delegated executive functions to the Executive Mayor.

Executive Mayor

The Executive Mayor, Councillor G van Deventer, assisted by the Executive Mayoral Committee, heads the political executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in her to manage the day-to-day affairs. This means that she 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 she is accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in conjunction with the Executive Mayoral Committee.

Portfolio Committees

Five (5) Section 80 committees are established, i.e. Corporate Services, Planning and Economic Development, Infrastructure Services, Financial Services and Community Services, to advise the Executive Mayor on policy matters and any other matter to be

considered by the Executive Mayor. They are assigned to focus on specific functional areas of the Municipality and can only make decisions on specific functional issues if delegations have been granted to them. The members are appointed by Council. The chairpersons appointed by the Executive Mayor are full-time Councillors and form part of the Executive Mayoral Committee.

MPAC

Section 79 committees are permanent committees appointed to advise the municipal Council. Council established the Municipal Public Accounts Committee (MPAC) to perform an oversight function on behalf of Council over the executive functionaries of the Council. The MPAC inter alia serves as an oversight committee to make recommendations to the Council when it adopts the Oversight Report on the Annual Report in terms of Section 129 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA).

Audit Committee

In compliance with Section 166(2) of the MFMA, Council has an Audit Committee which is an independent body advising the municipal Council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to:

- Internal financial control;
- Risk management;
- Performance management; and
- Effective governance.

Political Structure	
Designation	Function
 <p>Executive Mayor <i>Cllr GMM van Deventer</i></p>	<p>The Executive Mayor represents the public and is the chief political principal of the municipality. In terms of legislation the Executive Mayor has the following functions:</p> <ul style="list-style-type: none"> • Identify the needs of the municipality; • Review and evaluate those needs in order of priority; • Recommend to the municipal Council strategies, programmes and services to address priority needs through the Integrated Development Plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; • Recommend or determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the benefit of the community.
 <p>Deputy Executive Mayor <i>Cllr CJ Poole</i></p>	<p>The Deputy Executive Mayor of a municipality exercises the power and performs the duties of the Executive Mayor if the Executive Mayor is absent or not available or if the office of the Executive Mayor is vacant.</p>
 <p>Speaker <i>Cllr K le Roux</i></p>	<p>The Speaker of the municipal Council:</p> <ul style="list-style-type: none"> • Presides at meetings of the Council; • Performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); • Must ensure that the Council meets at least quarterly; • Must maintain order during meetings; • Must ensure compliance in Council and Council committees with the Code of Conduct set out in Schedule 1 to the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); • Must ensure that Council meetings are conducted in accordance with the rules and orders of the Council.
 <p>Chief Whip <i>Cllr RA Kogelenberg</i></p>	<p>The function of the Chief Whip is to create synergy and to maintain discipline among Councillors from various political parties. The role of the Chief Whip of Council covers both the political and administrative domains of Council with the emphasis on the political aspect. Seven political parties are represented in Council and the Chief Whip has to ensure that relationships are constructive and focused on key issues aimed at improving the lives of the residents of Drakenstein. The Chief Whip further acts as a link between the Speaker, the Executive and the Administration. The Chief Whip ensures that there is equitable representation on committees of Council.</p>

Table 9: Political Structure



Executive Mayoral Committee	
<p>The Executive Mayor is supported by a Mayoral Committee. Each member of the Mayoral Committee has a portfolio with specific functions.</p> <p>The Executive Mayor may delegate specific responsibilities to each member of the Mayoral Committee. Any powers and duties delegated to the Executive Mayor by the municipal Council must be exercised and performed by the Executive Mayor together with the other members of the Mayoral Committee.</p>	
Councillor and Portfolio	Councillor and Portfolio
 <p>GC Combrink Portfolio: <i>Finance</i></p>	 <p>Dr MDJ Smith Portfolio: <i>Planning and Economic Development</i></p>
 <p>R Smuts Portfolio: <i>Security Services and Disaster Management</i></p>	 <p>L Ntlemeza Portfolio: <i>Corporate Services</i></p>
 <p>Dr ND Adams Portfolio: <i>Social Services and Community Development</i></p>	 <p>Dr LM du Toit Portfolio: <i>Environmental Affairs, Open Spaces and Parks</i></p>
 <p>WF Philander Portfolio: <i>Housing and Human Settlements</i></p>	 <p>EM Kearns Portfolio: <i>Public and Governmental Relations</i></p>
 <p>JG Rademeyer Portfolio: <i>Infrastructure Services</i></p>	 <p>A Stowman Portfolio: <i>Sport, Culture and Youth Matters</i></p>

Table 10: Executive Mayoral Committee

Councillors

Drakenstein Municipality has 61 Councillors. 31 are Ward Councillors and 30 are Proportional Councillors (PR). The Speaker presides at meetings of the Council. A full list of Councillors can be found in Appendix A. Appendix B sets out committees and committee purposes.

Political Decision-Taking

Section 160(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) prescribes the manner in which Council takes decisions. A quorum of all Councillors must be present to take any decision and the majority of the votes cast results in a legal decision. The exception to this rule is that when any of the following issues are determined, it is determined by a decision taken with a supporting vote of a majority of all its members:

- (1) The passing of by-laws;
- (2) The approval of budgets;
- (3) The imposition of rates and other taxes, levies and duties; and
- (4) The raising of loans.

2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Chief 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 his Executive Management Team (EMT) which comprises of the Executive Managers of the five departments established in the new organogram.

Top Administrative Structure	
Position	Function
Municipal Manager <i>Johann Mettler</i>	<ul style="list-style-type: none"> Provides an independent appraisal of the adequacy and effectiveness of financial controls. Evaluates and contributes to the improvement of governance management processes. Manages financial services in order to ensure financial viability, compliance and reporting. Provides corporate services to the institution to ensure efficient support of organisational processes. Provides and manages planning, economic development and environmental management services. Renders integrated community services to enhance community development in general and promotes a clean and safe environment. Maximises infrastructure development and delivers a service to all communities of Drakenstein.

Top Administrative Structure	
Position	Function
Corporate Services <i>Annalene de Beer</i>	<ul style="list-style-type: none"> • Provides legal and administrative support services to the institution to facilitate proficient administrative practices and procedures. • Renders human resource management and support services to the municipality that will sustain the optimum utilisation of the municipality's human capital. • Provides effective and efficient information and communication technology services. • Provides comprehensive communication and intergovernmental relations services. • Coordinates and provides functional and administrative support to the political office-bearers. • Provides office management services to the Executive Mayor. • Renders property and facilities management services.
Chief Financial Officer <i>Jacques Carstens</i>	<ul style="list-style-type: none"> • Manages and controls the implementation of budget policies, systems and procedures and financial statement processes to ensure legislative compliance and sound financial management practices. • Implements and maintains revenue and credit control policies and procedures to ensure sound revenue management practices and compliance. • Ensures the recording, authorisation and proper execution of expenditure systems, procedures and transactions. • Manages supply chain management services to ensure proper systems, procedures and control for demand, acquisition, logistics, assets and disposal management.
Planning and Economic Development <i>Ashraf Adam</i>	<ul style="list-style-type: none"> • Manages the rendering of spatial and land use planning, surveying, valuations and building control services. • Plans, develops and implements a coherent and Integrated Framework for Local Economic Development and Tourism. • Ensures the implementation of environmental management plans, policies and procedures and ensures compliance in accordance with applicable legislation. • Renders management and line function administrative support services.
Infrastructure Services <i>Deon Louw</i>	<ul style="list-style-type: none"> • Ensures the rendering of sustainable and affordable civil engineering (water, sewerage, streets, stormwater and traffic engineering) services to the community in accordance with laid-down service delivery levels, standards and legislative requirements. • Ensures the rendering of sustainable and affordable electricity to the community in accordance with laid-down service delivery levels, standards and legislative requirements. • Provides fleet management, building management, technical support and project/programme management services. • Renders management and line function administrative support services.

Top Administrative Structure	
Position	Function
<p>Community Services</p> <p><i>Gary Boshoff</i></p>	<ul style="list-style-type: none"> • Manages the provisioning and maintenance/operation of parks, sport facilities, cemeteries and solid waste management services. • Manages the rendering of protection services to ensure the safety of the community. • Provides human settlements administration and support services to address the housing needs in the area. • Provides and manages the rendering of community development, library and information services. • Renders management and line function administrative support services.

Table 11: Top Administrative Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

Cooperative Governance and Intergovernmental Relations

Drakenstein Municipality participates in a range of intergovernmental activities, both formally and informally. Joint projects and events are participated in and organised. A good example would be the cooperation of all three spheres of government in the delivery of houses in the Drommedaris Project.

Various events and imbizo's have been organised to bring information and services to the community. The functioning of our Thusong Centres is also an example of bringing joint services to the community.

Various meetings are attended where interaction takes place between the various spheres of government. Drakenstein Municipality also attends the SALGA workgroup meetings where all the municipalities in the Western Cape gather to discuss matters of mutual interest in the various fields for which workgroups have been established. The Municipal Manager and Executive Mayor respectively take part in the Municipal Managers' Forum, both provincial and national, as well as the Premier's Forum where the Premier of the Western Cape meets the mayors of the municipalities in the Western Cape and their municipal managers to discuss various matters of mutual interest. The Municipal Manager has been elected as vice-chairman of the Institute of South African Municipal Accounting Officers (ISAMAO). There is a Joint Planning Initiative of which Drakenstein forms part of the pilot project with the Western Cape Provincial Government to deal with youth development and skills training, improving ICT infrastructure roll-out and local economic development.

The VPUU project is an excellent example of how intergovernmental relations can improve the lives of citizens. This is a joint project with provincial government and various other state departments such as the South African Police Services, Community Development, Sport and Arts and Crafts, NGOs and various other role-players. The project

aims to upgrade the community and fight crime, poverty and other social evils through urban upgrading.

2.3 INTERGOVERNMENTAL RELATIONS

National Intergovernmental Structures

Drakenstein Municipality participates in national forums where issues are discussed that involve local municipalities. Some of these forums are of a technical and professional nature.

Experiences and best practices are shared and information is gathered; an example of these would be SALGA, ISAMAO and the IMFO.

Drakenstein has entered into a Climate Change Partnership with Neumarkt in Germany. The partnership revolves around climate change-related aspects and involves municipal development cooperation, migration and development on a local level and a partnership with developing emerging economies.

Provincial Intergovernmental Structures

Drakenstein Municipality participates in the Premier's Intergovernmental Forum as well as the Provincial Speakers' Forum.

The municipal managers also have a provincial and national forum. In all these forums, issues pertaining to service delivery and matters of common interest are discussed.

Information and best practices are shared and the interaction with the Western Cape Government and other municipalities is valuable to ensure better coordination and cooperation. An Institute for Municipal Accounting Officers has also recently been established with the Municipal Manager of Drakenstein as one of the vice-chairpersons.

Various forums in which officials participate are also structured at provincial level, e.g. the Communication Forum and SALGA Technical workgroups.

Councillors and officials also participate in SALGA working groups during which valuable information is shared.

Relationships with Municipal Entities

No municipal entities have been established within the Drakenstein Area.

District Intergovernmental Structures

As with provincial structures, the Municipality participated in the district forums of mayors, speakers and municipal managers, human resources, planning, finance and various infrastructure forums dealing with the services.

Cooperation, joint projects and information sharing take place on a regular basis.

Various professional and technical forums also exist on official level. Project teams for joint projects might be set up for the duration of a project.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

In terms of Section 6 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the administration of a municipality must:

- "(a) Be responsive to the needs of the local community;*
- (b) Facilitate a culture of public service and accountability amongst staff;*
- (c) Take measures to prevent corruption;*
- (d) Establish clear relationships, and facilitate cooperation and communication between itself and the local community;*
- (e) Give members of the local community full and accurate information about the level and standard of municipal services they are entitled to receive; and*
- (f) Inform the local community how the municipality is managed, of the costs involved and the persons in charge."*

To comply with the above, the Municipality has established the legislatively required structures such as Section 80 Portfolio Committees advising the Executive Mayor, Council committees such as the Municipal Public Accounts Committee (MPAC), Section 62 Appeals Committee, Special (Disciplinary) Committee, as well as a Fraud and Risk Management Committee. An Audit Committee comprising of independent external members also advises Council. These structures assist the Municipality to discharge the necessary public accountability responsibilities. These structures represent a segmentation of duties amongst staff and public representatives to ensure accountability, transparency and good governance.

Council approved a ward committee system for each of the 31 wards after the elections in 2011 and the system is fully operational. The chairperson of the ward committee is the elected Ward Councillor and other members of the ward committee are elected by the residents of the ward. It is expected of the ward committees to hold regular meetings – at least once every three (3) months – and the minutes are submitted to the Speaker's Office. The functionality of the ward committees is monitored and reported on to Council on a quarterly basis.

An IDP Representative Forum was established to cover the following interest groups:

- Women, Children, Youth and Early Childhood Development;
- Vulnerable Groups (HIV/AIDS, Disabled, Elderly, Substance Abuse);
- Arts, Crafts, Sport and Culture;
- Religion;
- Media, Business, Agriculture; and
- Environmental Management.

The IDP Representative Forum is consulted during the biannual IDP consultation process in the wards as well as any inputs they have with regard to the IDP. The forum broadens

the communication process with our community and focuses the interaction on the aspects within the interest groups.

Communication with the community through other media has also vastly improved. The website has been updated and is increasingly made user-friendly. A vast variety of information is displayed on the website as prescribed by legislation, and members of the public can report faults or refer enquiries through an e-mail link on the site. Media and communication are receiving a lot of attention and the Municipality responded to media enquiries on a weekly basis. The Municipality has procured a centralised Complaint Management System to upgrade customer care and established a Customer Care Unit within the Municipality that will be centralised. This unit will become fully functional during the next reporting cycle.

When the Annual Report is completed, it is made available at all the libraries and the two Thusong Centres in addition to the required distribution to other spheres of government. The MPAC scrutinises the report and also invites public comment on it.

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

In terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), the municipality is required to establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality. During the year under review, the municipality used the following mechanisms to comply with this legislative requirement:

- (1) Ward committee meetings (discussed in more detail below);
- (2) Public notices in local and regional newspapers;
- (3) Monthly public newsletters distributed to all account holders;
- (4) Press releases as and when required;
- (5) Receipt and consideration of petitions and objections;
- (6) Public IDP and consultative meetings; and
- (7) Functioning of a municipal website, regularly updated with recent news.

Public meetings are essential mechanisms for the municipality to consult with the local community. The information gathered during such meetings is a key source that feeds into the IDP review process. The information gained at the meetings held during the year under review was useful and assisted the Municipality to plan for short-, medium- and long-term projects. One of the main advantages of public meetings is the platform that it provides the Municipality to interact with the community and to convey its message directly.

The Municipal Website features all the documentation required in terms of legislation as well as public policies, documents and by-laws informing residents about the affairs of the

Municipality. It is endeavoured to create new interactive functions on the website to provide additional and user-friendly methods to the public to communicate with the Municipality. These features will be expanded in years to come.

No functional ward committee system existed when the current Council was elected in 2011. Council approved a ward committee system consisting of ward committees for each of the 31 wards. The chairperson of the ward committee is the elected Ward Councillor and other members of the ward committee were elected by the residents of the ward. It is expected of ward committees to have regular meetings – at least once every three (3) months – and the minutes are submitted to the Speaker's Office. The functionality of the ward committees is monitored and reported on to Council by the Speaker and his office.

An IDP Stakeholder Forum was established to cover the following interest groups:

- Women, Children, Youth and ECD;
- Vulnerable Groups (HIV/AIDS, Disabled, Elderly, Substance Abuse);
- Arts, Crafts, Sport and Culture;
- Religion;
- Media, Business, Agriculture; and
- Environmental Management.

The IDP stakeholder forum is consulted throughout the year on the process of the IDP consultation process held in the wards twice a year, as well as any inputs they have with regard to the IDP. The forum broadens the communication process with our community and focuses the interaction on the aspects within the interest groups.

During the budget process, meetings are held with business, bulk users and other interest groups to obtain their input on the proposed tariffs for the next financial year and, after approval of the budget, various groups are engaged to address any queries they may have on the implementation of the tariffs. The budget is also discussed in the wards with the communities when inputs are invited on the draft budget.

Media communication receives a lot of attention and the Municipality responds to media queries on a weekly basis. The Municipality has procured a centralised Complaint Management System to upgrade the customer care and established a Customer Care Unit within the Municipality that will be centralised. This unit will become fully functional during the next reporting cycle.

When the Annual Report is completed, it is made available at all the libraries and Thusong Centres apart from the required publication to other spheres of government. The MPAC scrutinises the report and also invites public comment on the report.

The Municipality procured an electronic tool to assist with public surveys, as it is time-consuming and costly to do the satisfaction surveys through a service provider, as was done in the past. A survey was done and although we did not have a high number of

participants, the Municipality will use the feedback it got to improve services where necessary. Going forward, the Municipality will derive more tools to ensure better participation.

WARD COMMITTEES

Section 73 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) stipulates:

- "(1) If a metro or local council establishes ward committees it must establish a ward committee for each ward in the municipality.*
- (2) A ward committee consists of:*
 - (a) the councillor representing that ward in the council, who must also be the chairperson of the committee; and*
 - (b) not more than 10 other persons."*

No functional ward committee system existed when the current Council was elected in 2011. Council approved a ward committee system consisting of ward committees for each of the 31 wards. The chairperson of the ward committee is the elected Ward Councillor and other members of the ward committee are elected by the residents of the ward. It is expected of the ward committees to have regular meetings – at least once every three (3) months – and the minutes are submitted to the Speaker's office. The functionality of the ward committees are monitored and reported on to Council by the Speaker.

Ward committee meetings are particularly useful to ensure a relationship between Councillors and ward residents. Furthermore it provides the opportunity to discuss local matters that concern the residents in that ward. The Municipality annually avails funding to each ward in order to undertake specific projects in such wards. Ward committees play an important role in this regard as they advise on the projects they would like to be implemented. These ward projects further strengthen the relationship between the Municipality and the communities due to the direct impact that the ward committees can make on development projects in their wards.

The purposes of ward committees are:

- (1) To act as an advisory committee to the Ward Councillor and Council;
- (2) To ensure two-way communication to and from the community;
- (3) To identify ward-specific needs and to refer same to the administration and Council for attention;
- (4) To actively partake in the annual IDP ward-based public meetings;
- (5) To assist the Ward Councillor in identifying ward projects and ward capital projects;
- (6) To identify stakeholders in the wards and to liaise with them regarding matters needing attention; and
- (7) To discuss ward-related Council agenda items and to make inputs regarding same if necessary.

The major issues dealt with by Drakenstein ward committees were the following:

- (1) Advising the Ward Councillor and Council on ward issues dealt with by Council;
- (2) Identifying ward-specific needs and referring it to the administration and Council for attention;
- (3) Participation in the annual IDP ward-based public meetings;
- (4) The identification of ward projects and ward capital projects;
- (5) Identifying stakeholders in the wards and liaising with them regarding matters needing attention; and
- (6) Discussions on ward-related Council Agenda items and to make inputs regarding same if necessary.

Public Meetings					
Nature and purpose of meeting	Date of events	Number of participating municipal Councillors	Number of participating municipal Administrators	Number of community members attending	Dates and manner of feedback given to community
The Drakenstein Municipality engaged with its citizens through public meetings in all 31 wards and a sector meeting to gain inputs from the public.	15 September to 14 October 2014 and 13 to 29 April 2015	1,462	826	4,518	15 September to 14 October 2014 and 13 to 29 April 2015 IDP and Budget Roadshow.
Municipal Public Accounts Committee (MPAC)	03 March 2014	8 Councillors	7 (Executive Managers and the Chief Audit Executive)	None	The MPAC reports to Council and their recommendations are contained in the Council agenda.

Table 12: Public Meetings

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria	Yes	No
Does the municipality have impact, outcome, input, output indicators?	✓	
Does the IDP have multi-year targets?	✓	
Are the above aligned and can they calculate into a score?	✓	
Does the budget align directly to the KPIs in the strategic plan?	✓	
Do the IDP KPIs align to the Section 56 managers and Municipal Manager?	✓	
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	✓	
Do the IDP KPIs align with the provincial KPIs on the 12 outcomes?	✓	
Were the indicators communicated to the public?	✓	
Were the four quarterly aligned reports submitted within stipulated timeframes?	✓	

Table 13: IDP Participation and Alignment Criteria

COMPONENT D: CORPORATE GOVERNANCE

Overview of Corporate Governance

Governance in Drakenstein Municipality encompasses line functions pertaining to political and administrative governance, audit, risk management, organisational and individual performance management, public participation and IDP, intergovernmental relations, public communication, human resource management, organisational development and legal services. The governance function is supported by an independent Audit Committee, comprising of external specialists having the necessary skills to provide effective oversight of the Municipality's systems of internal control, risk management and governance processes. The Audit Committee is supported in its role by the Internal Audit function which performs audits in terms of an approved audit plan and reports to the Audit Committee on a quarterly basis. The Municipal Public Accounts Committee (MPAC) comprises of independent Councillors. In order to promote independence and objectivity, the MPAC is chaired by a Councillor from a political party other than the majority party in Council.

2.6 RISK MANAGEMENT

Section 62(i)(c) of the MFMA requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

There is a danger that risks which fall outside traditional functions may go unmanaged and have serious consequences on the institutional objectives. The need for broad-based risk management is thus critical as it will also ensure that risks which were not previously given adequate attention are now properly managed. Risk management processes that are integrated in the institution's existing structures are likely to be more effective in producing the desired service delivery and other objectives.

The Risk Management Section is responsible for the risk management function at Drakenstein Municipality through facilitation and advising on fraud and enterprise risk management issues. This entails the development of policies, strategies, plans and processes.

Drakenstein Municipality established a Fraud and Risk Management Committee (FARMCO), which meets on a quarterly basis and assists in the development and revision of all policies, strategies, plans and processes. In the financial year under review, the current Enterprise Risk Management Policy, Strategy as well as Plan were revised.

The Risk Register, linked to key performance areas (strategic objective) and key focus areas, was reviewed with all the directorates through a facilitation process. A total of two risks were found to be no longer applicable, while eight new risks were identified.

The five top risks identified were:

- (1) Unsafe working and storage conditions (non-compliance with OHS legislation and related regulations);
- (2) Risk of injury when performing duties in high crime-rate areas;
- (3) Inability to attract and retain scarce/critical skilled personnel;
- (4) Aging workforce (senior technical staff over the age of 60); and
- (5) Non-compliance with legislation and conditions of approval.

2.7 ANTI-CORRUPTION AND FRAUD

The FARMCO meets on a quarterly basis and assists with the development and revision of all policies, strategies, plans and processes relating to fraud risk management. In the financial year under review, the current Fraud Prevention Policy, Strategy as well as Plan were revised.

The FARMCO also functions as an oversight body.

This includes the review of the effectiveness of prevention initiatives, detection techniques as well as progress made in any forensic investigations.

Drakenstein Municipality appointed Deloitte to provide an anonymous fraud and ethics hotline service for the reporting of theft, fraud and corruption.

FRAUD AND ANTI-CORRUPTION STRATEGY

Notes: See Chapter 4 for details of disciplinary action taken on cases of financial mismanagement. MSA 2000 S83(c) requires providers to be chosen through a process which minimises the possibility of fraud and corruption.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

Demand Management

The objective of demand management is to assist the Municipality with the planning for the procurement of goods, works or services in a proactive manner and to move away from merely reacting to purchasing requests. Certain aspects of demand management were implemented, i.e. the Capital Projects Implementation Plan (CPIP) that encapsulates capital projects above R 200,000. This planning document assists directorates to timeously plan for procurement of capital goods/projects and where directorates are required to commit due dates for their respective capital projects above R 200,000. During the past financial year, a total of 62 tenders/contracts were awarded. The CPIP is a monitoring tool that provides the Accounting Officer with an oversight regarding the spending of capital funds during the financial year.

Acquisition Management

The SCM Unit processed a total of 15,521 orders for the 2014/2015 financial year. The total value of the orders that were processed amounted to R 447,474,216. Currently the bulk of the acquisition functions, i.e. the sourcing of quotations and processing of orders, is performed by temporary staff appointed in the SCM Unit.

Policy Amendments

The SCM Policy was reviewed during the 2014/2015 financial year. Certain amendments to the SCM Policy were tabled before Council in order to improve operational efficiency. The Municipality has to forward the current SCM Policy to the Western Cape Provincial Treasury on an annual basis for scrutiny and compliance verifications against the SCM Policy model that was issued by National Treasury. The purpose of this exercise is to determine whether the Municipal SCM Policy deviates from the stipulations of the SCM Regulations. No comments of significance were received from the Western Cape Provincial Treasury in this regard.

Invitation and evaluation of bids based on a stipulated minimum threshold for local production and content

Regulation 9(1) of the Preferential Procurement Regulations, 2011 makes provision for the Department of Trade and Industry to designate sectors for which local production and content is of critical importance when bids are awarded. Such bids must be advertised with a specific condition that only locally produced goods, works or services or locally manufactured goods with a stipulated minimum threshold for local production and content, as prescribed, will be considered. However, it is important to note that these requirements are only applicable to the following sectors:

Sector description	% local content
Textile, clothing, leather and footwear	100%
Steel power pylons	100%
Electrical and telecom cable products	90%
Furniture	85% - 100%
Canned/processed vegetables	80%
Buses (bus body)	70% - 80%
Valve products and actuators	70%
Solar water heater components	70%
Rail rolling stock	55% - 80%
Set-top boxes	30%
Residential electricity meters	50% - 70%

Table 14: Procurement per sector

Cognisance should be taken of the fact that the Municipality may only make awards for the abovementioned goods or services if the bidders comply with the minimum requirements as stipulated in the bid documents as provided by National Treasury. However, to ensure value for money for the local community, it may be necessary in future

to deviate from the local content requirements and to report on a monthly basis to Council.

2.9 BY-LAWS

By-laws introduced during 2014/2015					
Newly developed	Revised	Public Participation conducted prior to adoption of By-laws (Yes/No)	Dates of Public Participation	By-laws Gazetted (Yes/No)	Date of publication
Draft Cemetery By-Law	Yes	Yes	28 November 2014 – 31 December 2014	No	
Draft Municipal Land Use By-Law	Yes	Yes	25 June 2014 – 29 July 2014	No	

Table 15: By-laws introduced during 2014/2015

Section 11(3) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

In terms of Section 160(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996):

- (a) The by-laws serve before the various structures of the Council;
- (b) The by-laws are advertised in the local media for objections or comment;
- (c) The by-laws are open for inspection at all municipal offices and libraries; and
- (d) The by-laws are forwarded to the local radio station for broadcasting.

Once adopted by Council, the by-laws are promulgated in the Provincial Gazette and takes immediate effect.

The following by-laws were passed in the 2014/2015 financial year:

By-law	Promulgation Status
1. Water Supply, Sanitation Services and Industrial Effluent	25 July 2014
2. Rules of Order Regulating the Conduct of Meetings of Drakenstein Municipality By-Law	25 July 2014
3. Electricity Supply By-Law	7 November 2014

Table 16: By-laws passed

2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the municipality's website.	Yes/No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	1 July 2014 – 30 June 2015
All current budget-related policies	Yes	1 July 2014 – 30 July 2015
The previous Annual Report 2013/2014	Yes	27 March 2015
The Annual Report 2014/2015 published/to be published	Yes	After 1 February
All current performance agreements (2014/2015) and resulting scorecards required in terms of Section 57(1)(b) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)	Yes	01 October 2014
All service delivery agreements (2014/2015)	Yes	1 July 2014 – 30 June 2015
All long-term borrowing contracts (2014/2015)	Yes	1 July 2014 – 30 June 2015
All Supply Chain Management Contracts above a prescribed value (above R 200,000) for 2014/2015	Yes	1 July 2014 – 30 June 2015
All information statements containing a list of assets over a prescribed value that have been disposed of in terms of the MFMA Section 14(2) or (4) during 2014/2015	N/A	1 July 2014 – 30 June 2015
Contracts agreed in 2014/2015 to which the MFMA Subsection (1) of Section 33 applies, subject to Subsection (3) of that Section	None	None for financial year 2014/2015
Public-private partnership agreements referred to in the MFMA Section 120 made in 2014/2015	None concluded	None for financial year 2014/2015
All quarterly reports tabled before Council in terms of the MFMA Section 52(d) during 2014/2015	Yes	1 July 2014 – 30 June 2015

Table 17: Municipal Website Content

2.11 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES

Due to the high cost involved in undertaking public satisfaction surveys through the appointment of a service provider, the Municipality procured an online survey system to assist with a public satisfaction survey. The first online customer satisfaction survey was conducted from April to June 2015. The Municipality envisaged a larger number of responses than received, however, the feedback received will be analysed and assessed. The Municipality intends to repeat the survey on an annual basis. The Municipality will be considering steps to increase the participation by residents in order to ensure that the Municipality is able to respond more meaningfully to the inputs.

The centralised complaints management system procured to improve customer care is fully operational. Additional access options have been introduced in order to ensure that all residents have easy access to the system. In addition, the system has been expanded to all directorates of the Municipality. During the reporting period a total number of 26,381 service requests were registered and more than 25,000 of these service requests were dealt with within the period. It is clear that the system is being utilised extensively by the residents and the Municipality.

Chapter 1: Mayor's Foreword and Executive Summary

Chapter 2: Governance

Chapter 3: Service Delivery Performance (Performance Report)

Chapter 4: Organisational Development Performance

Chapter 5: Financial Performance

Chapter 6: Auditor-General Audit Findings

Glossary

Appendices

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Component A: Basic Services
- Component B: Road Transport
- Component C: Planning and Development
- Component D: Community and Social Services
- Component E: Environmental Protection
- Component F: Security and Safety
- Component G: Sport and Recreation
- Component H: Corporate Policy Offices and other services

INTRODUCTION

Council focused on ensuring that the ward system is functional and held IDP road show meetings in each of the 31 wards to ensure that all residents have the opportunity to participate in the process of the development of the budget, prioritisation of the needs and to receive feedback on the operations of the Council and administration. An organisational review was completed and Council adopted the new organogram on 13 December 2012. The turnover rate of staff is within the norms and standards and the staff budget hovers on 25% of the operational expenditure, whilst even 35% in local government is seen as still healthy.

The Local Economic Development unit continued to focus on enhancing the Municipality's capacity to support the informal economy through the expansion of two informal trading markets in Mbekweni, namely Wamkilikele and Mphakalazi Street. In addition, the unit commenced with the establishment of more informal trading in 2014. Mbekweni Drakenstein was selected as a pilot site to facilitate a training programme for 20 informal traders as part of the National Informal Enhancement Strategy Implementation Plan. We have also acknowledged that stakeholder relationship management is key to driving the implementation of a credible local economic development strategy and therefore we focused on the compilation of a comprehensive database of businesses in Drakenstein which we have geo-mapped as part of our drive to be consistent with technological trends.

In planning, improvements to the processing of development applications, including building plan approvals, was given further impetus as part of cutting red tape to facilitate an enabling environment for businesses to operate efficiently. Improving internal efficiencies is a central aspect of improving the local economy and through attracting investment. Within the context of local economic development, the allocation and spending of capital budgets to improve the conditions of informal traders in Paarl and Wellington were significant steps towards improved livelihoods.

The Department of Human Settlements delivered 311 housing opportunities out of the targeted 400 for the financial year, translating into a 78% success rate.

Additionally, the Fairyland housing project received the Provincial Govan Mbeki award as second runner-up in its category (Upgrade of Informal Settlement Programme) in the Western Cape Province. This is the second year in a row that this honour is bestowed on the Municipality's housing projects.

Drakenstein Municipality successfully compiled a cash-funded revised budget. Sound budget controls were implemented and 92.85% of the operating budget was spent. The underspending is discussed under paragraph 1.4 (key successes and outcomes for 2014/2015) in the Annual Report. The Auditor-General of South Africa gave the Drakenstein Municipality an unqualified audit opinion on the Annual Financial Statements for sound financial accounting and record-keeping. No qualifications on the

supply chain management processes were identified, which indicates sound procurement processes.

COMPONENT A: BASIC SERVICES

Electricity, water and sewerage services are fundamentally important basic services to ensure a healthy and safe environment for all Drakenstein inhabitants. These basic services sections play a very important part in the planning and installation of basic services in all informal settlements in the Drakenstein Area over which these sections have control.

3.1 WATER PROVISION

INTRODUCTION TO WATER PROVISION

The basic functions of the Water Services Section are to upgrade existing water infrastructure, extend the network and maintain the existing network.

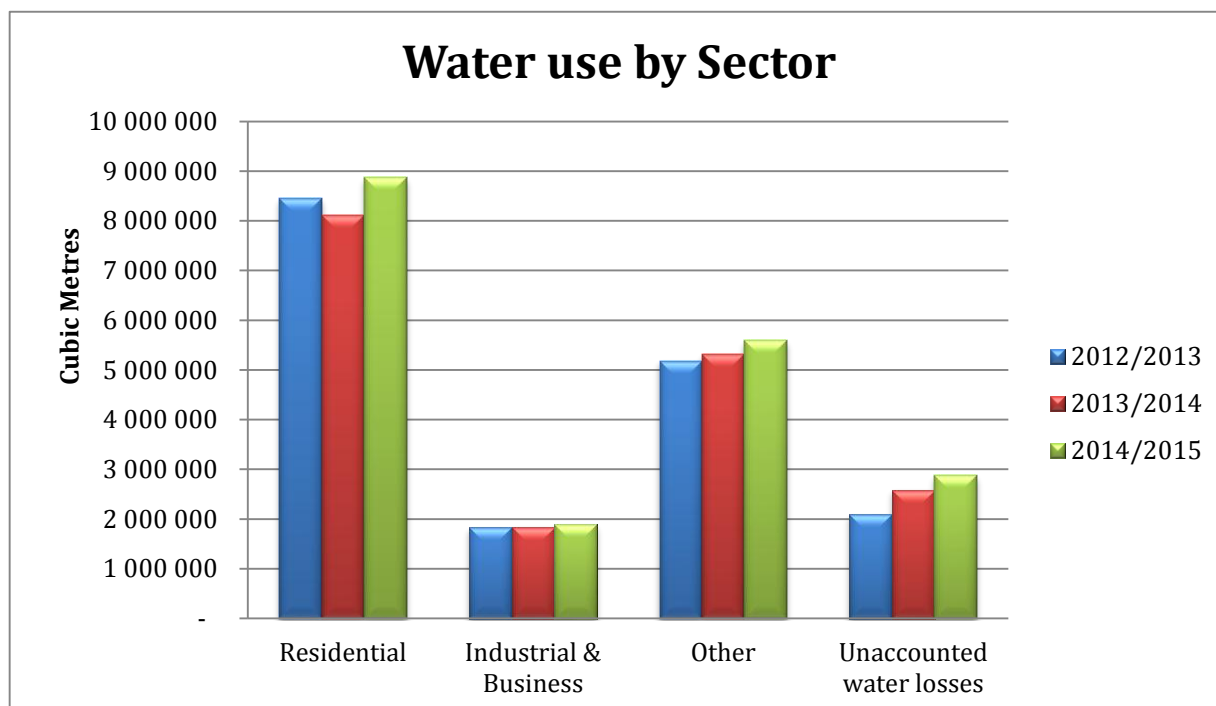
The upgrade of existing reticulation is planned in terms of priorities as determined in the IDP, as per the Water Master Plan, by Council and Technical Services. The implementation of this strategy is wholly dependent on the provision of an adequate budget. Major achievements for the past financial year were the construction and completion of the new 3 Mℓ Welvanpas Reservoir and first of two 11 Mℓ Newton Reservoirs and the commissioning of the Newton – Wellington bulk pipeline and upgrading of the Victoria (Paarl); Ysterbrug (Paarl) and Welvanpas (Wellington) booster pump stations. The main challenge in this regard is to obtain sufficient funding to upgrade the existing water networks in Paarl and Wellington.

The construction of the second 11 Mℓ reservoir at Newton is in progress and will be completed in 2016. The construction of the new 10 Mℓ Welvanpas Wastewater Treatment Works (WWTW) with a total value of R 62 million is in progress and will be completed in 2017. The first phase of a possible seven phases of the Strawberry King pipeline with a total value of R120 million is in progress.

The planning of new water reservoirs at Courtrai (2 x 8 Mℓ), Paarl and Welvanpas (5 Mℓ), Wellington has been completed.

Total use of water by sector (cubic metres)				
Year	Residential	Industrial/ Business	Other	Unaccountable water losses
2012/2013	8,448,411	1,828,605	5,177,204	2,095,332
2013/2014	8,116,416	1,835,004	5,326,301	2,587,444
2014/2015	8,878,467	1,893,238	5,585,760	2,880,923

Table 18: Total use of water by sector (cubic metres)



Graph 5: Water use by sector

Water use by sector

Within the constraints of the budget, the section is performing satisfactorily.

The main objectives in the Water Section are to upgrade existing water mains to new and higher standards and to extend the service life of existing bulk water infrastructure in accordance with the Water Master Plan.

A total of 10,300 metres of water reticulation mains were upgraded in Paarl and Wellington. This will alleviate the low system pressures that exist in the Newton Area. In total, 417 water connections were installed in the Drakenstein Area. A total of 236 burst pipes were repaired on reticulation networks, 436 water connections were repaired and 634 water meters were replaced during the year.

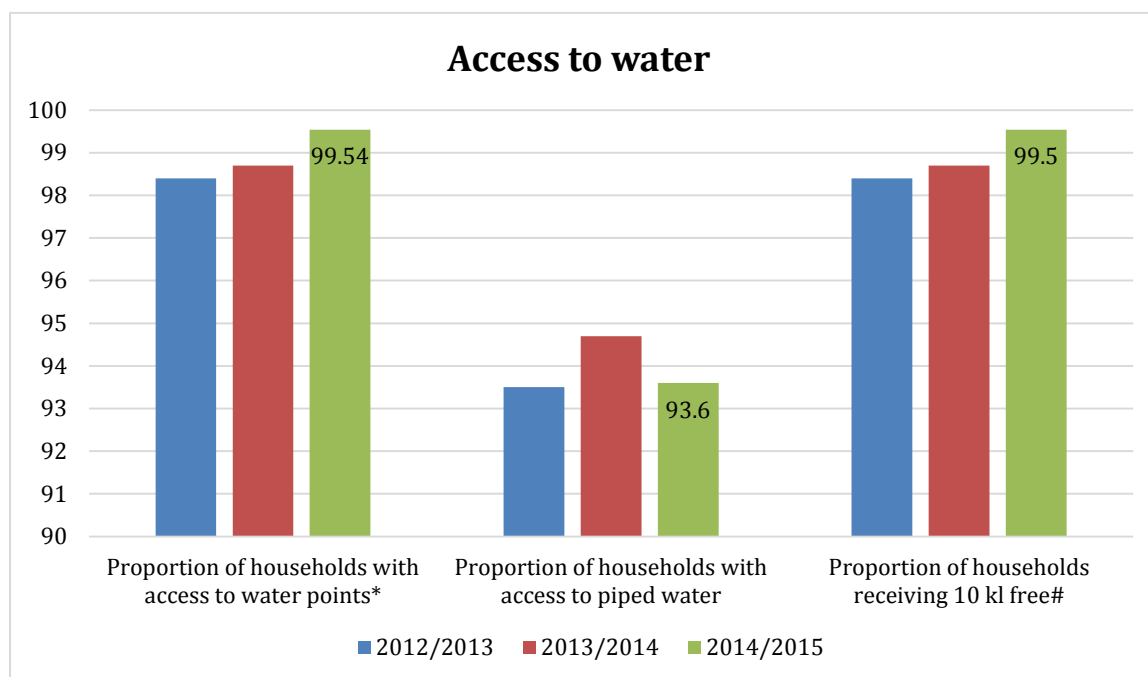
Water Service Delivery Levels			
Description	Households		
	2012/2013	2013/2014	2014/2015
	Actual	Actual	Actual
	No.	No.	No.
Water: (above minimum level)			
Piped water inside dwelling	36,734	38,182	38,565
Piped water inside yard (but not in dwelling)	20,639	20,900	21,829
Using public tap (stand pipes)	0	0	0
Other water supply (within 200 m)	3,750	3,750	4,157
<i>Minimum Service Level and Above sub-total</i>	61,123	62,832	64,551
<i>Minimum Service Level and Above Percentage</i>	99.5%	99.5%	100%
Water: (below minimum level)			
Using public tap (more than 200 m from dwelling)	163	163	148
Other water supply (more than 200 m from dwelling)	0	0	15
No water supply (rural)	134	134	134
<i>Below Minimum Service Level sub-total</i>	297	297	297
<i>Below Minimum Service Level Percentage</i>	0.5%	0.5%	0.5%
Total number of households*	61,420	63,129	64,848

Table 19: Water Service Delivery Levels

Households – Water Service Delivery Levels below the minimum					
Description	Households				
	2012/2013	2013/2014	2014/2015		
	Actual No.	Actual No.	Original Budget No.	Adjustments Budget No.	Actual No.
Formal Settlements					
Total households	61,420	63,129	N/A	N/A	64,848
Households below the minimum service level	297**	297**	N/A	N/A	297**
Proportion of households below the minimum service level	0.48%	0.48%	N/A	N/A	0.45%
Informal Settlements					
Total households	3,750	3,750	N/A	N/A	3,750
Households below minimum service level	0	0	N/A	N/A	0
Proportion of households below minimum service level	0%	0%	N/A	N/A	0%

* Grants ** Farms

Table 20: Households – Water Service Delivery Levels below the minimum



Graph 6: Access to water

Water Service Policy Objectives taken from IDP			
Strategic Objective (SO): <i>Physical Infrastructure and Energy Efficiency</i>			
Municipal Key Focus Area (KFA): <i>Water and Sanitation Infrastructure</i>			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Implement all Water Services infrastructure capital projects measured quarterly in terms of the approved Capital Budget spent	% of approved Capital Budget spent by 30 June	96%	99.90%

Table 21: Water Service Policy Objectives taken from IDP

Employees: Water Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3 (T18 –T20)	1	0	0	0	0
4-6 (T15- 17)	3	3	2	1	0.7
7-9 (T12 – 14)	7	7	3	4	2.6
10-12 (T9 – 11)	2	37	6	31	20.5
13-15 (T6 – 8)	13	13	13	0	0
16-18 (T3 – 5)	9	24	8	16	10.6
19-20 (T1 & 2)	42	67	40	27	17.9
Total	77	151	72	79	52.3

Table 22: Employees – Water Services

The Water Services Section has 52.3% vacancies in terms of the approved organogram, of which 36 posts are critical. Some posts are vacant due to people resigning, retirement or death and are already funded. The new posts need urgent funding. Eighteen (18) of the critical posts are directly linked to service delivery and need to be filled as a matter of urgency. Some of these posts are required for statutory compliance with legislation and to ensure safe and sustainable water supply.

Financial Performance 2014/2015: Water Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(142,609,250)	(157,666,808)	(163,073,254)	(156,418,213)	95.92%
Expenditure:					
Employees	33,156,499	35,773,777	35,139,123	35,115,217	99.93%
Repairs and Maintenance	6,834,600	7,652,594	7,724,759	7,706,631	99.77%
Depreciation and Provisions	17,463,482	16,259,376	18,005,705	17,614,670	97.83%
Other	36,316,667	39,701,077	45,713,146	42,264,183	92.46%
Total Operational Expenditure	93,771,248	99,386,824	106,582,733	102,700,702	96.36%
Net Operational (Service) Expenditure	(48,838,002)	(58,279,984)	(56,490,521)	(53,717,511)	95.09%

Table 23: Financial Performance 2014/2015 – Water Services

Capital Expenditure 2014/2015: Water Services					
R					
Capital Projects	2014/2015				
	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	56,713,420	53,498,163	53,469,855	-0.05%	53,498,163
<i>Major projects</i>					
11 Mℓ Newton Reservoir	16,061,000	18,462,606	18,461,440	-0%	18,462,606
Replacement of Strawberry King bulk water pipe	11,600,000	10,123,226	10,123,219	0%	10,123,226
Welvanpas WWTW and outbuildings	11,400,000	5,898,739	5,897,608	-0.02%	5,898,739

Table 24: Capital Expenditure 2014/2015 – Water Services

All available funds were spent on the various capital projects. The following projects were completed as planned:

- (1) The construction of the first 11 Mℓ Newton Reservoir and related pipework was completed and the reservoir is operational;
- (2) A total length of 10,300 m of pipelines varying between 110 mmØ and 630 mmØ was installed in Paarl and Wellington;
- (3) The upgrading and refurbishment of Welvanpas pump stations were completed during 2015.

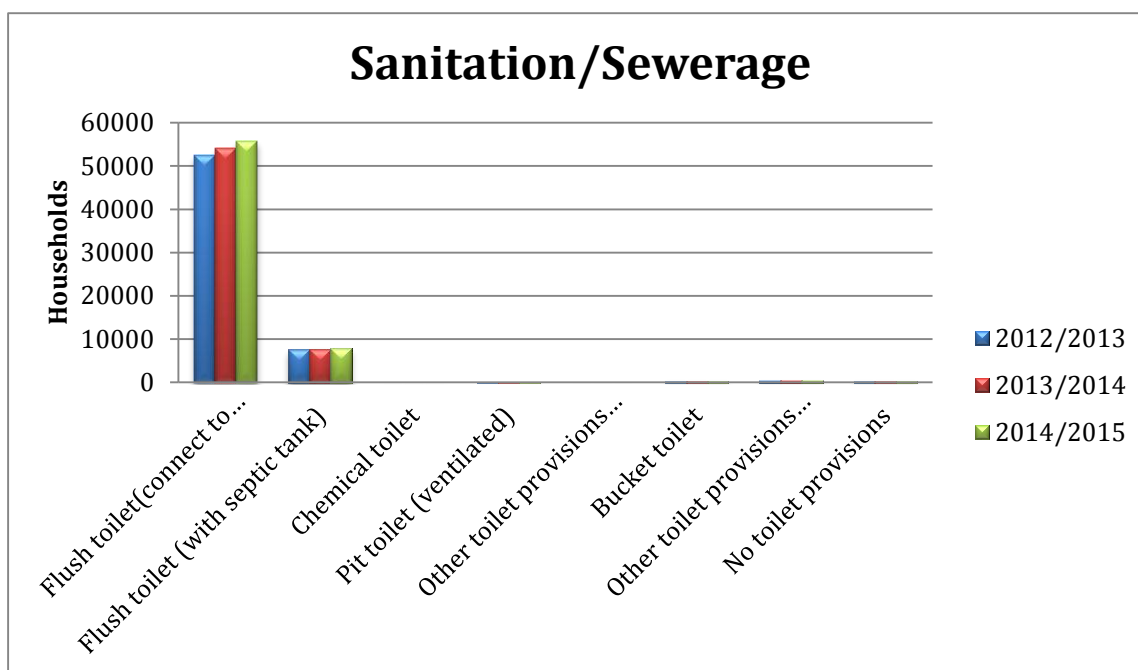
Additional capital funding is required for the replacement of pipe infrastructure. An amount of R 25m per annum and R 18m is needed. All available funds were spent on the various capital projects.

3.2 WASTEWATER (SANITATION) PROVISION

The basic functions of the Wastewater Section (Sanitation) are to upgrade existing sewerage infrastructure (to meet future requirements), extend the network (provide higher level of service to consumers) and maintain the existing network (ensure adequate rehabilitation and maintenance).

The upgrade of existing reticulation is planned in terms of priorities as determined in the IDP, as per the Sewerage Master Plan, by Council and Civil Engineering Services. Major achievements for the past financial year include the completion of the Carolina bulk sewer and the commissioning thereof. The construction of the bulk sewer to Southern Paarl, phase 3 is under way and includes the section through the Arboretum in Paarl.

The main challenge in this regard is to obtain sufficient funding to upgrade and maintain the existing sewer networks in Paarl, Hermon, Gouda, Saron and Wellington. Rehabilitation and maintenance of the existing infrastructure are critical to ensure the sustainability of the existing infrastructure.



Graph 7: Sanitation/Sewerage

Sanitation Service Delivery Levels			
Description	2012/2013	2013/2014	*Households
	Outcome No.	Outcome No.	Actual No.
Sanitation/sewerage: (above minimum level)			
Flush toilet (connect to sewerage)	52,437	54,012	55,595
Flush toilet (with septic tank)	7,623	7,757	7,893
Chemical toilet	35	35	35
Pit toilet (ventilated)	142	142	142
Other toilet provisions (above minimum service level)	0	0	0
Minimum service level and above sub-total	60,237	61,946	63,665
Minimum service level and above percentage	98.1%	98.1%	98.1%
Sanitation/sewerage: (below minimum level)			
Bucket toilet	378**	378**	378**
Other toilet provisions (below minimum service level)	451**	451**	451**
No toilet provisions	354**	354**	354**
Below minimum service level sub-total	1,183	1,183	1,183
Below minimum service level percentage	1.9%	1.9%	1.9%
Total households	61,420	63,129	64,848
<i>*Total number of households including informal settlements</i>			

***Farms which do not form part of the Municipal Water Reticulation System. Figures from 2011 Census*

Table 25: Sanitation Service Delivery Levels

Households – Sanitation Service Delivery Levels below the minimum					
					Households
Description	2012/2013	2013/2014	2014/2015		
	Actual No.	Actual No.	Original Budget No.	Adjustments Budget No.	Actual No.
Formal Settlements					
Total Households	61,420	63,129			64,848
Households below minimum service level	1,183*	1,183*	**	**	1,183
Proportion of households below minimum service level	1.9%	1.9%	**	**	1.9%
Informal Settlements					
Total Households	3,960	3,750			3,750
Households below minimum service level	0	0	*	*	0
Proportion of households below minimum service level	0	0	*	*	0

**Not budgeted for per household. All monies allocated for this purpose used for sanitation in informal settlements.*

*** Households not budgeted for as sanitation on farms is done by farm owners. Farms which do not form part of the municipal water reticulation system. Figures from 2011 Census Data*

Table 26 : Households – Sanitation Service Delivery Levels below the minimum

Wastewater (Sanitation) Service Policy Objectives taken from IDP			
Strategic Objective (SO): <i>Physical Infrastructure and Energy Efficiency</i>			
Municipal Key Focus Area (KFA): <i>Water and Sanitation Infrastructure</i>			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Implement all Waste Water Services infrastructure capital projects measured quarterly in terms of the approved Capital Budget spent	% of approved Capital Budget spent by 30 June	96%	100%

Table 27: Wastewater (Sanitation) Service Policy Objectives taken from the IDP

Employees: Sanitation Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3 (T18 – T20)	1	0	0	0	0
4-6 (T15- 17)	4	3	1	2	66.97
7-9 (T12 – 14)	5	12	6	6	50
10-12 (T9 – 11)	4	29	4	25	84.6
13-15 (T6 – 8)	30	52	30	22	40
16-18 (T3 – 5)	73	6	3	3	50
19-20 (T1 & 2)	-	77	70	7	9
Total	117	179	114	65	36.3

Table 28: Employees – Sanitation Services

The Wastewater Section (Sanitation) has 36.3% vacancies on the organogram, of which 15 posts are critical. Some posts are vacant due to people resigning, retirement or death and are already funded. The new posts also need urgent funding. Five of the critical posts are directly linked to service delivery and need to be filled as a matter of urgency. Some of these post are required for statutory compliance with the law to ensure safe and sustainable sanitary services.

Financial Performance 2014/2015: Sanitation Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(132,431,106)	(115,965,669)	(132,709,417)	(124,242,230)	93.62%
Expenditure					
Employees	36,478,066	39,902,811	40,368,765	40,334,000	99.91%
Repairs and Maintenance	6,470,933	8,127,578	7,041,643	7,017,350	99.66%
Depreciation and Provisions	17,580,162	18,788,448	19,017,060	17,917,262	94.22%
Other	24,163,837	23,026,883	33,015,225	22,274,739	67.47%
Total Operational Expenditure	84,692,998	89,845,720	99,442,693	87,543,353	88.03%
Net Operational (Service) Expenditure	(47,738,108)	(26,119,949)	(33,266,724)	(36,698,876)	110.32%

Table 29: Financial Performance 2014/2015 – Sanitation Services

Capital Expenditure 2014/2015: Sanitation Services					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	80,570,440	42,923,983	42,909,851	-0.03%	42,923,983
<i>Major projects</i>					
Upgrade bulk sewer: Southern Paarl	26,200,000	27,073,088	27,073,088	0%	27,073,088
Pentz Street pump station and New Rising	0	3,392,666	3,388,639	-0.12%	3,392,666
Rehabilitation of maturation ponds: Paarl WWTW	3,750,000	3,369,650	3,369,649	0%	3,369,650

Table 30: Capital Expenditure 2014/2015 – Sanitation Services

SANITATION SERVICES PERFORMANCE OVERALL

The bulk sewer projects for Southern Paarl (phase 2) and Carolina (phase 2) were completed during the financial year. Various housing and private development opportunities (12,000) were created with the completion thereof.

Paarl Wastewater Treatment Works

The major upgrade of the Paarl plant was completed during the 2013/2014 financial year with the emphasis on improving the effluent quality to the Berg River and to ensure that the plant complies with all statutory requirements. A further effluent bypass pipeline was constructed to bypass the maturation ponds to ensure the highest quality of effluent is discharged into the Berg River and this was completed during 2014/2015. The maturation ponds will be decommissioned, dried and cleaned and be used in the event of any emergency, especially during peak wet weather flow or serious mechanical failures.

The biggest challenge will be to source and appoint qualified process controllers to operate the plant.

During the next few years, the following need to be attended to:

- Road works;
- Upgrade of the inlet works;
- Installation of a fully fledged telemetry/SCADA system;
- Preventative maintenance programme;
- Energy efficiency programmes;
- Mechanical and electrical backlog elimination programme;
- Upgrade of staff housing quarters; and
- Achieving Green Drop accreditation.

Saron Wastewater Treatment Works

The future upgrade of the Saron wastewater treatment works will include the following:

- The construction of five new maturation ponds with a capacity of 3,960 m³ including new pipework and inlet/outlet structures;
- The refurbishment of the two existing primary ponds for use as anoxic/aerobic waste-activated sludge digestion dams;
- The construction of a new inlet structure with a mechanical screen and washer compactor;
- The construction of a new bioreactor structure including all pipework;
- The alteration of the existing waste-activated sludge pumping station;
- The construction of a new pumping station for the backwash water from the maturation ponds;
- The construction of two new composting areas;
- The refurbishment of six existing sludge drying beds;
- The construction of new roads as well as the upgrade of existing roads;
- The construction of a new office building;
- The construction of a new guardhouse building;
- The construction of new fencing around the WWTW;
- The refurbishment of the existing building;
- The construction of new interconnecting pipelines;
- The upgrade of the electrical reticulation;
- The upgrade of the existing pipework at the existing maturation ponds;
- The construction of a new overflow dam at the main pumping station; and
- New disinfection system for final effluent.

Gouda Wastewater Treatment Works

The future upgrade of the Gouda wastewater treatment works will include the following:

- The construction of a new irrigation balancing dam with a capacity of 7,000 m³;
- The construction of a new guardhouse building; and
- The replacement of the existing gravity irrigation pipeline.

Wellington Wastewater Treatment Works

The Wellington wastewater treatment works' refurbishing and extension form part of the 20-year, long-term Wastewater Strategy, ensuring that wastewater received at the works is treated appropriately by passing it through an effective treatment process thus protecting downstream users.

The planning and design of the upgrade were completed during 2013/2014 year. The proposed refurbishment and extensions of the works over the next three to four years will comprise the following:

- Refurbishment of the existing process units at the works in order to ensure that it operates at its design capacity and discharges effluent which consistently meets the required standards; and
- Constructing new process units to increase the capacity of the works from 7 to 16 Mℓ per day to accommodate the future flows, as well as accommodate the flow which is currently being diverted to Paarl WWTW via the Newtown pipeline.

Pentz Street Sewerage Pumping Station

The new Pentz Street sewerage pumping station was completed and commissioned during the 2013/2014 financial year. The previous pumping station could not deal with the current inflow which resulted in overflowing, especially during the winter period and hence the reason for the construction of the new pumping station, which will have the following benefits:

- (1) The new pumping station can accommodate a peak inflow rate of 1,150 ℓ/s;
- (2) The new overflow dam at the pumping station will provide sufficient storage capacity should an overflow occur in extreme emergency situations; and
- (3) No overflowing will occur, which is normally problematic especially with the Berg River located close to the pumping station.

Scientific Services

The biggest challenge was to appoint staff within this section. This process was completed during 2014/2015 with the filling of all critical positions, namely a chief chemist, a chemist and three samplers.

The focus will also be on water pollution control, especially on industries' monitoring of permits and effluent discharge and any illegal discharge to any water resources. This will ensure the water quality improvement of the Berg River and other water resources. The emphasis will be on monitoring and prosecution to detect the pollution sources and to react proactively.

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

Strategy for the provision of electricity at household level

A R 3,000,000 Electrification Grant for low-cost formal households was received from the Department of Energy for the financial year. A request was made to the Department of Energy to redirect the funding for informal electrification, and 261 households were electrified during the financial year.

Electrification of formal households are done in conjunction with the Housing Projects Unit of the Drakenstein Municipality. This however excludes housing which falls within the Eskom supply areas. Formal electrification was carried out as and when top structures became available according to the Housing Programme.

Progress is being made to redress service backlogs and achieve the national basic standard for electricity provision.

The Housing Programme and informal settlement areas dictate the Electrification Programme. The planning and application of funds are mainly guided by the Housing Programme and the electrification funds were spent as intended.

Top service delivery priorities and the impact users have had on them during the year:

Improved electricity infrastructure measured by effective capital spending. Capital expenditure for electricity infrastructure amounted to 96.3% of the Budget for the 2014/2015 financial year.

The Capital Budget was used to improve the quality of life for all in the Drakenstein Municipal Area. Infrastructure was upgraded and extended; this is an ongoing process as funds become available.

Maintenance of electricity assets measured by effective Maintenance Budget spending.

The Operating and Maintenance Budget was used to improve the useful life of electrical assets. Electrical assets were maintained within the available funding constraints. Maintenance of assets is an ongoing process and prioritisation thereof is dependent on funding being available.

Measures taken to improve performance

With the implementation of the new organogram for the department, the need arose for the urgent appointment of suitable and qualified staff to ensure that the service delivery standards can be maintained. A Master Planning Project was prioritised on the multi-year Capital Budget and will be expedited as prioritised during the years where funding becomes available. The new Asset Management System was implemented. The system however has not performed as required and software needs to be reprogrammed to suite to ensure the effectiveness of the system.

Major successes achieved

Tenders were awarded for the replacement of 66/11kV switchgear at Suid-End substation.

Significant progress was made with the maintenance monitoring of the Noorder Paarl 11 kV reticulation network.

The first co-generation plants were approved and commissioned allowing solar PV installations to generate electricity back into the Municipal networks. These co-generation plants are monitored to ensure that the quality of supply criteria as set for the Municipality in terms of NRS standards are maintained. Special precautions are also taken to ensure the safety of Municipal staff working on electrical networks.

A viability study was initiated by the Stellenbosch University in collaboration with WWF to establish the effect of solar electrical generation on Municipal buildings. The Market Street Civil Engineering Building was used for the project. Results obtained showed that it would be possible to achieve a return on investment for such a project. Funding sources will be investigated during the 2015/2016 financial year.

Rolled-over grant funding from the Department of Energy was used to complete an energy efficiency project. The project entailed the changing of existing high-energy lighting to energy efficient type lighting in the Market Street, Electricity Administration and Civic Buildings.

Challenges faced in 2014/2015:

- Staff shortages;
- Aged fleet;
- Inadequate Capital and Operating Budget;
- Lack of office space; and
- Non-responsive staff structure.

Response to those communities living in poverty and who are deficient in this basic service

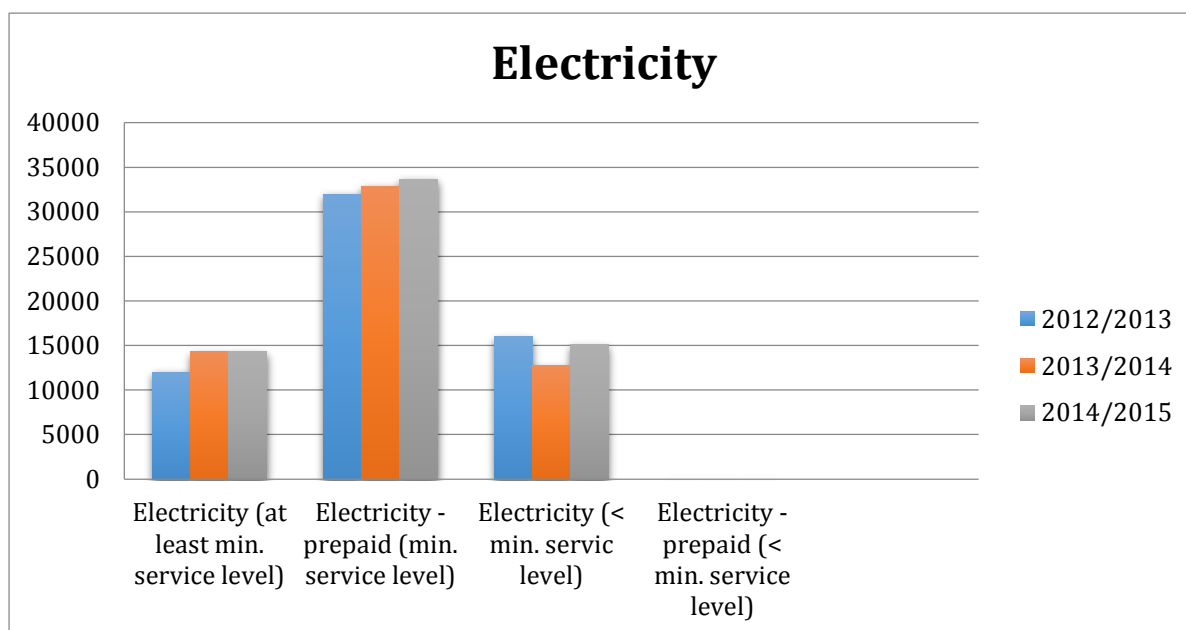
During IDP ward roadshows, Council presents and shares the Budget, tariffs and other programmes with the community as required per legislation. The purpose of the exercise is to inform the community of all projects that may have an impact on them. At these meetings, the community is offered the opportunity to state their needs and to pose questions to the administration.

All information gathered from community inputs at the meetings are processed into projects where viable and prioritised for submission to the Capital Budget programme.

Name and extent of service divisions responsible for rendering electricity services within the Municipality.

The Department Electrotechnical Engineering is divided into three divisions namely:

- **Operations and Maintenance:** Performs functions necessary to operate and to maintain the power network;
- **Planning, Design and Construction:** Performs functions relating to planning, design and extension of existing power network; and
- **Energy Management and Control:** Performs functions relating to energy efficiency, electrical demand and the encouragement of alternative energy sources.



Graph 8: Electricity

Electricity Service Delivery Levels			
	Households		
Description	2012/2013 Actual No.	2013/2014 Actual No.	2014/2015 Actual No.
Energy: (above minimum level)			
Electricity (at least min. service level)	12,000	14,273	14,285
Electricity – prepaid (min. service level)	32,000	32,857	33,654
Minimum service level and above sub-total	44,000	47,130	47,939
Minimum service level and above percentage	73%	73%	76%
Energy: (below minimum level)			
Electricity (< min. service level)	±16,000	12,753	15,095
Electricity – prepaid (<min. service level)	0	0	0
Other energy sources	0	0	0
Below minimum service level sub-total	±16,000	12,323	15,095
Below minimum service level percentage	100%	96.63%	
Total number of households	60,000*	63,091	63,129

*Note: Estimated figures as Eskom electricity provision within Drakenstein is unknown.

Table 31: Electricity Service Delivery Levels

Households – Electricity Service Delivery Levels below the minimum					
Description	2012/2013	2013/2014	2014/2015		
	Actual No.	Actual No.	Original Budget No.	Adjustments Budget No.	Actual No.
Formal Settlements					
Total households	42,000	50,338	51,604	51,604	51,604
Households below minimum service level	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0	0	0
Informal Settlements					
Total households	±16,000	12,753	*	*	13,244
Households below minimum service level	±16,000	12,323	*	*	11,773
Proportion households below minimum service level	100%	96.63%	*	*	88.9%

**Not budgeted for per household. All monies allocated for this purpose used for sanitation in informal settlements.*

Table 32: Households – Electricity Service Delivery Levels below the minimum

Electricity Service Policy Objectives taken from IDP			
Strategic Objective (SO): Physical Infrastructure and Energy Efficiency			
Municipal Key Focus Area (KFA): 9: Energy Efficiency			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Limit the electricity losses to less than 10% annually (Preceding 11 months + Reporting month's units billed)/(Preceding 11 months + reporting month's units purchased)	% electricity losses	10%	4.42%
Implement all the electricity capital projects measured quarterly in terms of the approved electricity Capital Budget spent	% of approved Capital Budget spent by 30 June	96%	96.30%

Table 33: Electricity Service Policy Objectives taken from IDP

Employees: Electricity Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	1	3	2	1	33
4-6	8	8	6	2	25
7-9	17	25	23	2	8
10-12	34	29	19	10	34.5
13-15	42	45	36	9	20
16-18	21	31	22	9	29
19-20	32	39	31	8	20.5
Total	155	180	139	41	22.8

Table 34: Employees – Electricity Services

Financial Performance 2014/2015: Electricity Services					
					R
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(753,357,300)	(832,205,280)	(848,685,025)	(830,695,554)	97.88%
Expenditure					
Employees	49,031,794	53,452,251	54,724,655	54,573,672	99.72%
Repairs and Maintenance	11,155,089	13,182,271	16,347,158	16,322,871	99.85%
Depreciation and Provisions	40,809,343	42,565,530	41,183,570	40,284,099	97.82%
Other	528,991,806	561,919,556	589,082,896	557,424,617	94.63%
Total Operational Expenditure	629,988,031	671,119,608	701,338,279	668,605,261	95.33%
Net Operational (Service) Expenditure	(123,369,269)	(161,085,672)	(147,346,746)	(162,090,292)	110.01%

Table 35: Financial Performance 2014/2015 – Electricity Services

Capital Expenditure 2014/2015: Electricity Services					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	21,740,175	18,537,140	17,850,156	-3.71%	18,537,140
<i>Major projects</i>					
Electrification housing projects	3,461,579	6,354,095	6,071,273	-4.45%	6,354,095
Network upgrading: HV and MV	3,000,000	2,668,010	2,667,764	-0.01%	2,668,010
Regulatory compliance	3,000,000	3,299,775	3,299,775	0%	3,299,775

Table 36: Capital Expenditure 2014/2015 – Electricity Services

ELECTRICITY SERVICES PERFORMANCE OVERALL

The rollover of funds of R 16,5 million was requested on capital projects for 2014/2015. Electrification of informal settlements commenced and a programme is being followed. The 11 kV switchgear and 66 kV substation equipment of Suid-End substation will be replaced in 2015/2016. Other projects completed are the Bo-dal lighting projects.

3.4 WASTE MANAGEMENT

A new waste manager was appointed in May 2015. The report is therefore based on information received and reported prior to this appointment. The ultimate objective of Waste Management Services is to ensure that all such services delivered to all communities are of a high standard, that the towns are cleaned regularly and that communities take ownership of the cleaning of their wards and build strong partnerships with the Municipality.

During 2014/2015 the following were achieved:

- Formal refuse collection service points – 39,225
- Informal refuse collection service points – 4,511
- Roads cleaned – 3,381 km; and
- Unemployed in Expanded Public Works Programme – 250 persons.

The emphasis was mainly on the eradication of illegal dumping, which not only impacts adversely on wards but also has a huge impact on the Municipality's budget. This money could have been utilised for important projects that could change the wellbeing of our people.

Solid Waste Service Delivery Levels			
			Households
Description	2012/2013	2013/2014	2014/2015
	Actual No.	Actual No.	Actual No.
<i>Solid Waste Removal (minimum level)</i>			
Removed at least once a week	43,578	44,378	43,736
Minimum service level and above sub-total	43,200	44,359	43,736
Minimum service level and above percentage	99.13%	99.95%	100%
<i>Solid Waste Removal: (below minimum level)</i>			
Removed less frequently than once a week	0	0	0
Using communal refuse dump	0	0	0
Using own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
Below minimum service level sub-total	378	19	
Below minimum service level percentage	0%	0	0 %
Total number of households	43,578	44,378	43,736

Table 37: Solid Waste Service Delivery Levels

Households – Solid Waste Service Delivery Levels below the minimum					
Households					
Description	2012/2013	2013/2014	2014/2015		
	Actual No.	Actual No.	Original Budget No.	Adjustments Budget No.	Actual No.
Formal Settlements					
Total households	43,578**	44,378**	*		
Households below minimum service level	0	0			
Proportion of households below minimum service level	0%	0%			
Informal Settlements					
Total households	3,267***	3,267***			
Households below minimum service level	19	19			
Proportion of households below minimum service level	0.58%	0.58%			

**Note: Not budgeted for per household. All monies allocated for this purpose used for sanitation in informal settlements.*

*** Note: Actual number of households*

**** Note: Actual number of informal households*

Table 38: Households – Solid Waste Service Delivery Levels below the minimum

Waste Management Service Policy Objectives taken from IDP			
Strategic Objective (SO): Physical Infrastructure and Energy Efficiency			
Municipal Key Focus Area (KFA): 12: Solid Waste			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Submit report annually on the available solid waste air space at existing landfill facility	Number of reports submitted to Executive Mayoral Committee by 30 June	1	1
Implement all solid waste infrastructure capital projects measured quarterly in terms of the approved Capital Budget spent	% of approved Capital Budget spent by 30 June	96%	100%

Table 39: Waste Management Service Policy Objectives taken from IDP

Employees: Solid Waste Management Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	0	0	0	0	0
4-6	0	5	3	2	40
7-9	3	3	2	1	33
10-12	13	22	12	10	45.5
13-15	9	7	2	5	71.4
16-18	33	48	33	5	31.25
19-20	111	154	115	39	25.3
Total	168	239	167	62	30.1

Table 40: Employees – Solid Waste Management Services

Financial Performance 2014/2015: Solid Waste Management Services					
Details	Households				
	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(87,458,153)	(88,490,772)	(117,983,147)	(96,336,844)	81.65%
Expenditure:					
Employees	38,994,226	46,419,896	99,874,429	99,703,554	99.83%
Repairs and Maintenance	2,302,453	896,404	648,704	637,873	98.33%
Depreciation and Provisions	8,637,220	4,802,065	5,082,988	4,716,482	92.79%
Other	27,539,345	23,532,922	50,246,559	26,356,826	52.45%
Total Operational Expenditure	77,473,243	75,651,287	155,852,680	131,414,735	84.32%
Net Operational (Service) Expenditure	(9,984,910)	(12,839,485)	37,869,533	35,077,891	92.63%

Table 41: Financial Performance 2014/2015 – Solid Waste Management Services

Capital Expenditure 2014/2015: Waste Management Services					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	7,050,000	6,096,264	6,094,271	-0.03%	6,096,264
<i>Major projects</i>					
Construction of Wellington landfill leachate	3,000,000	1,930,744	1,930,743	0%	1,930,744
Construction of drop-off chipping and crushing	3,700,000	3,815,520	3,815,520	0%	3,815,520
Refuse containers (wheelie bins, pole bins)	250,000	250,000	248,009	0.80%	250,000

Table 42: Capital Expenditure 2014/2015 – Waste Management Services

WASTE MANAGEMENT SERVICES PERFORMANCE OVERALL

Upgrade of the Drakenstein Landfill Facility (Wellington)

The drop-off, building rubble and green waste public area was upgraded to ensure that the public does not enter the landfill working space for safety reasons and the main emphasis is to enhance the minimisation of waste to the landfill and evidently save on valuable airspace.

This facility will be in full use during the 2015/2016 financial year.

Future projects include the upgrading of the stormwater system and the construction of a new administration building for the section.

FUTURE WORK ENVISAGED

In the 2015/2016 financial year the following work should be undertaken as a matter of urgency due to the Drakenstein landfill outside Wellington running out of available airspace. The existing compacted clay berm around the landfill should be raised to its maximum licensed height in order to make the remaining licensed airspace available. This work must be done during the dry summer months in order to prevent delays and associated additional costs, as would likely be the case if the works were constructed during the rainy season.

The landfill is currently operated by pumping the leachate manually into the sewer system and this creates the possible risk of mismanagement and/or leachate spillage outside the licensed footprint as a result of leachate build-up. This must also be addressed in the abovementioned tender (in table 42) by formalising the existing leachate pump sump and equipping it with electricity, pump(s) and a float system to regulate the pumping of the leachate. This is critical in order to reduce the leachate level in the landfill and the resultant hydraulic head on the clay lining system as well as the surrounding clay berms. This leachate pumping facility would have to be a robust structure in order to prevent theft and vandalism.

Depending on the funds available, it is also important that the licensed areas for the public drop-off, chipping area and crushing area be formalised. If necessary, this can be done in phases over the next two financial years, subject to available funds. As part of the abovementioned tender (in table 42), one can formalise the different facilities by fencing (e.g. vibracrete) and grading the areas to provide free drainage and also provide a solid working surface by constructing sub-base/base areas.

The existing fences at the Paarl transfer station must be evaluated and addressed where necessary. At this stage it appears that the back fence along the river should be upgraded to a solid concrete fence with electrification on top of the fence, but the side fences must also be evaluated and could perhaps be replaced with a steel Beta-fence or similar. This work is also important at this stage to address the ongoing occurrence of vandalism and/or theft by people gaining access to the transfer station through the back fence.

3.5 HOUSING

INTRODUCTION TO HOUSING

The 2014/2015 financial year started off slowly for the Human Settlements Department as far as implementation of housing projects were concerned. This can be attributed to a number of reasons, including defaulting contractors, community dynamics that required change in construction strategy in two projects, high tender prices, etc. Despite these challenges, the department still managed to get contractors on site for four of the five projects implemented during the financial year. In total, 311 of the targeted 400 houses were handed over to beneficiaries, translating into a 78% success rate. No sites (0) were serviced during the financial year. The target was for a private developer to service 300 sites under the Integrated Residential Development Programme (IRDP). Unfortunately, this did not materialise as key agreements could not be finalised and it is anticipated that the developer will commence in the second quarter of the 2015/2016 financial year.

During the year, on-going discussions and engagements also took place with the provincial Department of Human Settlements in order to unblock and re-initiate incomplete projects (B and C hostels and Carterville) with a view to securing funding for implementation.

Major strides have also been made during the year in obtaining the necessary development rights for the next big project in Drakenstein, namely the proposed Vlakkeland Housing Development, which will on completion create in the region of 3,000 housing opportunities. The project will cater for various housing typologies and market segments. A major milestone achieved during the year was the issuing of environmental authorisation for the project. The rezoning and subdivision application is at an advanced stage. Discussions have also been on-going with the provincial Department of Human Settlements to ensure that the projects move forward to implementation.

The year under review also saw a keen interest from developers to exploit the affordable and GAP market in Drakenstein. In this regard, discussions have been on-going between private sector developers, the Municipality and the provincial Department of Human Settlements to explore opportunities for potential cooperation in this market. This is also in line with one of the strategic goals at a provincial level to tap into this market and create opportunities aimed at people earning above the threshold to obtain a state housing subsidy. The Municipality has also been proactive in identifying land that could be offered to potential developers for housing projects aimed at this market segment.

Human Settlement / Housing challenges:

- The need to upgrade 'old' Municipal rental stock, especially the apartment blocks in primarily Paarl East. The cost to upgrade is astronomical and given budget constraints, coupled with low rental income, this is difficult to realise;
- The need to electrify informal areas, especially in the Mbekweni Area (the lack thereof has seen multiple service delivery protests during the year);
- Vandalism of services in informal areas continue to be a major problem;
- Continuous increase in applications for eviction (especially from farms) to the courts. The challenge for the Municipality is to provide sites for emergency housing. To counter this, the Municipality identified various pieces of land to be utilised as temporary relocation areas (TRAs) during November 2014. These will, however, only be operational in the next financial year as certain processes still need to be concluded and the necessary funding secured.
- The proliferation of backyarders and informal settlement dwellers places an extra burden on services.
- The issuing of title deeds still poses challenges for the Municipality.

Despite the challenges, the Municipality is confident in its ability to deliver quality houses and housing-related services. Testimony to this has been an award bestowed on the Fairyland Project, which received an award as second runner-up in its category (Upgrade of Informal Settlement Programme) in the Western Cape. The Local Housing Committee was also honoured with a merit award by the MEC for Human Settlements in the province for the tenacity and dedication in making the project a success.

It is further envisaged that the introduction of the Municipal Project Management Unit in the Infrastructure Services Directorate over the next few years will enhance the ability of the Human Settlements Department to streamline service delivery in a more efficient, effective and integrated way. This is an important innovation and will lay the foundation for improved service delivery to communities.

Housing Demand Database		
Year	Number of people on the Housing Demand Database	% Housing waiting list increase/decrease
2012/2013	37,890	2.4
2013/2014	40,690	2.8
2014/2015	41,475	1.9

Table 43: Housing Demand Database

Housing Service Policy Objectives taken from IDP			
Strategic Objective (SO): Social and Community Development (Municipal KPA)			
Municipal Key Focus Area (KFA): Sustainable Human Settlements (housing)			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Provide 400 houses in terms of the Integrated Human Settlement Plan by 30 June	Number of housing opportunities provided	400	311

Table 44: Housing Service Policy Objectives taken from IDP

Employees: Housing Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	3	3	3	0	0
4-6	2	6	2	4	66
7-9	6	9	8	1	11
10-12	24	28	23	5	17
13-15	12	16	13	3	18
16-18	2	2	2	0	0
19-20	28	27	25	2	7
Total	78	91	76	15	16.4

Table 45: Employees – Housing Services

Financial Performance 2014/2015: Housing Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(57,892,695)	(75,136,906)	(63,519,886)	865,431	-1.36%
Expenditure:					
Employees	15,522,834	17,378,608	16,827,928	1,323,274	7.86%
Repairs and Maintenance	3,610,568	163,359	2,067,640	241,949	11.70%
Depreciation and Provisions	9,667,447	9,978,272	20,166,676	20,100,277	99.67%
Other	79,200,018	83,667,626	80,534,404	12,327,005	15.31%
Total Operational Expenditure	108,000,868	111,187,865	119,596,648	33,992,504	28.42%
Net Operational (Service) Expenditure	50,108,173	36,050,959	56,076,762	34,857,935	62.16%

Table 46: Financial Performance 2014/2015 – Housing Services

Capital Expenditure 2014/2015: Housing Services					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	2,800,000	3,546,777	3,515,934	-0.87%	3,546,777
<i>Major projects</i>					
Water meters and connections – Amstelhof	1,600,000	1,600,000	1,599,771	-0.01%	1,600,000
Upgrading own rental stock	1,200,000	1,494,164	1,494,130	0%	1,494,164
Ces 19/20 Kingston Town and infrastructure	0	422,034	422,034	0%	422,034

Table 47: Capital Expenditure 2014/2015 – Housing Services

COMMENT ON THE PERFORMANCE OF HOUSING SERVICES OVERALL

Despite the many challenges encountered by the Human Settlements Department, it has performed well.

The Projects and Administrative Sections in the Housing Department strived to fulfil their mandates of providing houses, providing and maintaining basic services to informal settlements, upgrading hostels and maintaining the existing Municipal housing stock.

The 2014/2015 housing grant subsidies received from the provincial Department of Human Settlements amounted to R 58m, of which 80% was utilised by the end of June 2015.

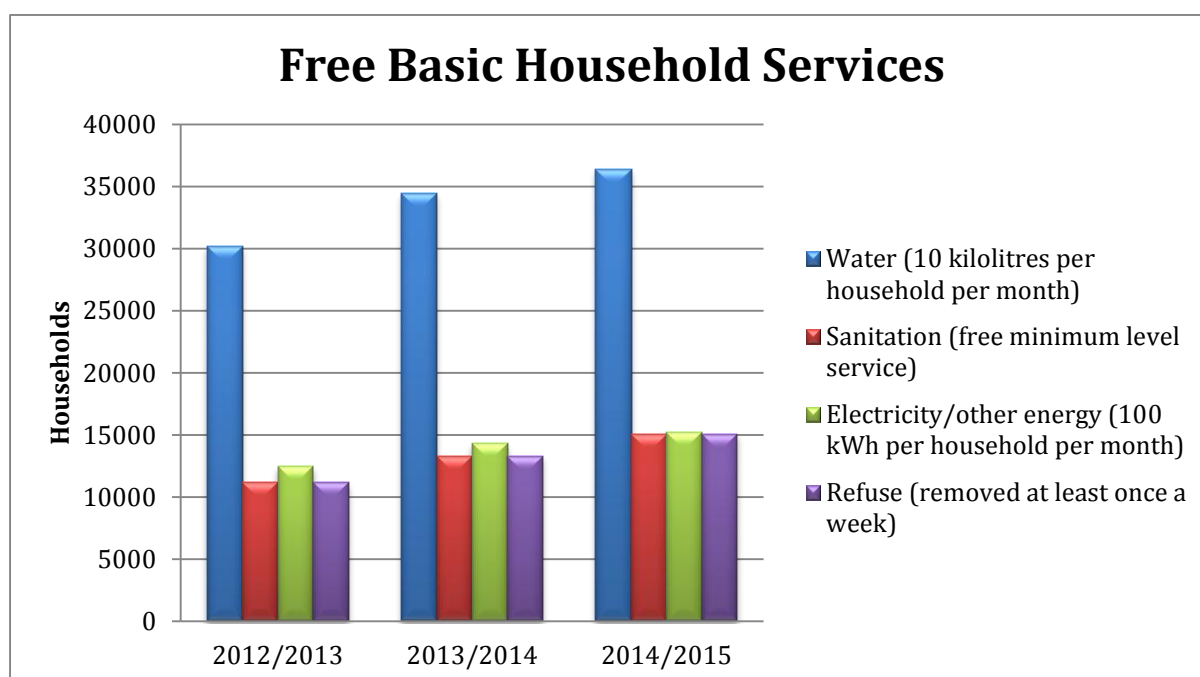
UISP projects were successfully implemented at Fairyland, Siyahlala, Lantana and an IRDP project at Gouda.

Separate developments of BNG, FLISP and GAP housing will also commence during the next financial year.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Indigent Subsidy Scheme is based on the prescripts of the Indigent Policy of Council and is funded from the Equitable Share Grant from the national fiscus. The grant is administered to qualifying consumers who are unemployed, pensioners or consumers earning salaries less than twice the government pensioners' grant. All consumers of the Drakenstein Municipality receive 10 kℓ free water per month and the indigent qualifying consumers receive 100 kWh free electricity per month, free refuse removal, free sanitation and a rebate on their monthly property rates account.



Graph 9: Free basic household services

Year	Households earning less than R 3,300 per month								
	Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Access	%	Access	%	Access	%	Access	%
2012/2013	59,767	11,165	18.7	11,165	18.7	12,470	20.9	11,165	18.7
2013/2014	63,129	13,300	20.8	13,300	20.8	14,336	22.5	13,300	20.8
2014/2015	64,848	15,095	23.3	15,095	23.3	15,186	23.4	15,095	23.3

Table 48: Free Basic Services to low-income households

Financial Performance 2014/2015: Cost to Municipality of Free Basic Services delivered					
Services Delivered	2013/2014	2014/2015			
	Actual	Budget	Adjustments Budget	Actual	Variance to Adjustments Budget
Water	15,662	16,875	16,692	0	100%
Wastewater (Sanitation)	6,961	13,143	8,030	8,370	-4.23%
Electricity	16,280	12,710	15,030	29,154	-93.97%
Waste Management (Solid Waste)	18,517	14,726	22,676	21,834	3.71%
Rates and Rentals	16,935	0	0	25,962	0%
Total	74,355	57,454	62,428	85,320	-36.67%

Table 49: Financial Performance 2014/2015 – Cost to Municipality of Free Basic Services delivered

Free Basic Service Policy Objectives taken from IDP			
Strategic Objective (SO): Financial Sustainability (Municipal KPA)			
Municipal Key Focus Area (KFA): Budgeting/Funding			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Provision of free basic services	Report on the % of households earning less than 2 x social grant plus 25% per month with access to free basic services	1	1
Update Indigent Register	% of all qualifying indigent applications processed by 30 June	99%	100%

Table 50: Free Basic Service Policy Objectives taken from IDP

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT

The Indigent Policy of Council determines that a household (main breadwinners of a household) residing on an erf, earning a combined gross income of equal or less than twice the monthly government social grant paid to old-age pensioners or disabled persons, qualifies for the indigent subsidy. The policy determines that the qualifying persons are eligible for the following free basic services per month: 10 kℓ free water, 100 kWh free electricity, sanitation consumption, one refuse removal and property rates to the extent of the value of the property. The 10 kℓ free water mentioned above is provided to all the households in the Drakenstein Municipal Area.

In the 2014/2015 financial year, 15,095 households were provided with free sanitation and refuse removal and 15,186 households were provided with free basic electricity, whilst 36,448 households were provided with free basic water. The households that were physically provided with free basic services far exceed the targets set by the Municipality, which means that more people could benefit from this grant. Council also approved a Writing Off of Irrecoverable Debt Policy in February 2013, which has enabled indigent consumers to participate in the writing off of debt which they are unable to pay. The total Equitable Share Grant received by the Municipality for the 2014/2015 financial year amounted to R 85,320,890 and the total Subsidy Granted to Indigent Households and the provision of skip bins amounted to R 96,483,151.

COMPONENT B: ROAD TRANSPORT

INTRODUCTION TO ROAD TRANSPORT

Drakenstein Municipality does not run a public transport system. The main method for public transport at present is the minibus taxi services run by a number of independent operators.

The Cape Winelands District Municipality initiated the compilation of an Integrated Public Transport Network for the Cape Winelands district, of which Drakenstein forms part. This initiative was implemented in the 2014/2015 financial year with the first phase to be completed in 2015/2016. Flowing from this project, consideration must be given to the establishment of a public transport system for the Drakenstein Municipal Area by the Drakenstein Municipality.

3.7 ROADS

INTRODUCTION TO ROADS

The basic functions of the Roads Section are to upgrade existing roads and streets, extend the network and maintain the existing network.

The upgrade of existing roads is planned in terms of priorities as determined in the IDP, through departmental planning and by the Municipality. The pace and extent of implementation are determined by the budget allocated by both the provincial government (80% of cost contribution) and the Municipality (20% of cost contribution) in respect of main proclaimed roads and Municipal streets (100% internal funding). Achievements for the past financial year include the completion of construction for the upgrade of Stokery Road, the planning for the upgrade of Berg River Boulevard North and Oosbosch Street to divided four-lane roads, planning for the upgrade of the bridge structures in Paarl, as well as the planning of the construction of Van der Stel Road from Abattoir Street to Klein Drakenstein Road.

Extensions to the road network are planned in accordance with the Integrated Transportation Plan, addressing both provincial and Municipal roads. Planning for the upgrade of various sections of road is under way, but funding for construction will need to be sourced. The Integrated Transportation Plan needs to be revised as the existing plan is dated 2008.

The maintenance of roads and streets is undertaken in accordance with the Pavement Management System. This system was to be re-evaluated in 2014/2015, but due to financial and other constraints will now be attended to in 2015/2016 to provide for an updated priority list of work to be undertaken.

Gravel Road Infrastructure				
Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2012/2013	46.72	0	2.97	46.72
2013/2014	43.75	0	0	43.75
2014/2015	43.75	0	0	43.75

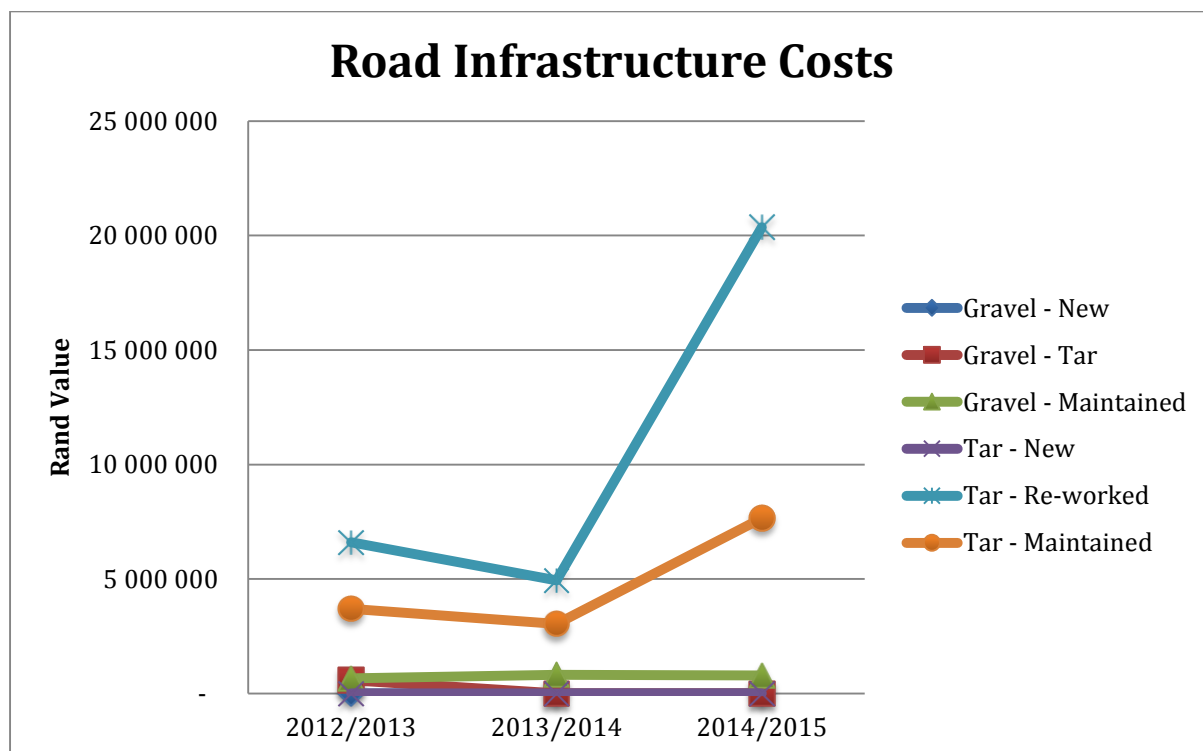
Table 51: Gravel Road Infrastructure

Asphalted Road Infrastructure					
Kilometres					
Year	Total asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2012/2013	504.80	2.97	18.87	0	506.46
2013/2014	507.77	0	14.26	0	507.77
2014/2015	507.77	0	2.386	32.698	507.77

Table 52: Asphalted Road Infrastructure

Cost of Construction/Maintenance						
R'000						
Year	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Re-worked	Maintained
2012/2013	0	5,836	660	0	6,600	3,700
2013/2014	0	0	824	0	4,935	3,045
2014/2015	0	0	794	0	20,367	7,648

Table 53: Cost of Construction/Maintenance



Graph 10: Road Infrastructure costs

Road Service Policy Objectives taken from IDP			
Strategic Objective (SO): <i>Physical Infrastructure and Energy Efficiency</i>			
Municipal Key Focus Area (KFA): <i>Roads and Stormwater</i>			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Implement all the roads, stormwater infrastructure capital projects measured quarterly in terms of the approved Capital Budget spent	% of approved Capital Budget spent by 30 June	96%	99.89%

Table 54: Road Service Policy Objectives taken from IDP

Employees: Road Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3 (T18 - T20)	1	0	0	0	0
4-6 (T15 - 17)	2	3	2	1	33
7-9 (T12 - 14)	5	7	5	2	28.5
10-12 (T9 - 11)	18	9	7	2	22
13-15 (T6 - 8)	14	34	18	16	47
16-18 (T3 - 5)	107	46	36	10	21.7
19-20 (T1 & 2)	0	102	75	27	26.5
Total	149	201	143	58	28.9%

Table 55: Employees – Road Services

Financial Performance 2014/2015: Road Services					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	0	0	0	0	0%
Expenditure					
Employees	0	0	0	0	0%
Repairs and Maintenance	195,481	1,561,250	1,388,250	1,387,654	99.96%
Depreciation and Provisions	13,727	0	165,000	164,734	99.84%
Other	0	0	0	0	0%
Total Operational Expenditure	209,209	1,561,250	1,553,250	1,552,387	99.94%
Net Operational (Service) Expenditure	209,209	1,561,250	1,553,250	1,552,387	99.94%

Table 56: Financial Performance 2014/2015 – Road Services

Capital Expenditure 2014/2015: Road Services					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	49,489,047	50,345,304	50,239,149	-0.21%	50,345,304
<i>Major projects</i>					
Proclaimed and main road upgrades	20,917,977	20,917,977	20,917,008	0%	20,917,977
Upgrade sidewalks (ward project)	2,200,000	1,780,805	1,780,805	0%	1,780,805
Construction of Stokery Road, Wellington	13,478,070	18,031,869	17,965,946	-0.37%	18,031,869

Table 57: Capital Expenditure 2014/2015 – Road Services

THE PERFORMANCE OF ROAD SERVICES OVERALL

Within the constraints of the budget provided, the section performed well.

The main objectives of the Roads Section are to upgrade existing gravel streets to paved standard, extend the infrastructure in accordance with the Transportation Master Plan and maintain streets in accordance with the Pavement Management System.

Extensions to the major road network are planned in accordance with the Transportation Master Plan. The work completed during the year comprised of the completion of the upgrade of Stokery Road, the refurbishment of Huguenot Bypass and the resealing of approximately 32 km of streets. Funding for the final design for the upgrading of Berg River Boulevard was sourced. The project started in 2014/2015 and will continue in 2015/2016.

In total some 42 km of provincial roads are situated in the Drakenstein residential areas. Most of these are maintained by the Municipality on a 20/80 contribution rate by respectively the Municipality and provincial government.

Capital provision for the upgrade of provincial roads in the 2013/2014 financial year was adequate with funding for the upgrade of Stokery Road, R44, being a multi-year project, provided for in the 2014/2015 financial year.

3.8 STORMWATER DRAINAGE

INTRODUCTION TO STORMWATER DRAINAGE

The priorities of the Stormwater Section are to upgrade existing services, install new systems as required and maintain existing services in order to ensure the efficient and effective removal of stormwater. The section performed well in the reporting period.

The systems in Drakenstein are at present capable of removing stormwater originating from a 1:2 to 1:5 flood situation. Some systems are in need of upgrading, being of inferior quality and condition, and are upgraded as budget permits. It must be noted that flood situations are expected to increase in frequency due to climate change.

Capital projects in this sector are focused on the lining of existing pipes as the need arises. In-situ camera inspections were undertaken and the relining process of substandard pipes continued. Where lining of pipes are no longer viable, a replacement programme is followed within budgetary constraints. At present it is estimated that approximately R 200 million is required to address all problem areas in Drakenstein.

In order to provide for the proper handling of stormwater in areas to be developed for low-cost housing, a Stormwater Master Plan for the Vlakkeland catchment area was compiled. This report will be utilised in the planning for developments in the area. As the catchment areas can be divided over the Drakenstein Municipal Area, it is envisaged that the master planning of the stormwater systems can be implemented incrementally.

Maintenance is a major problem, particularly with regard to the cleaning of the systems. The continual dumping of refuse and pollutants into the systems causes regular blockages. The section focuses on cleaning the systems at least twice annually. This is becoming increasingly difficult because of perpetually having to attend to particular areas as well as staffing and budget constraints. Cleaning of all the systems twice during the course of the year was achieved, contributing to a reduction in the number of flooding incidents.

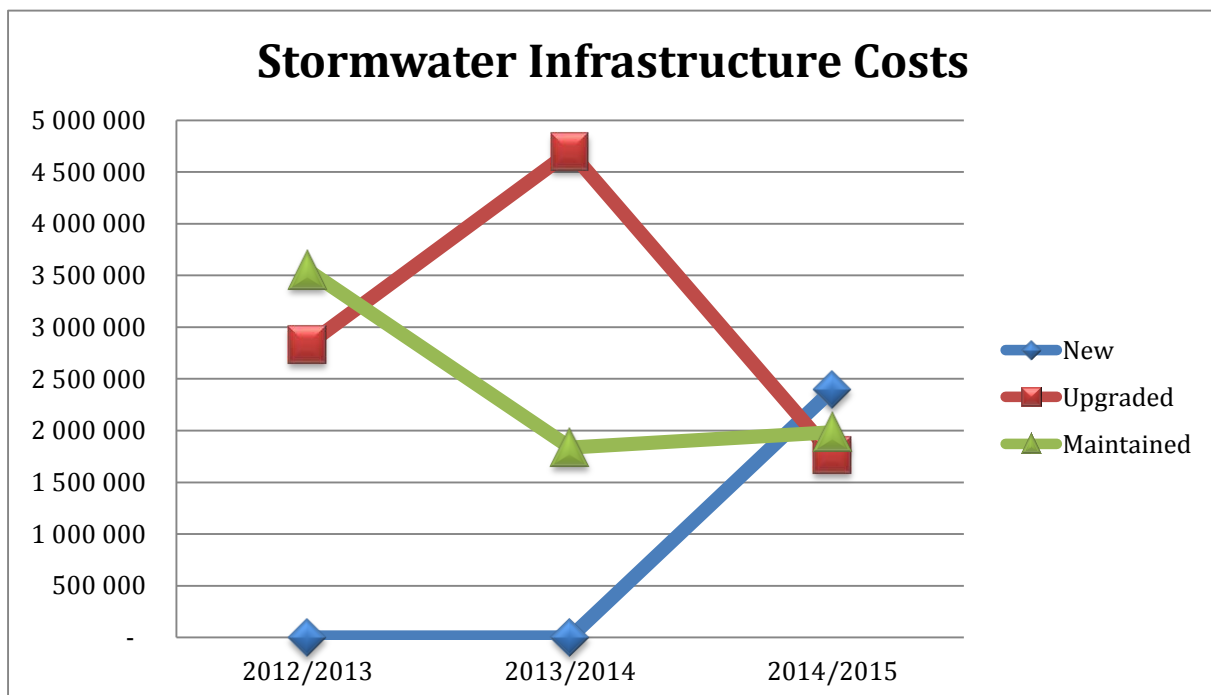
Informal settlements as well as all residents are assisted mainly by providing informal surface removal methods and rendering support during rainy periods through the provision of materials and sandbags to mitigate the effects of flooding.

Stormwater Infrastructure				
Kilometres				
Year	Total Stormwater measures	New Stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2012/2013	354.00	0.126	0.348	354.00
2013/2014	354.12	0.200	1.836	354.12
2014/2015	354.12	1.147	0.604	354.12

Table 58: Stormwater Infrastructure

Cost of Construction/Maintenance			
R'000			
Year	Stormwater Measures		
	New	Upgraded	Maintained
2012/2013	0	2,820	3,550
2013/2014	0	4,700	1,837
2014/2015	2,39	1,76	1,98

Table 59: Cost of Construction/Maintenance



Graph 11: Stormwater infrastructure costs

Stormwater Policy Objectives taken from IDP			
Strategic Objective (SO): Physical Infrastructure and Energy Efficiency (Municipal KPA)			
Municipal Key Focus Area (KFA): Roads and Stormwater Infrastructure			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Implement all the roads, stormwater infrastructure capital projects measured quarterly in terms of the approved Capital Budget spent	% of approved Capital Budget spent by 30 June	96%	99.89%

Table 60: Stormwater Policy Objectives taken from IDP

Employees: Stormwater Services*					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	0	*			
4-6	1				
7-9	2				
10-12	7				
13-15	2				
16-18	45				
19-20	0				
Total	59				

* Note: Organogram not separated into Roads and Stormwater

Table 61: Employees – Stormwater Services

Financial Performance 2014/2015: Stormwater Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(9,730,868)	(16,335,332)	(16,338,208)	(16,454,210)	100.71%
Expenditure:					
Employees	21,622,757	24,490,901	24,236,328	24,140,144	99.60%
Repairs and Maintenance	12,539,378	13,481,296	13,417,181	13,359,240	99.57%
Depreciation and Provisions	33,441,754	34,792,060	32,763,507	32,343,461	98.72%
Other	14,390,467	17,444,905	20,323,749	17,618,673	86.69%
Total Operational Expenditure	81,994,357	90,209,162	90,740,765	87,461,519	96.39%
Net Operational (Service) Expenditure	72,263,488	73,873,830	74,402,557	71,007,308	95.44%

Table 62: Financial Performance 2014/2015 – Stormwater Services

Capital Expenditure 2014/2015: Stormwater Services					
R					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	1,500,000	1,755,372	1,751,205	-0.24%	1,755,372
<i>Major projects</i>					
Refurbish stormwater systems (Drakenstein)	1,500,000	1,755,372	1,751,205	-0.24%	1,755,372

Table 63: Capital Expenditure 2014/2015 – Stormwater Services

COMMENT ON THE PERFORMANCE OF STORMWATER SERVICES OVERALL

The priorities of the Stormwater Section are to upgrade existing services, install new systems as required and maintain existing services for efficient and effective stormwater removal. The systems in Drakenstein are at present capable of removing stormwater originating from a 1:2 to 1:5 flood situation.

Generally, more regular flooding is experienced due to the tendency of weather patterns changing to more intense rainfall over shorter periods of time. However, as a result of increased maintenance, the incidence has reduced.

Some systems are in need of upgrading, being of inferior quality and condition, as well as substandard sizing of pipelines.

Capital projects entail the lining of existing pipes, as required.

Maintenance is a major problem, particularly with regard to the cleaning of the systems. The continual dumping of refuse and pollutants into the systems cause regular blockages. The intention of the section is to clean the system at least twice during any year. Although this is becoming increasingly difficult, all the systems were cleaned twice in the 2014/2015 year.

Informal settlements as well as all residents are assisted mainly by providing informal surface removal methods and by rendering support during rainy periods through the provision of materials and sandbags to prevent/contain flooding of property.

COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT

INTRODUCTION TO PLANNING AND ECONOMIC DEVELOPMENT

Planning and Economic Development has the challenge to support improved livelihoods for the people of Drakenstein Municipality through the provision of efficient and predictable services. These services include the facilitation of development applications, the speedy approval of building plans and identifying economic opportunities which lead to better employment opportunities.

3.9 PLANNING

Division: Land Survey and Valuations

Section: Land Survey

The purpose of the Land Survey Section is to provide a technical support service regarding land-related matters, to provide for the orderly and efficient development of land and to ensure proper control in respect of the subdivision of land within the urban environment. The section is responsible for the processing of land development applications, e.g. urban land subdivisions, removal of restrictive title conditions prohibiting land subdivision, encroachments, road and public place closures, scrutinising of building plans in respect of property and cadastral information, providing land information to assist the public,

recommending whether or not rates clearance for the transfer of erven and farms within the municipal area may be issued, assisting other departments with land survey tasks and the verification of municipal property boundaries using land survey methods. The section evaluated a total of 1,786 building plan applications and of the 45 applications received for urban land subdivision, 39 were finalised within the year and the remaining six are in progress. A total of seven encroachment applications were dealt with.

Section: Valuations

The purpose of the Valuation Section is to establish and maintain a reliable property valuation roll as the basis for levying municipal property taxes. The section is responsible for arranging the implementation of the General Valuation (GV) Roll every four years and Supplementary Valuation (SV) Rolls at least twice annually, except for the year during which the new General Valuation Roll is implemented, when only one SV is undertaken.

The General Valuation Roll 2012 was finalised during 2012/2013. This roll is valid from 1 July 2013 until 30 June 2017.

During 2014/2015, two (2) supplementary valuation rolls were finalised, namely the third SV 2012 and the fourth SV 2012. Results for these supplementary valuations are as follows:

Supplementary Valuation	Number of properties valued	Number of objections received	Number of appeals referred to the Valuation Appeal Board
Third supplementary valuation	1,311	13	0
Fourth supplementary valuation	952	16	3

Table 64: Valuation Roll

Division: Spatial Planning

The Spatial Planning Division consists of a Spatial Planning Section, a Heritage Section and a GIS Section.

Spatial Planning Section

The purpose of spatial planning is to provide a framework for the spatial vision and form of Drakenstein Municipality. The Spatial Development Framework (SDF) provides guidelines for future development and growth of the Municipal Area in a predictable manner to enhance the quality of life of its residents. The final draft SDF is completed with the main priority being to guide new investment, give effect to the principles as stated in the Integrated Development Plan and to identify priority areas for strategic intervention.

Heritage Section

The purpose of heritage is to identify, protect and manage the heritage (built form) of the Drakenstein Municipality.

GIS Section

The purpose of the GIS Section is to provide and maintain the geographical information system for planning services within Drakenstein Municipality; to actively participate in the development and maintenance of corporate Drakenstein GIS services such as web-based intranet services; integrated business systems; and web-editing business support services.

Division: Land Use Planning

The purpose of land use planning is to cater for development to take place in a predictable manner in order to enhance the living quality of the residents, but also to cater for progress in the Drakenstein Municipal Area as a whole. The Land Use Planning Division is responsible for the processing of applications for land use changes (by means of rezoning, consent uses, departures, temporary departures, amendment of conditions of approval and removal of restrictive title conditions), farm subdivisions, scrutinising of building plans for compliance with zoning parameters and attending to illegal land uses. The most important instrument in land use management is the Land Use Management System (previously Zoning Scheme Regulations), of which four different sets are currently in existence for different parts of the Municipal Area. In order to cater for one integrated set for the entire area in compliance with the provisions of new planning legislation, but most importantly to bring it in line with best practice and trends, a new Land Use Management System for the whole of Drakenstein is being employed. This will be a 3-year project in which the public will also be involved and is to be completed by the end of June 2017.

Division: Building Control

The main purpose of building control is to process and assess new building plan applications, to monitor building work and to act against unauthorised building activities to promote orderly building development that will benefit and promote the living environment of the citizens of the Municipal Area.

A total of 1,731 building plan applications were received during the financial year. In total 1,257 building plan approvals were issued, of which 908 were received during the financial year and 349 during the previous year. 823 building plan applications were at different stages of evaluation, but not finalised at year end. The estimated building cost of the approved building plan applications amounts to R 1,9 billion.

A total of 2,001 inspections, consisting amongst others of beacon inspections, commencement inspections, progress inspections, completion inspections and complaints inspections, were undertaken by the building inspectors during the financial year.

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015
Planning applications received	46	61	99	129	1,370	1,731
Determination made in year of receipt	15	43	12	20	1,182	908
Determination made in following year	43	-	74	-	218	349
Applications withdrawn	-	-	-	-	-	-
Applications outstanding at year end	31	18	87	109	299	823

Note: Formalisation of Townships includes farm subdivisions and subdivision of urban erven. Rezoning includes consent uses, departures, temporary departures, amendment of conditions of approval and the removal of restrictive title conditions.

Table 65: Applications for Land Use Development

Planning Policy Objectives taken from IDP			
Strategic Objective (SO): Services and Customer Care (Municipal KPA)			
Municipal Key Focus Area (KFA): Building Regulations and Municipal Planning			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
N/a			

Table 66: Planning Policy Objectives taken from IDP

Employees: Planning Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	3	5	5	0	0
4-6	11	16	12	4	25
7-9	17	17	8	9	52.9
10-12	11	28	18	10	35.7
13-15	2	5	3	2	40.0
16-18	3	3	3	0	0
19-20	0	0	0	0	0
Total	47	74	49	25	33.9

Table 67: Employees – Planning Services

Financial Performance 2014/2015: Planning Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(5,802,966)	(5,858,008)	(6,134,621)	(7,272,995)	118.56%
Expenditure:					
Employees	15,350,377	22,355,102	23,198,323	23,174,480	99.90%
Repairs and Maintenance	111,563	20,960	568	435	76.75%
Depreciation and Provisions	546,263	1,084,262	1,161,243	488,847	42.10%
Other	2,102,768	10,175,546	10,412,349	9,663,042	92.80%
Total Operational Expenditure	18,110,970	33,635,870	34,772,483	33,326,806	95.84%
Net Operational (Service) Expenditure	12,308,004	27,777,862	28,637,862	26,053,811	90.98%

Table 68: Financial Performance 2014/2015 – Planning Services

Capital Expenditure 2014/2015: Planning Services					
R					
Capital Projects	2014/2015				
	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	0	39,720	39,720	0%	39,720
<i>Major projects</i>					
Buildings: Office alterations: Market Street	0	39,720	39,720	0%	39,720

Table 69: Capital Expenditure 2014/2015 – Planning Services

COMMENT ON THE PERFORMANCE OF PLANNING SERVICES OVERALL

The primary projects of the Planning Services Department are operational by nature. The capital expenditure during the financial year was for the provision of equipment to the department.

Operational Projects 2014/2015

Spatial Development Framework (SDF)

The SDF review process, as a core component of the Integrated Development Plan in terms of Section 26(e) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), was initiated by the Spatial Planning Division in January 2014. The final draft SDF was completed in June 2015. The SDF will provide guidance on overarching planning principles and profile proposals for strategic interventions for specific precincts identified within Drakenstein Municipality.

Arboretum Urban Design Framework

The Arboretum is seen as one of Drakenstein's most significant assets, which could hold enormous economic benefits/potential that need to be exploited. The Spatial Planning Division was tasked to compile an Urban Design Framework for the Paarl Arboretum based on a management framework prepared previously. The Urban Design Framework for the Paarl Arboretum was completed and a report was compiled for the Executive Mayor on 30 June 2015.

Wellington Industrial Park SEA

The Spatial Planning Section embarked on a strategic environmental assessment (SEA) for the Wellington Industrial Park in order to explore possible expansion of the industrial area and to identify areas of conservation within the area. Council approved the SEA which will now inform the next phase, being the attainment of development rights.

Simondium Rural Settlement Precinct Plan

The precinct plan assesses the opportunities and constraints of the precinct as a whole (study area) as well as the node of Simondium. The study area is characterised by agriculture (mostly wine), tourism (natural and cultural heritage) and transport (road and rail linkages between Paarl, Klapmuts, Franschhoek, Pniel and Stellenbosch). The recommendations of the precinct plans are based on building on these opportunities.

The need for housing (due to farm worker evictions and informal settlements) within the Simondium node was also affirmed. The precinct plan provides for various options where the future development (including possible housing) of the Simondium node should take place. These options were divided into short-, medium- and long-term options. The Simondium Rural Settlement Precinct Plan was approved and adopted by Council on 28 October 2014.

Policy for the Naming and Renaming of Streets, Public Places, Natural Areas, Artefacts and Council-Owned Buildings and Facilities

As there is no formal Municipal policy dealing with the renaming of a street, the Planning Department identified the need for a policy addressing this issue.

Due to the fact that there is no formal policy document dealing with the naming of new public and private streets, this was also included as part of the compilation of the said policy.

The policy sets out criteria and rules for the evaluation of proposed names for new and existing features. Features refer to streets, public places, natural areas, artefacts and Council-owned buildings and facilities.

The policy further sets out the processes to be followed for each type of application and provides for the establishment of a Renaming Committee and Panel of Experts.

The policy is currently being considered by Council.

Identification of Land for Cemetery Purposes Study: Phase 1

The need for the identification of land for cemetery purposes was identified. A study was launched to identify the most suitable land possible. Phase 1 of the study consisted of high-level data and imagery analysis as well as the determination of the extent of land needed for the next 50 years.

Phase 1 has been completed and the next phase of the project will entail the ground-truthing as well as processes related thereto of the most suitable sites.

Wellington CBD Urban Design Framework

The project was identified in the Drakenstein SDF and the goal of the project is to provide guidance on the future development and redevelopment of the CBD of Wellington. This would include revitalisation, integration, upgrading, beautification and improved functioning of the CBD on various levels.

An overall urban design framework for the whole study area must be compiled and detailed planning and urban design must be done for various areas (precincts), as to be identified, within the CBD study area, with an implementation plan as an end product.

The implementation plan is envisaged to consist of various projects to be initiated by various internal Drakenstein departments after the completion of this project.

The project is expected to be finalised in November 2015.

Heritage Guidelines

An important project was initiated, focusing on the identification of heritage guidelines for conservation areas and also the proposal of a heritage by-law aimed at enforcing the protection of Grade III heritage resources. This project will be incorporated with the Integrated Zoning Scheme project. Another project completed during the 2014/2015 financial year was the reprinting of heritage guideline booklets and the distribution thereof to residents, developers and professionals involved with the built environment.

GIS Projects

The GIS component participated in the design, development, testing and implementation of a new geographic information system for Drakenstein, including business systems integration, intranet web-based services, and business support services.

3.10 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKETPLACES)

Local Economic Development (LED) is driven by the Municipality through its LED Strategy. The strategy focuses on creating an enabling environment to promote investment in the Municipal Area which will have a direct impact on the socio-economic status of our society.

During the past year, the Local and Economic Development and Tourism Unit embarked on a process of consolidating key economic development priorities as reflected in the Municipality's current IDP, which primarily focuses on the following:

- Investment and job creation;
- Domestic and foreign investment;
- Urban renewal;
- Skills development;
- Rural economic development;
- Facilitating trade and industry and a strong drive to build existing sectors and encourage the development of new sectors in the area.

The Municipality's new approach to local economic development is that economic development is not a linear process, but rather the outcome of a complex set of relationships which involve managing the key components of production and relying heavily on how the local communities and private sector respond to these interventions.

In terms of accelerating local economic development service delivery, the LED Unit achieved the following:

- Reviewed the Local Economic Development Strategy and developed a structured implementation plan with three core focus areas which include spatial transfer, job creation and business promotion;
- Expanded development of two informal trading markets in Mbekweni, namely Wamkilikele and Mphakalazi trading markets;
- Facilitated capacity building of 20 informal traders as part of the National Informal Enhancement Strategy Implementation Plan;
- Created 1,205 work opportunities through the EPWP and CWP; and
- Compiled a comprehensive database of businesses in Drakenstein. This database serves as a base for all strategic stakeholder relationship management interventions.

In 2014 the Western Cape Government identified skills development as a game changer and the Municipality continues to channel sufficient resources towards facilitating artisanal skills development programmes and entrepreneurship training. Quarterly training programmes were conducted for the unemployed to make them more employable.

The LED and Tourism Unit continues to strengthen its capacity through dialogue with important role-players in the field of local economic development. In 2014/2015 the division hosted the first "MAYCO MEETS BUSINESS" networking session as an attempt to improve communication between local government and the private sector. This session was extremely successful as it paved the way for ongoing dialogue on critical matters regarding the sustainable economic development of the region. The private sector welcomed the fact that the Municipality was willing to listen to the challenges that local businesses face within the global economy and pledged their ongoing support for such initiatives to strengthen collaborative partnerships in the local economy.

Economic Activity by Sector			
R'000			
Sector	2012/2013	2013/2014	2014/2015
Agriculture, forestry and fishing	904,353	922,284	838,639
Mining and quarrying	3,922	4,623	5,412
Manufacturing	2,149,932	2,149,691	2,518,537
Wholesale and retail trade	1,937,781	2,096,539	2,426,719
Finance, property, etc.	2,907,352	3,225,186	3,720,035
Government, community and social services	2,796,110	3,197,677	2,377,477
Infrastructure services	530,758	555,831	1,258,998
Total	11,230,208	12,151,831	13,145,817

Table 70: Economic Activity by Sector

Economic Employment by Sector			
Sector	Jobs		
	2012/2013	2013/2014	2014/2015
Agriculture, forestry and fishing	15,198	10,894	10,378
Mining and quarrying	29	90	60
Manufacturing	11,827	12,724	12,787
Wholesale and retail trade	9,428	13,247	13,366
Finance, property, etc.	6,034	12,877	13,096
Government, community and social services	14,754	14,799	14,227
Infrastructure services	3,390	4,405	4,839
Total	60,660	69,036	68,753

Table 71: Economic Employment by Sector

Currently, the LED Section is responsible for the coordination of the Municipality's job creation programme. With this responsibility there are basically two programmes that provide short-term work opportunities for unemployed people:

- (1) The Expanded Public Works Programme (EPWP); and
- (2) The Community Works Programme (CWP).

Job creation through Expanded Public Works Programme (EPWP) Projects		
Details	No. of EPWP Projects	No. of Jobs created through EPWP Projects
2012/2013	5	487
2013/2014	3	514
2014/2015	5	755

Table 72: Job creation through EPWP Projects

Local Economic Development Policy Objectives taken from IDP			
Strategic Objective (SO): Economic Growth and Development (Municipal KPA)			
Municipal Key Focus Area (KFA): Trade and Industry			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Develop at least two informal trading markets by 30 June	Number of informal trading markets developed per annum	2	2

Table 73: Local Economic Development Policy Objectives taken from IDP

Employees: Local Economic Development Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	1	1	1	0	0
4-6	1	1	1	0	0
7-9	3	3	2	1	33.3
10-12	6	6	2	0	66.67
13-15	0	0	0	0	0
16-18	0	0	0	0	0
19-20	0	0	0	0	0
Total	11	11	6	1	45.5

Table 74: Employees – Local Economic Development Services

Financial Performance 2014/2015: Local Economic Development Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(12,000)	0	(45,300)	(47,100)	103.97%
Expenditure:					
Employees	3,570,262	3,851,056	3,596,232	3,595,124	99.97%
Repairs and Maintenance	1,500	2,168	568	435	76.75%
Depreciation and Provisions	480,679	492,846	527,836	336,387	63.73%
Other	2,143,427	3,113,002	3,498,212	3,441,797	98.39%
Total Operational Expenditure	6,195,868	7,459,072	7,622,848	7,373,745	96.73%
Net Operational (Service) Expenditure	6,183,868	7,459,072	7,577,548	7,326,645	96.69%

Table 75: Financial Performance 2014/2015 – Local Economic Development Services

Capital Expenditure 2014/2015: Local Economic Development Services					
Capital Projects	2014/2015				
	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	500,000	2,845,593	2,727,761	-4.14%	2,845,593
<i>Major projects</i>					
Refurbishment of Ikhwezi	500,000	2,172,912	2,131,926	-1.89%	2,172,912
Informal trading kiosks in Paarl CBD	0	432,666	355,821	-17.76%	432,666
Informal trading structures: Drakenstein	0	217,795	217,795	0%	217,795

Table 76: Capital Expenditure 2014/2015 – Local Economic Development Services

In terms of the capital projects, the LED Section continued with the implementation of the infrastructure support programme for informal traders with the completion of two informal trading markets in Mbekweni, namely Mphakamisa and Wamkilikele informal markets. The Municipality also launched the first phase of the Ikhwezi Skills Development Centre and currently provides access to the centre on request.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

COMMUNITY DEVELOPMENT

The Community Development Section is responsible for poverty relief initiatives, support to vulnerable groups, including youth, gender, the disabled and the early childhood development (ECD) sector. It also manages the Mayoral Ward Projects in 31 wards and the distribution of the Grant in Aid Funds.

The section facilitated various skills development workshops for the unemployed youth, which included bricklaying, hairdressing, beautician training, waiter training and computer training. The aim of the skills training was to empower unskilled and unemployed youth with skills so that they could immediately access job opportunities. Two skills development workshops were facilitated for the Drakenstein ECD sector in the rural areas, including Saron and Gouda.

The strategic, programmatic focus of the section is to develop and establish social support networks and to develop and promote community livelihood strategies. The principles guiding the implementation of programmes and projects are based on labour-intensive job creation initiatives that sustain and support impoverished households.

The section is also responsible for the Paarl East and Mbekweni Thusong Centres. These Thusong Centres are one-stop facilities that provide opportunities to access a compendium of government services to surrounding communities. These include social services, social pensions and grants, consumer protection and numerous Municipal services.

The Municipal halls are also managed by the section and these include the Wellington and Paarl Town Halls, as well as the Huguenot, Gouda, Fairyland, Mbekweni and Colibri Community Halls.

Community Development Policy Objectives taken from IDP			
Strategic Objective (SO): Social and Community Development (Municipal KPA)			
Municipal Key Focus Area (KFA): Sport and Recreation			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Implement the sport and recreation capital projects measured quarterly in terms of the approved Capital Budget spent	% of Capital Budget spent by 30 June	96%	96.10%

Table 77: Community Development Policy Objectives taken from IDP

3.11 LIBRARIES

The Library and Information Services Section currently has 18 service points throughout Drakenstein. These sites will be equipped with Wi-Fi hotspots through the broadband initiative to provide the communities with free Internet access on their own devices. This expansion will enhance the lives of the communities who do not have ready access to the worldwide web. Librarians and staff worked equally hard to make a difference in the lives of people in the Drakenstein communities.

Technological advances and products became a challenge with the circulation of library materials. However, 793,853 library items were circulated with a membership of 77,251 and the registration of 6,569 new members at the various libraries during this financial year. 34,774 people used the public computers to access the Internet, do e-mails, do job searches, to apply for jobs online and to do research for various information. Saron and Mbekweni libraries received computers for Internet access to the public with support of 4G LTE modems from Provincial Library Services. The broadband connections are currently in the process of being linked to all libraries.

Libraries provided learners and students with 2,809 reference and research items for assignments and projects. Librarians also helped learners with preparation for examinations.

Libraries provide various outreach services to the communities such as services to old-age homes and service centres. Staff visited these facilities to provide books and reading sessions with senior citizens. The seniors also had the opportunity to tell stories to children at the library.

All libraries were tasked to provide projects and programmes specifically aimed at reading and literacy for the year. One such programme was Wellington Library's 'Write your own story' project. It was a huge success and more than 200 entries were received from learners in Grade R to Grade 12 at more than 13 schools, as well as university students. Focus areas for writing their own story were:

- The Street Where I live;
- Books and I;
- Ek droom van 'n toekoms; and
- Die mense wat ek ken.

The adjudicators were Winnie Rust, Anna-Ghret Erasmus and Ampie Coetzee. Parents, teachers and community members attended the prize-giving ceremony. The winning stories will be compiled in book form.

The Library Services Section always strives to develop the Drakenstein communities by supporting formal and informal education of the people in a creative and innovative manner.

Service Statistics for Libraries 2014/2015					
Programme	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Displays	119	120	115	114	587
Storytelling sessions	57	23	53	70	203
Book education, class visits and library orientation	56	32	79	147	314
Library Week activities	0	0	28	0	28
Holiday programme activities	36	34	5	22	97
Community and outreach programmes	118	66	56	67	307
Formal book discussions	21	18	18	27	84
Literacy sessions facilitated	2	20	30	38	90
ICT computer usages	9,547	7,165	9,342	8,688	34,742
Learner support	2,500	1,064	1,592	2,792	7,948
Circulation	203,174	171,408	178,143	196,951	749,676
Membership	78,947	79,252	81,089	82,291	82,291
New members added	1,607	697	1,921	1,532	5,757
Library users	310,416	293,285	188,094	180,508	972,303
Library stock	Provincial		Own		Total
	193,674		37,961		226,424
Service Statistics for Satellite Libraries 2014/2015					
Programme	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Displays	55	42	47	45	189
Storytelling sessions	113	80	89	89	371
Book education, class visits and library orientation	143	105	127	169	544
Library Week activities	0	0	14	0	14
Holiday programme activities	1	5	0	5	11
Literacy sessions facilitated	11	10	0	6	27
Learner support	50	27	26	41	144
Circulation	19,417	13,135	14,178	19,680	66,410
Membership	2,062	3,056	2,784	3,095	3,095
Library stock	Provincial		Own		Total
	24,000		200		24,200

Table 78: Service Statistics for Libraries

Libraries; Community Facilities; Other Policy Objectives taken from IDP			
Strategic Objective (SO): Social and Community Development (Municipal KPA)			
Municipal Key Focus Area (KFA): Libraries			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Submit a quarterly report to the Executive Mayor on the implementation of library programmes	Number of reports submitted	4	4

Table 79: Libraries, Community Facilities, and other Policy Objectives taken from IDP

Employees: Libraries; Community Facilities, Other					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	No. of Vacancies (as a % of total posts)
0-3	0	0	0	0	0
4-6	1	1	1	0	0
7-9	10	11	10	1	9
10-12	11	11	11	0	0
13-15	8	28	8	20	71
16-18	11	12	11	1	8.3
19-20	0	0	0	0	0
Total	41	63	41	22	35

Table 80: Employees – Libraries, Community Facilities and Other

Financial Performance 2014/2015: Libraries, Community Facilities, Other					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(2,030,529)	(7,869,871)	(7,727,517)	(829,201)	10.73%
Expenditure:					
Employees	8,602,985	11,117,038	12,382,954	12,364,376	99.85%
Repairs and Maintenance	138,247	261,600	247,935	245,562	99.04%
Depreciation and Provisions	898,624	940,810	1,014,808	535,816	52.80%
Other	2,757,118	1,132,353	2,017,516	1,963,428	97.32%
Total Operational Expenditure	12,396,974	13,451,801	15,663,213	15,109,182	96.46%
Net Operational (Service) Expenditure	10,366,444	5,581,930	7,935,696	14,279,981	179.95%

Table 81: Financial Performance 2014/2015 – Libraries, Community Facilities and Other

Capital Expenditure 2014/2015: Libraries, Community Facilities, Other					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	230,000	557,307	494,126	-11.34%	557,307
<i>Major projects</i>					
Upgrade of library	170,000	155,342	95,784	-38.34%	155,342
New satellite libraries (Drakenstein)	60,000	172,931	172,372	-0.32%	172,931
Office furniture and equipment	0	116,628	116,501	-0.11%	116,628

Table 82: Capital Expenditure 2014/2015 – Libraries, Community Facilities and Other

COMMENT ON THE PERFORMANCE OF LIBRARIES, COMMUNITY FACILITIES; OTHER OVERALL

The Thusong Centres that were developed by the Municipality are now functional. Members of the public are also allowed to use and hire the venue for community events and projects.

The Library Section continues to make potential library members aware of the importance to instil a reading culture in children.

3.12 CEMETERIES AND CREMATORIA

Drakenstein Municipality has seven cemeteries in use. The two top priorities for the Cemeteries Section are the provision of a new cemetery and the maintenance of the current cemeteries. The measure that was put into place to improve the maintenance of the cemeteries was the design and implementation of a Maintenance Plan.

The number of burials that took place for the period 01 July 2014 to 30 June 2015 is 1,509. Drakenstein Municipality does not have a Municipal crematorium but monitors the emissions of the private crematorium.

Cemeteries and Crematoria Policy Objectives taken from IDP			
Strategic Objective (SO): Health, Safety and Environment (Municipal KPA)			
Municipal Key Focus Area (KFA): Parks, Cemeteries and Open Spaces			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Implement the parks, cemeteries and open spaces capital projects measured quarterly in terms of the approved Capital Budget spent	% of approved Capital Budget spent by 30 June	96%	99%

Table 83: Cemeteries and Crematoria Policy Objectives taken from IDP

Employees: Cemeteries and Crematoria					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	No. of Vacancies (as a % of total posts)
0-3	0	0	0	0	0
4-6	0	1	1	0	0
7-9	0	1	0	1	100
10-12	1	1	1	0	0
13-15	4	10	5	5	50
16-18	4	9	9	0	0
19-20	11	0	0	0	0
Total	20	22	16	6	27%

Table 84: Employees – Cemeteries and Crematoria

Financial Performance 2014/2015: Cemeteries and Crematoria					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(1,864,680)	(1,714,359)	(1,715,624)	(2,329,779)	135.80%
Expenditure:					
Employees	2,004,783	2,317,326	2,264,446	2,258,277	99.73%
Repairs and Maintenance	90,875	143,500	135,542	133,989	98.85%
Depreciation and Provisions	639,576	669,283	716,800	572,370	79.85%
Other	415,421	458,743	554,459	520,407	93.86%
Total Operational Expenditure	3,150,656	3,588,852	3,671,247	3,485,045	94.93%
Net Operational (Service) Expenditure	1,285,976	1,874,493	1,955,623	1,155,266	59.07%

Table 85: Financial Performance 2014/2015: Cemeteries and Crematoria

Capital Expenditure 2014/2015: Cemeteries and Crematoria					
R					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	0	48,832	48,832	0%	48,832
<i>Major projects</i>					
W29: Upgrade graveyard front street	0	48,832	48,832	0%	48,832

Table 86: Capital Expenditure 2014/2015 – Cemeteries and Crematoria

THE PERFORMANCE OF THE CEMETERIES AND CREMATORIA SECTION OVERALL

The target for the next five years is the identification of suitable land for the development of another cemetery for Drakenstein. The development will start during this period. The Municipality is currently investigating alternative burial methods, due to the lack of land for new cemeteries.

3.13 CHILD CARE, AGED CARE AND SOCIAL PROGRAMMES

The Early Childhood Development (ECD) sector is serviced by the Community Development Section. The top service delivery priorities for the sector were:

To establish the needs of the ECD sector within the Drakenstein Municipal Area. This process included mobilising all the existing ECD Forums to determine their needs and to prioritise these needs within the framework of the IDP.

To facilitate training for ECD practitioners on the needs that were identified by the ECD Forum as priority training needs. Training focused on financial management training for non-financial managers at ECD centres. Other training also focused on health and sanitation training for ECD practitioners.

To renovate and upgrade the ECD facilities:

- Twelve computers with Internet access were installed at the centre. An alarm system was also installed at Happy Toddlers ECD Centre; and
- E Lollipop ECD Centre in Wellington was provided with fencing and renovations.

Child Care; Aged Care; Social Programmes Policy Objectives taken from IDP			
Strategic Objective (SO): Social and Community Development (Municipal KPA)			
Municipal Key Focus Area (KFA): Special Programmes (Gender, Elderly, Youth and Disabled)			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Arrange 4 skills training workshops for the youth by 30 June	Number of workshops held by 30 June	4	5

Table 87: Child Care, Aged Care, and Social Programmes Policy Objectives taken from IDP

Employees: Child Care, Aged Care, Social Programmes					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	1	1	1	0	0
4-6	0	-	-	-	
7-9	1	3	2	1	0
10-12	2	2	2	0	33
13-15	0	-	-	-	
16-18	0	-	-	-	
19-20	0	-	-	-	
Total	5	6	5	1	16.5%

Table 88: Employees – Child Care, Aged Care, Social Programmes

Financial Performance 2014/2015: Child Care, Aged Care, Social Programmes*					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	*	*	-	*	-
Expenditure:	*	*	-	*	-
Employees	*	*	-	*	-
Repairs and Maintenance	*	*	-	*	-
Depreciation and Provisions	*	*	-	*	-
Other	*	*	-	*	-
Total Operational Expenditure	*	*	-	*	-
Net Operational (Service) Expenditure	*	*	-	*	-

*Note: Financial information is not broken down into these groups.

Table 89: Financial Performance 2014/2015 – Child Care, Aged Care, Social Programmes

Capital Expenditure 2014/2015: Child Care, Aged Care, Social Programmes					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	0	1,355,730	945,219	-30.28%	1,355,730
<i>Major projects</i>					
VPUU project infrastructure	500,000	139,294	138,094	-0.86%	139,294
Multipurpose centre Paarl East	116,865	116,865	89,414	-23.49%	116,865
Rural community development	424,000	277,219	234,864	-15.28%	277,219

Table 90: Capital Expenditure 2014/2015 – Child Care, Aged Care, Social Programmes

THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL

Youth

A Youth Day commemoration was held at the Paarl East Multipurpose Thusong Service Centre. The 16 June commemoration was attended by 700 youth. The keynote speaker at the event was the Minister of Community Safety, Mr Dan Plato. The Youth Day was the culmination of the efforts of various government departments, the NGO sector, tertiary institutions and the banking sector to provide youth with an opportunity to interact with different government sector departments.

Skills Training for Youth

The skills training for the youth was premised on the principle that all skills training had to result in the participant being able to immediately access a job opportunity as an outcome of the skill that had been learnt.

Skills Training (Course)	Participants
Waiter Training	20
Beautician Training	20
Accredited Computer Training	50
Home-based Care Training	30
Life Skills Training	20

Table 91: Skills Training for youth

Gender Forum

A Gender Forum was established with the gender representatives of the ward committees. A draft plan of action for the Gender Forum was developed and implementation commenced during the 2013/2014 financial year. This included special projects such as gender-focused intervention programmes during Women's Month, Human Rights Day and 16 Days of Activism for no Violence against Women and Children.

Elderly Forum

Two engagements were held with the Elderly and the Disabled People's Forum. These engagements allowed them to access municipal facilities free of charge so that they could host various functions on their events calendar. The elderly sector was also assisted in terms of assistance by the Drakenstein team to attend the Provincial and National Golden

Games events. The elderly also have several service benefits that can be accessed, including reduced tariffs for water and electricity.

Strategic Objective (SO): Social and Community Development			
Municipal Key Focus Area (KFA): Poverty Alleviation			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Update Indigent Register	% of all qualifying indigent applications processed by 30 June	99%	100%
Provision of free basic services	Report on the % of households earning less than 2 x social grant plus 25% per month with access to free basic services	1	1

Table 92: Strategic Objectives: Social and Community Development

COMPONENT E: ENVIRONMENTAL PROTECTION

The Municipality has implemented integrated environmental management in its entirety and has no dedicated sections or sub-sections dealing with components of IEM.

This section's service delivery focus is to ensure an environment that is safe, not harmful and is protected for future generations by protecting and enhancing the Municipality's environmental assets and natural resources. The mission is to manage the implementation of Drakenstein Municipality's Environmental Policy, to give effect to Presidential Outcome 10 within the mandate of local government and to give effect to Provincial Strategic Objective 7 within the mandate of local government. The section is responsible for:

- Managing the integrated environmental management process;
- Managing the Environmental Management System;
- Maintaining and updating the State of the Environment Report;
- Managing air quality and implementing the Air Quality Management Plan;
- Managing noise control, managing and implementing the Environmental Management Framework;
- Managing the conservation and restoration of natural resources;
- Undertaking environmental audits;
- Preparing environmental policy documents;
- Commenting on environmental issues;
- Compiling environmental reports;
- Environmental law enforcement; and
- Environmental awareness raising.

A Memorandum of Understanding (MoU) was drafted between the Directorate: Planning and Economic Development and the Directorate: Infrastructure Services to ensure that

there is clear alignment of responsibilities and accountability for performance after the organisational restructuring process. The MoU is still in the process of being finalised.

The Environmental Management System (EMS), based on the International Standard ISO 14001, for Drakenstein Municipality was maintained as far as possible given the staff capacity constraints. The EMS includes an Environmental Policy Framework.

A standard operating procedure (SOP) was developed in order to deliver integrated multidisciplinary comment on environmental applications. The Drakenstein Municipality fulfils an important role as a commenting authority on environmental applications for proposed developments within the Municipality. By providing thorough and meaningful comment on environmental applications, the Municipality is able to guide and influence development proposals, so as to promote development that is aligned with the environmental and socio-economic management objectives of the Municipality.

The public participation processes for the Draft Environmental Management Framework was concluded at the end of the financial year. A Draft Climate Change Adaptation Plan was also completed, which aims at addressing climate change impacts through all Municipal operations. The unit also completed a draft framework for the development of an Alien Species Management Plan.

During the year, 17 environmental complaints were received and investigated, and all the investigations were completed.

The Environmental Management Section was involved in six awareness-raising events during the year. A total of 46 environmental reports and two Section 30 National Environmental Act, 1998 (NEMA) (Act 107 of 1998) disaster incidents were dealt with during the period.

3.14 POLLUTION CONTROL

Pollution control is not a dedicated function but is dealt with as a subcomponent of a number of different sections in the Municipality. These sections include Environmental Management, Water and Sewerage Services, Waste Management, Building Control and Law Enforcement.

Service Statistics for Pollution Control

During the 2014/15 financial year, 17 pollution-related complaints were received. Compliance notices were not issued by this unit as cases were referred to either the Department of Environmental Affairs and Development Planning, the Department of Water Affairs or the Civil Engineering Services Department for enforcement. The 17 complaints received and investigated can be broken down as follows:

- Two noise-related complaints;
- Four air pollution-related complaints; and
- 11 general environmental complaints.

Pollution Control Policy Objectives taken from IDP			
Strategic Objective (SO): Health, Safety and Environment (Municipal KPA)			
Municipal Key Focus Area (KFA): KFA 33. Environmental Management			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Develop a Draft Climate Change, Adaptation and Mitigation Plan	Draft Climate Change, Adaptation and Mitigation Plan developed by 30 June	1	1
Programme to implement the Air Quality Management Plan	Progress report submitted to the EM: Planning and Economic Development on the implementation of the Air Quality Management Plan by 30 June	1	1

Table 93: Pollution Control Policy Objectives taken from IDP

THE PERFORMANCE OF POLLUTION CONTROL OVERALL

The prevention of pollution and degradation of the environment remains a priority and is dealt with as a cooperative function between the departments in the Municipality and external agencies.

As there is no dedicated pollution control department or section in the Municipality, no dedicated KFAs and KPIs for pollution control are stipulated in the IDP. However, the function is covered by the functional areas of a number of departments and sections in the Municipality. Pollution control is dealt with operationally by the department or section that is most closely aligned to the pollution incident, e.g. the Solid Waste Section will deal with illegal dumping and the Sewerage Section will deal with liquid pollution. There were no dedicated pollution control capital projects, but some projects reported on in other areas such as the upgrade of the WWTW, the upgrade of the main outfall sewer, the management of the landfill and waste recovery and recycling can be considered as projects related to pollution control.

Section 30 incidents are dealt with on an ad-hoc basis in conjunction with other agencies and to date only relatively minor incidents have been encountered. There does however appear to be a lack of understanding and knowledge of why and how Section 30 is enforced and this must be addressed through broad-based awareness raising.

3.15 BIODIVERSITY, LANDSCAPE (INCLUDING OPEN SPACES)

Biodiversity Management is dealt with as a subcomponent of a number of different sections in the Municipality.

These sections include:

- Environmental Management;
- Streets and Stormwater;
- Waste Management;
- Parks and Recreation;
- Law Enforcement; and
- Town Planning.

Biodiversity is maintained largely via the private sector. The Municipality's EPWP is focused on alien vegetation clearing and the Parks and Recreation Section contributes to this function by planting indigenous vegetation.

Biodiversity, Landscape and Other Policy Objectives taken from IDP			
Strategic Objective (SO): Health, Safety and Environment (Municipal KPA)			
Municipal Key Focus Area (KFA): Environmental Management			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Not programmed for 2014/2015			

Table 94: Biodiversity, Landscape and Other Policy Objectives taken from IDP

THE PERFORMANCE OF BIODIVERSITY; LANDSCAPE AND OTHER OVERALL

The function is covered by the functional areas of a number of departments and sections in the Municipality. Biodiversity, landscape and other is dealt with operationally by the department or section that is most closely aligned to the function, i.e. Parks and Recreation deal with landscaping and some alien clearance. Stormwater deals with alien clearance in the rivers on property owned and managed by the Municipality. Paarl Mountain Nature Reserve deals with alien clearance and the management of biodiversity in the nature reserve. Other urban conservation areas are a joint responsibility of Environmental Management and Waste Management. No dedicated biodiversity, landscape and other capital projects were undertaken, but some projects reported on in other areas can be considered as biodiversity, landscape and other projects. The provincial Department of Environmental Affairs and Development Planning appointed a service provider to project manage the expenditure of Drakenstein's prize money from the 2011/2012 GMC competition; the project was completed in May 2015.

Management plans were drafted for Municipal conservation areas. Alien vegetation is cleared at the Orleans Park and Klein Parys Municipal Conservation Areas and all dumped waste is removed.

COMPONENT F: SECURITY AND SAFETY

INTRODUCTION TO SECURITY AND SAFETY

The mission of Traffic Services is to render an effective and high-quality service through a process of consultation and transparency in all facets of the traffic services, and in rendering a service to the community of Drakenstein and its visitors by ensuring the free flow of traffic and creating a safe environment.

3.16 TRAFFIC, LICENSING AND LAW ENFORCEMENT

During the year 2014/2015, a large number of offences were dealt with.

The main purpose of this section is not only to prosecute, but also to educate offenders. The main activities undertaken were:

- Apprehending offenders talking on cellphones while driving, red light and stop street violations, failure to wear seatbelts, excessive speeding, taxis, and red and yellow line offences – all the aforementioned contributed to a high accident rate; illegal number plates and driving under the influence of alcohol;
- Dealing with illegal dumping, illegal occupation of Municipal property and vagrancy throughout Drakenstein;
- Corrective measures taken *inter alia* include the commissioning of red light and speed violation cameras, selective law enforcement on safety belts, cellphones, number plates and public transport. This included regular roadblocks in conjunction with the South African Police Services;

- The introduction of a 'ghost squad' to attend to moving violations tends to have the desired effect;
- Traffic safety talks at various institutions to address irresponsible driver behaviour and pedestrian safety; and
- Law enforcement officers were trained to effectively deal with Municipal by-laws.

Traffic, Licensing and Law Enforcement Service Data				
Details	2012/2013	2013/2014		2014/2015
	Actual	Estimate	Actual	Estimate
Number of road traffic accidents during the year	3,852	3,500	3,912	4,265
Number of by-law infringements attended	2,533	3,000	2,783	2,451
Number of traffic officers in the field on an average day	6	12	6	12
Number of traffic officers on duty on an average day	6	12	6	12

Table 95: Law Enforcement Service Data

Law Enforcement Policy Objectives taken from IDP			
Strategic Objective (SO): Health, Safety and Environment (Municipal KPA)			
Municipal Key Focus Area (KFA): Municipal Law Enforcement			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Respond to law enforcement complaints	% Response to all law enforcement complaints within 24 hours	90%	93.14%

Table 96: Law Enforcement Objectives taken from IDP

Employees: Law Enforcement Officers					
Job level	2013/2014	2014/2015			
Law Enforcement	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	No. of Vacancies (as a % of total posts)
Administrators					
Chief Law Enforcement Officer					
Other Law Enforcement Officers					
0 – 3	0	0	0	0	0
4 – 6	0	1	0	1	100
7 – 9	0	0	0	0	0
10 – 12	18	20	16	4	20
13 – 15	0	0	0	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
Total	18	21	16	5	23.8

Table 97: Employees – Law Enforcement

Financial Performance 2014/2015: Law Enforcement					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total operational revenue (excluding tariffs)	(70,936,459)	(539)	(792)	(745)	94.14%
Expenditure:					
Employees	15,077,276	870,859	2,296,073	2,290,162	99.74%
Repairs and Maintenance	170,292	20,234	8,630	6,238	72.29%
Depreciation and Provisions	233,423	62,726	67,180	32,549	48.45%
Other	53,566,730	99,559	96,975	80,291	82.80%
Total Operational Expenditure	69,047,721	1,053,378	2,468,858	2,409,242	97.59%
Net Operational (Service) Expenditure	(1,888,738)	1,052,839	2,468,066	2,408,497	97.59%

Table 98: Financial Performance 2014/2015 – Law Enforcement

Capital Expenditure 2014/2015: Law Enforcement					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	0	47,581	43,932	-7.67%	47,581
<i>Major projects</i>					
Furniture and Equipment	0	47,581	43,932	-7.67%	47,581

Table 99: Capital Expenditure 2014/2015 – Law Enforcement

COMMENT ON THE PERFORMANCE OF LAW ENFORCEMENT OVERALL

The Law Enforcement Section ensures that all residents within the Municipal boundaries adhere to the by-laws and renders an effective and equitable service in all wards to create a safe environment.

Law Enforcement also renders support services to the Housing Department with the demolishing of structures.

Regular foot patrols are undertaken in the CBD to ensure compliance by informal traders and to combat vagrancy.

Joint operations with SAPS to decrease incidents of social crime. Law Enforcement arranged training for neighbourhood watch members to assist with crime prevention.

3.17 FIRE SERVICE

Functionally, the Fire Department is divided into five areas namely: operations, training, support services, fire safety and disaster risk management. Within these functional areas, the following activities take place or are conducted:

- **Operations:** The division operates a 24-hour service and control centre which responds to all incidents in the Municipal Area within predetermined times. The Municipality is proud to report that it achieved these goals most of the time due to the geographical location of all fire stations. The Fire Service has three fire stations and a fire house is located in Paarl, Mbekweni, Wellington and Saron.
- **Service delivery priorities focused on the following key areas:**
 - Professional firefighter training:** The Drakenstein Municipality is accredited as a Fire Training Centre and provides professional fire training to all appointed Fire Service personnel and to neighbouring fire services. The training centre also complements other accredited training centres in the region. The objective of continuous training is to improve the skills and development of the Fire Service personnel in order to render an effective and efficient service to our communities. 128 Fire Service officials were trained during the reporting period.

The following courses were conducted:

Firefighter Training	Number of officials attended
Firefighter I	9
Firefighter II	9
Public and Life Safety	18
Practical Pump Operations and Driving	25
Control Room Operators' Course	19
Hazmat Operations	9
Hazmat Awareness	9
Daily drills and instruction per shift	20 operational firefighting staff members
First Aid Level 3	12

Table 100: Firefighter Training

- **Public and life safety training:** This training is centered on providing basic fire training and first aid education to the communities within the Municipal Area as a whole, specifically those communities residing in informal settlements such as Mbekweni, Chester Williams, Fairyland and Paarl East. The Municipality trained 109 community members from the aforementioned areas. The implementation of this training programme serves the communities well and the fruits are enjoyed through a reduction in fire calls and a reduction in loss of life.

External training: A total of 725 children from primary and pre-primary schools were recipients of the Fire and Life Safety Programme: STOP, DROP AND ROLL AND LEARN NOT TO BURN. The programme is aimed at fire and life safety within the communities.

- **Support services:** The Fire Service operates a 24-hour emergency control and dispatch centre. All emergency calls are received by the centre and, depending on the emergency, the relevant vehicles are dispatched to attend to the incidents. The incidents are not confined to fire calls only. Professionally trained firefighters responded to rescue and medical incidents, chemical incidents and other humanitarian services.
- **Fire safety:** This division focuses on risk and building inspections. The following information highlights the activities in this division:

Fire Safety – Activities	Number of activities/inspections
Fire safety inspections	889
Inspections of overgrown erven and property	2,135
Lectures and demonstrations	48
Buildings plans scrutinised and approved	1,692

Table 101: Fire Safety – Activities

- Compliance with the National Building Regulations, the Building Standards Act and related by-laws.

- **Disaster risk management.** The service delivery priority is aimed at the annual review of the Corporate Disaster Management Plan, which was reviewed and submitted for final approval and implementation. All senior managers were updated and informed of the plan regarding their specific functional responsibilities.

The Municipality renders relief services to fire victims by handing out food parcels and blankets. During 2014/2015, 690 blankets and 298 food parcels were handed out. Shack fires remain a challenge and in order to reduce the occurrence thereof, Fire Service engages in public and life safety education by training volunteers from the communities in the informal settlements. Measurable success was achieved.

Fire Service Data				
Details	2012/2013	2013/2014		2014/2015
	Actual	Estimate	Actual	Estimate
Total fires attended to in the year	746	842	976	981
Total of other incidents attended to in the year	37	42	53	57
Average turnout time – urban areas	12 minutes	12 minutes	12 minutes	12 minutes
Average turnout time – rural areas	18 minutes	18 minutes	18 minutes	18 minutes
Firefighters in post at year end	75	80	77	78
Total fire appliances at year end	12	12	12	12
Average number of appliances on the road during the year	8	8	8	8

Table 102: Fire Service Data

Fire Service Policy Objectives taken from IDP			
Strategic Objective (SO): Health, Safety and Environment (Municipal KPA)			
Municipal Key Focus Area (KFA): Disaster Management			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Review the Disaster Risk Management Plan and submit to Council by 31 May	Number of plans reviewed and submitted to Council by 31 May	1	1

Table 103: Fire Service Policy Objectives taken from IDP

Employees: Fire Service					
Job level	2013/2014	2014/2015			
Fire Officers	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
Administrators					
Chief Fire Officer and Deputy					
Other Fire Officers					
0 – 3	1	1	1	0	0
4 – 6	4	3	2	1	33
7 – 9	19	48	18	30	63
10 – 12	65	71	60	11	16
13 – 15	0	30	10	20	66
16 – 18	4	0	0	0	0
19 – 20	0	28	5	23	82
Total	93	181	96	85	47

Table 104: Employees – Fire Service

Financial Performance 2014/2015: Fire Service					
					R
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total operational revenue (excluding tariffs)	(219,954)	(259,612)	(263,512)	(295,168)	112.01%
Expenditure:					
Employees	24,360,737	27,346,770	27,868,542	27,848,734	99.93%
Repairs and Maintenance	287,938	193,380	207,128	204,893	98.92%
Depreciation and Provisions	1,136,599	870,410	932,205	780,545	83.73%
Other	598,139	1,139,835	1,083,379	1,024,113	94.53%
Total Operational Expenditure	26,383,413	29,550,395	30,091,254	29,858,286	99.23%
Net Operational (Service) Expenditure	26,163,460	29,290,783	29,827,742	29,563,118	99.11%

Table 105: Financial Performance 2014/2015 – Fire Service

Capital Expenditure 2014/2015: Fire Service					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	25,000	93,410	77,114	-17.45%	93,410
<i>Major projects</i>					
Medical equipment	25,000	25,000	8,704	-65.18%	25,000
Buildings: Air conditioners	0	68,410	68,410	0%	68,410

Table 106: Capital Expenditure 2014/2015 – Fire Service

COMMENT ON THE PERFORMANCE OF FIRE SERVICE OVERALL

This department is focused on rendering a customer-orientated service. Although there are challenges in terms of human resources, vehicles and equipment, the Municipality responded to all incidents within prescribed attendance times. In the case of Saron and Gouda, the Municipality is challenged in terms of the distance that needs to be covered. The Municipality manages and operates a 24-hour service at four fire stations located geographically throughout the area. Continuous public and life safety programmes serve their purpose in the vulnerable communities and a reduction in shack fires has already been observed. All vacant posts in the department are to be advertised and appointments will be made in the second quarter of the new financial year.

COMPONENT G: SPORT AND RECREATION

The top three services delivered in the Sports Section were the construction of a wall around Weltevrede Sports Grounds, completion of the planning phase of the new tartan athletic track at Daljosaphat Stadium and the upgrading of Mbekweni Sports Stadium.

The top three services delivered in the Parks Section were the upgrading of 108 play parks, the planting of 2,058 trees and the completion of the planning phase of a new splash pad at Orleans Caravan Park.

3.18 SPORT AND RECREATION

Sports fields and halls in Drakenstein were prepared for 2,641 events/games for the period 1 July 2014 to 30 June 2015. The following table provides a comparison between 2012/2013, 2013/2014 and 2014/2015 of the different sports codes' utilisation of the facilities.

Code	2012/2013	2013/2014	2014/2015	Number of fields
Rugby	1,010	555	1,100	19
Cricket	260	233	244	12
Soccer	750	643	598	13
Cycling	2	2	6	1
Hockey	23	14	0	4
Athletics	48	54	36	3
Netball	328	307	497	12
Other Events	68	149	160	Took place at all the facilities

Table 107: The different sports codes' utilisation of sports facilities

Sport and Recreation Policy Objectives taken from IDP			
Strategic Objective (SO): Social and Community Development (Municipal KPA)			
Municipal Key Focus Area (KFA): Sport and Recreation			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Implement the Sport and Recreation capital projects measured quarterly in terms of the approved Capital Budget spent	% of Capital Budget spent by 30 June	96%	96.10%

Table 108: Sport and Recreation Policy Objectives taken from IDP

Employees: Sport and Recreation					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	0	1	1	0	0
4-6	1	6	4	2	33
7-9	0	12	1	11	92
10-12	2	35	17	18	51
13-15	7	131	88	43	33
16-18	20	199	162	37	19
19-20	22	0	0	0	0
Total	52	384	273	111	29

Table 109: Employees – Sports and Recreation

Financial Performance 2014/2015: Sport and Recreation					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(2,563,747)	(2,793,419)	(3,556,185)	(2,803,459)	78.83%
Expenditure:					
Employees	37,242,047	42,782,741	42,578,275	42,479,068	99.77%
Repairs and Maintenance	2,657,409	2,426,400	2,376,086	2,348,093	98.82%
Depreciation and Provisions	5,772,663	5,115,289	6,799,453	5,951,206	87.52%
Other	5,778,987	7,769,913	8,447,382	7,312,822	86.57%
Total Operational Expenditure	51,451,105	58,094,343	60,201,196	58,091,191	96.50%
Net Operational (Service) Expenditure	48,887,357	55,300,924	56,645,011	55,287,732	97.60%

Table 110: Financial Performance 2014/2015 – Sports and Recreation

Capital Expenditure 2014/2015: Sport and Recreation					
R					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	4,837,084	10,248,493	9,842,947	-3.96%	10,248,493
<i>Major projects</i>					
Upgrading Weltevrede Sports Grounds	0	3,699,898	3,682,748	-0.46%	3,699,898
Tartan track: Daljosaphat Stadium	0	1,124,825	1,123,947	0.08%	1,124,825
Upgrading of Mbekweni Sports and Rugby Stadium	650,000	628,794	628,793	0%	628,794

Table 111: Capital Expenditure 2014/2015 – Sport and Recreation

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL

The largest capital projects were: Construction of a wall around Weltevrede Sports Grounds, construction of a cricket pitch at Zanddrift Sports Grounds, investigation regarding a new tartan athletic track at Daljosaphat Stadium, planning and construction of a splash pad at Orleans Caravan Park in Paarl, the upgrade of a piece of land in Daljosaphat Stadium for the use of festivals and warm-up area. All these projects were completed within the budget available. The variance to the original budget was due to savings on the projects.

COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.19 EXECUTIVE AND COUNCIL

In terms of Section 4(2) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), a municipal council must, within the municipality's financial and administrative capacity, and having regard for practical considerations:

- Exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the community;
- Provide, without favour or prejudice, democratic and accountable government;
- Encourage the involvement of the community;
- Strive to ensure that municipal services are provided to the community in a financially and environmentally sustainable manner;
- Consult the community on the level, quality, range and impact of municipal services and the available options for service delivery;
- Give members of the community equitable access to the municipal services to which they are entitled;
- Promote and undertake development in the municipality;
- Promote gender equity in the exercise of the municipality's executive and legislative authority;
- Promote a safe and healthy environment in the municipality; and
- Contribute, together with other organs of state, to the progressive realisation of the fundamental rights contained in Sections 24, 25, 26, 27 and 29 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). Section 19(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) further imposes the following executive obligations on every municipal council. A council must annually review:
 - the needs of the community;
 - its priorities to meet those needs;
 - its processes for involving the community;
 - its organisational and delivery mechanisms for meeting those needs; and
 - its overall performance in achieving the objects of local government as set out in the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996).

In terms of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), the municipal council must elect an executive mayor and other office-bearers. The executive mayor appoints a mayoral committee to assist the executive mayor. The municipal council may establish committees to assist the municipal council and/or the executive mayor. The Executive Mayor of Drakenstein Municipality, Cllr Gesie van Deventer, and the Council elected in May 2011 have made substantial strides towards implementing the revised vision of "Drakenstein: A Place of Excellence" throughout the operations of Council and the administration in the year under review.

The municipal Council adopted priorities for the municipality, Executive Mayor and other political structures to meet on a regular basis in order to ensure that decision-making takes place in an efficient and effective manner.

Regular performance reports in terms of the Performance Management System, together with monthly reports to the Executive Mayoral Committee and Council, provide these structures with continuous information on progress made with the achievement of targets as well as the implementation of decisions taken by them. These systems have been further enhanced by the issuing of tablet devices to Councillors and the procurement of an electronic system generating reports to Portfolio Committees, the Executive Mayoral Committee and Council.

COMMITTEE	NO. OF MEETINGS
Executive Mayor and Mayoral Committee	12
Special Executive Mayor and Mayoral Committee	1
Council	12
Special Council	2
Special Confidential Council	0
Corporate Governance Portfolio Committee	0
Corporate Services Portfolio Committee (with effect from 27/03/2013 Council resolution)	13
Social Services Portfolio Committee	11
Community Portfolio Committee (with effect from 27/03/2013 Council resolution)	18
Finance Portfolio Committee	10
Infrastructure and Planning Portfolio Committee (until 26/3/2013)	2
Infrastructure Services Portfolio Committee (with effect from 27/03/2013 Council resolution)	9
Planning and Economic Development Portfolio Committee (with effect from 27/03/2013 Council resolution)	8
Municipal Public Accounts Committee (MPAC)	1
Appeals Committee	2
Audit Committee	4
Fraud and Risk Management Committee	3
Budget Steering Committee	2

Table 112: Service Statistics for the Executive and Council

The Executive and Council Policy Objectives taken from IDP			
Strategic Objective (SO): Governance and Stakeholder Participation			
Municipal Key Focus Area (KFA): Governance Structures			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Monitor Council Resolutions by submitting progress reports on the implementation of Council resolutions to Council at Council meetings	Number of reports submitted to Council per annum	10	11
% of AC Recommendations submitted and adopted by Council annually	% of AC recommendations submitted and adopted annually by Council	90%	100%
Attend to 80% formal public complaints received	% of complaints attended to by 30 June	80%	90.75%

Table 113: The Executive and Council Policy Objectives taken from IDP

Employees: The Executive and Council					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	0	0	0	0	0
4-6	4	4	4	0	0
7-9	7	7	7	0	0
10-12	0	1	0	1	100
13-15	0	0	0	0	0
16-18	0	0	0	0	0
19-20	0	0	0	0	0
Total	11	12	11	1	8.3

Table 114: Employees – The Executive and Council

Financial Performance 2014/2015: The Executive and Council					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(12,318,643)	(10,669,646)	(12,708,967)	(16,297,022)	128.23%
Expenditure:					
Employees	14,750,052	28,625,796	34,354,253	29,501,470	85.87%
Repairs and Maintenance	874,153	490,779	396,754	393,525	99.19%
Depreciation and Provisions	105,070	1,212,537	1,298,626	647,108	49.83%
Other	36,851,826	16,583,559	18,769,881	17,082,361	91.01%
Total Operational Expenditure	50,598,145	46,912,671	54,819,514	47,624,465	86.88%
Net Operational (Service) Expenditure	40,262,458	36,243,025	42,110,547	31,327,443	74.39%

Table 115: Financial Performance 2014/2015 – The Executive and Council

Capital Expenditure 2014/2015: The Executive and Council					
R					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	2,308,225	76,654	23,412	-69.46%	76,654
<i>Major projects</i>					
Office Furniture	0	23,412	23,412	0 %	23,412
Unallocated Operational Infrastructure Allocation	2,308,225	53,242	0	100 %	53,242

Table 116: Capital Expenditure 2014/2015 – The Executive and Council

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL

The four largest capital projects were:

- Upgrade of bulk sewer: Southern Paarl (R 27,073,088);
- Proclaimed and main road upgrades (R 20,917,008);
- 11 Mℓ Newton Reservoir (R 18,461,440);
- Construction of Stokery Road, Wellington (R 17,965,946); and
- Replacement of Strawberry King bulk water pipe (R 10,123,219).

In terms of the needs identified in the IDP for the year under review, an emphasis was placed on the maintenance and expansion of bulk infrastructure and reticulation.

3.20 FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

The major key performance area of the Finance Directorate is Financial Sustainability. It is imperative that the generated revenue base is of such a nature that the Municipality is able to fund its short-, medium- and long-term operations in order to ensure continuity and a financially sound and stable organisation. The major key functional areas that have been identified and linked to financial sustainability are revenue enhancement, credit control measures and expenditure management.

The debtors' payment period for the 2014/2015 financial was 79.8 days, which is above the targeted number of 70 days but is an indication of the measures that have been put in place to decrease the debt situation of Council and improve its revenue capacity. The number of days for 2013/2014 was 94.9. The payment ratio of 98.4%, including debt written off versus the targeted 97%, is also a good sign that the measures taken to recover the outstanding debt of Council and the writing-off of irrecoverable debt are impacting on the financial capacity of the organisation. The challenge at hand is the one of eradicating historical debt that consumers are still struggling to pay, which affects the revenue capacity of the organisation as well as the number of days it takes Council to recover debt.

Although the ratios in terms of the collection of revenue have improved overall, there is a considerable amount of work to be done in order to bring the debtors book of Council to an acceptable level. The gloomy economic conditions globally have also affected the consumers' ability to pay and most consumers are still recovering from the recessionary trends of the past few years. New initiatives have been planned for the 2015/2016 financial year and onwards, which will work towards the eradication of revenue leakages and enable the revenue base of Council to grow to an acceptable level. These initiatives include the appointment of PricewaterhouseCoopers in November 2013 to conduct the Revenue Enhancement Project that will further unlock revenue for the organisation. The implementation of the new organisational structure and the approval of positions to be

filled will also strengthen the capacity of the unit dealing with revenue collection and enhancement.

Debt Recovery									
R'000									
	2012/2013			2013/2014			2014/2015		
Details of the types of account raised and recovered	Billed for the year	Collected for year	% Collected	Billed for the year	Collected for year	% Collected	Billed for the year	Collected for year	% Collected
Property Rates	188,400	166,700	88.5	193,401	148,161	76.6	203,077	181,554	89.4
Electricity – B	82,200	71,0200	86.4	93,202	79,937	85.8	105,351	89,234	84.7
Electricity – C	562,200	472,300	84.0	545,501	514,528	94.3	574,246	568,884	99
Water – B	12,200	8,500	69.8	12,567	9,139	72.7	12,787	9,934	77.7
Water – C	131,200	118,500	90.3	112,385	98,633	87.8	150,892	124,220	82.3
Sanitation	38,500	29,000	75.3	51,173	41,352	80.8	57,832	46,772	80.8
Refuse	79,100	48,300	61.1	110,979	50,336	45.4	71,294	54,681	76.7
Other	28,600	5,900	20.6	71,986	174,122	241.9	17,507	19,169	109

Table 117: Debt Recovery

Financial Service Policy Objectives taken from IDP			
Strategic Objective (SO): Financial Sustainability (Municipal KPA)			
Municipal Key Focus Area (KFA): Revenue Enhancement/ Capital Expenditure			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Raise/collect operating budget revenue as per approved Budget	% of total operating budget revenue raised/received by 30 June	98%	102.35%
Spend at least 96% of the approved Capital Budget for the Municipality by 30 June (MFMA, S10(c))	% of approved Capital Budget spent for the Municipality by 30 June	96%	98.70%
Compile a Capital Project Implementation Plan and submit to the MM for approval by 30 June 2015 (2015/2016)	Capital Project Implementation Plan developed and submitted to the MM by end June 2015	1	1

Table 118: Financial Service Policy Objectives taken from IDP

Employees: Financial Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	34	5	2	3	60
4-6	74	148	99	49	33
7-9	16	23	14	8	35
10-12	8	22	6	16	73
13-15	8	5	5	0	0
16-18	3	8	8	0	0
19-20	1	2	2	0	0
Total	144	213	136	76	36

Table 119: Employees – Financial Services

Financial Performance 2014/2015: Financial Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(194,265,537)	(231,993,059)	(210,753,882)	(212,151,841)	100.66%
Expenditure:					
Employees	5,107,357	13,842,046	11,206,749	11,083,681	98.90%
Repairs and Maintenance	133,992	117,218	56,020	49,798	88.89%
Depreciation and Provisions	24,984,492	2,807,541	1,000,866	730,204	72.96%
Other	29,767,361	26,988,410	49,627,507	31,853,465	64.19%
Total Operational Expenditure	59,993,205	43,755,215	61,891,142	43,717,148	70.64%
Net Operational (Service) Expenditure	(134,272,331)	(188,237,844)	(148,862,740)	(168,434,693)	113.15%

Table 120: Financial Performance 2014/2015 – Financial Services

Capital Expenditure 2014/2015: Financial Services					
R					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	0	519,345	515,963	-0.65%	519,345
<i>Major Projects</i>					
Furniture and Equipment	0	278,652	276,259	-0.86%	278,652
Directorate: Computer Budget	0	99,370	99,370	0%	99,370
Air conditioner	0	58,827	58,827	0%	58,827

Table 121: Capital Expenditure 2014/2015 – Financial Services

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL

Financial Services implemented all their capital projects during the year under review. The total capital budget spending rate for Financial Services is calculated at 99.34% of the allocated Capital Budget. We confirm that our targets are set out in the IDP schedule and can be obtained with our approved budget provision.

3.21 HUMAN RESOURCE SERVICES

After its election in 2011, Council resolved to undertake a total organisational review, and provincial government appointed PWC to assist the Municipality with the process. Council adopted the new structure in December 2012 and spent the rest of the financial year (2012/2013) populating the top structure by appointing senior managers and other key professionals. The population of the structure was completed in the 2013/2014 financial year. The organisational structure was again reviewed and approved on 12 December 2014. The review was mostly based on the Financial Services Directorate. Council again reviewed the structure in 2015 and made further amendments to the structure in Financial Services and Community Services. Placements were finalised and appeals have been dealt with. Most employees whose posts were declared redundant have been provided with alternative job offers. Only one employee was declared redundant and dealt with in terms of the collective agreement. The organisational review included a restructuring of the Human Resources Section to be better equipped for the challenges it faces. The TASK outcomes report was implemented on 01 July 2014. All posts that do not have outcomes are in a process of being evaluated by the Cape Winelands District Evaluation Committee. The posts that do not have a TASK grading or where the grading is lower than the incumbent's salary are maintained as 'personal to incumbent' until these posts are evaluated or the incumbent vacates the post.

The Municipality has complied with the Employment Equity Act by ensuring that the EE Report was prepared and submitted on 01 October 2014. Appointments are done in terms of the employment equity targets wherever possible. In instances where an appropriately qualified and skilled applicant could not be found within the target groups, the best candidate for the position was appointed in the spirit of ensuring effective service delivery. The Municipality is committed to the principles of the employment equity legislation and will continue to strive to appoint suitably qualified applicants whilst ensuring that the workforce is representative of the clients it serves.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

SUBMISSION DATE	TO	DOCUMENT
30 April annually	LGSETA	Workplace Skills Plan
30 April annually	LGSETA	Annual Training Report
01 October annually	Dept. of Labour	Employment Equity Report
14 August annually	MEC Local Government	Sec 56/7 Performance Agreements

Human Resource Services Policy Objectives taken from IDP			
Strategic Objective (SO): Institutional Transformation			
Municipal Key Focus Area (KFA): Human Capital and Skills Development			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
(NKPI) The percentage of the municipality's budget actually spent on implementing its workplace skills plan	Number of reports submitted to the Office of the Municipal Manager per annum	1	1

Table 122: Human Resource Services Policy Objectives taken from IDP

Employees: Human Resource Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	1	1	1	0	0
4-6	11	12	11	1	8.3
7-9	1	1	1	0	0
10-12	6	7	6	1	14
13-15	4	5	4	1	20
16-18	0	0	0	0	0
19-20	0	0	0	0	0
Total	23	26	23	3	11.5

Table 123: Employees – Human Resource Services

Financial Performance 2014/2015: Human Resource Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(25,604)	(1,534,310)	(1,534,310)	(709,119)	46.22%
Expenditure:					
Employees	(827,664)	(184,147)	(783,022)	(787,594)	100.58%
Repairs and Maintenance	65,956	0	0	0	0%
Depreciation and Provisions	127,546	170,550	142,670	141,291	99.03%
Other	5,281,077	7,270,366	7,849,866	6,264,884	79.81%
Total Operational Expenditure	4,646,915	7,256,769	7,209,514	5,618,582	77.93%
Net Operational (Service) Expenditure	4,621,311	5,722,459	5,675,204	4,909,462	86.51%

Table 124: Financial Performance 2014/2015 – Human Resource Services

Capital Expenditure 2014/2015: Human Resource Services					
R					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance Adjustments Budget	Total Project Value
Total all	484,078	89,010	0	100%	89,010
<i>Major projects</i>					
ICT equipment: Time and Attendance System Office Building	484,078	89,010	0	100%	89,010

Table 125: Expenditure Capital 2014/2015 – Human Resource Services

THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

The replacement of the existing HR and payroll system with a new, advanced system has been successfully implemented. In general, the new system provides for improved control over the management of human resources. Enhancements to the system were commissioned during the 2013/2014 financial year, which allows staff certain self-management functionalities and replaces existing non-automated procedures such as leave management. The process had to be put on hold as the structure update needed to be completed before the self-assist could be implemented. The implementation of self-assist is planned for 2015/2016. The focus of the project is online application for leave. In addition, the Time Keeper System is also working well, which assists managers and supervisors to keep track of the movements of their employees in the building and the effective management of time management of employees in terms of arriving in the morning and leaving in the afternoon. The Time Keeper System was installed at the Civic Centre in 2014/2015 and the second phase will be rolled out to other sites during the 2015/2016 financial period. Identified sites for the roll-out are the Fire Services (main office), Mbekweni Housing office, Wellington Civic Centre, Electricity Building and Market Street.

3.22 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This year was an extremely busy period for the ICT Department. In adherence of good practice, a strategic planning review has triggered the need for us to review our Strategic Information and Communication Technology (ICT) Plan. Eight new ICT initiatives were identified and will be implemented in the next five years.

The following projects were successfully completed during the 2014/2015 financial year:

- **Windows 7**

We replaced 70 desktop computers. These are now all running Windows 7 as Windows XP is no longer being supported by Microsoft. The old units were not capable of running Windows 7.

- **VMWare Virtual Environment**

We embarked on replacing the host servers as the current ones are nearing end of life. Three of the five were replaced and one other is to be replaced in the following financial year. The fifth unit is due for replacement in two years' time. With the replacement of the host servers we made provision for increased capacity to cater for the requirements of the SCOA project.

- **Storage**

A Tintri storage device was procured and successfully implemented to cater for our growing storage needs.

- **WiFi**

Two projects were running simultaneously;

- Replacement of outdated Netgear equipment with Ubiquiti. The latter gives us more bandwidth on the network as well as ease of installation and management.

- Successfully installed Wi-Fi access points in most of the boardrooms for use by staff. This enables users to be connected to the network without the need for additional cabling.
- **Network and Server Monitoring**
Utilising open source (free) software, an active monitoring environment was created to view activity on the network as well as the servers. The following are some of the events that are monitored in real time;
 - Service availability, which includes servers and network links;
 - Service performance, which also includes servers and network links.

By proactive monitoring the support staff are able to pinpoint possible problem areas quickly and accurately. This enables them to quickly restore service interruptions and in certain cases take proactive and preventative steps to curb any disruptions.

- **Data Management**

CommVault was procured and installed to facilitate the management of the growing data needs of the Municipality. Apart from replacing current systems such as e-mail archiving, document search and backup and restore of data, the new system performs maintenance such as deduplication and storage consolidation. Having one product that combines a number of different ones not only makes management much easier on the support side, but also simplifies the process for the end user by using one common interface. The product also uses modern technology to ensure that similar data does not waste storage space by storing one instance of multiple copies. Old data is automatically archived to cheaper storage, freeing up valuable space.

SERVICE STATISTICS FOR ICT SERVICES

Type	Calls logged	Completed within time	%
Computer	795	776	97.61
Telephone	84	83	98.81

Table 126: Service Statistics for ICT

ICT Services Policy Objectives taken from IDP			
Strategic Objective (SO): Institutional Transformation (Municipal KPA)			
Municipal Key Focus Area (KFA): Systems and Technology			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Review and update ICT Strategic/ Master Plan	Review and update ICT Master Plan by 30 June	1	1

Table 127: ICT Services Policy Objectives taken from IDP

Employees: ICT Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	1	0	0	0	0
4-6	4	1	0	1	100
7-9	3	3	3	0	0
10-12	1	6	4	2	33
13-15	0	1	0	1	100
16-18	0	4	2	2	50
19-20	0	0	0	0	0
Total	9	15	9	6	40

Table 128: Employees – ICT Services

Financial Performance 2014/2015: ICT Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	0	0	0	0	0%
Expenditure:					
Employees	407,950	797,866	852,411	845,457	99.18%
Repairs and Maintenance	1,303,272	1,595,484	1,293,234	1,287,970	99.59%
Depreciation and Provisions	1,207,355	2,713,844	3,086,512	3,084,470	99.93%
Other	4,098,356	2,598,571	1,673,363	1,650,988	98.66%
Total Operational Expenditure	7,016,933	7,705,765	6,905,520	6,868,886	99.47%
Net Operational (Service) Expenditure	7,016,933	7,705,765	6,905,520	6,868,886	99.47%

Table 129: Financial Performance 2014/2015 – ICT Services

Capital Expenditure 2014/2015: ICT Services					
R					
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	3,720,000	6,068,053	6,044,245	-0.39%	6,068,053
<i>Major projects</i>					
ICT equipment: Computer related (new and replacement)	2,500,000	4,102,644	4,055,700	-1.14%	4,102,644
Intangible assets : software and licenses	1,200,000	1,200,000	1,224,325	-2.03%	1,200,000
Computer budget	0	599,885	599,885	0%	599,885

Table 130: Capital Expenditure 2014/2015 – ICT Services

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL

The ICT Section continuously strives to keep abreast of technological development in order to ensure that information systems support service delivery in general. The most important projects were:

- A revision of our ICT Strategic Plan was completed
- Corporate governance of ICT policy was created and adopted by the ICT Steering Committee
- The disaster recovery and continuity plan was reviewed and submitted to the ICT Steering Committee for approval. A DR test was successfully concluded to test the functional recovery of the different systems.

3.23 PROPERTY, LEGAL, RISK MANAGEMENT AND PROCUREMENT

ESTATES AND PROPERTY SECTION

Facility and Property Management

The activities of this section contribute towards economic growth and development as well as social and community development by making properties available through the sale or lease thereof, and thereby creating economic opportunities whilst also providing for the development and empowerment of the poor and most vulnerable. It further contributes to institutional transformation through the maintenance and development of office facilities and amenities that are required to render services. Its main objective is, however, to administer Council's property portfolio and ensure that property leases are in place, updated and implemented. Inspections to ensure properties are not illegally occupied or vandalised are undertaken on a regular basis. The section does not deal with the low-cost housing rental stock, as the Housing Section manages the leasing, maintenance and occupation of all rental stock.

Property management was enhanced during the year due to improved procedures, systems and control measures such as:

- Improved control over the management of lease properties as well as the management of lease contracts by regular monitoring of lease payments and timely renewal or termination of contracts;
- Regular in loco inspection of all lease properties to ensure compliance with conditions of lease and to identify maintenance needs. The information is recorded in a lease inspection register;
- Monitoring of development timeframes in respect of land sold for development;
- Introduction of timeframes for the processing of land transaction applications;
- New procedure to check applications by businesses for the purchase/lease of land against company database to confirm ownership to prevent fraud.
- Standard operating procedures for all processes have been compiled.

SERVICE STATISTICS FOR PROPERTY

Land transactions dealt with

Properties sold	To	Purpose
11 Properties Wellington	Occupants thereof	Housing
20950, Paarl	Philadelphia Pentecostal Ministries SA	Church, social and two welfare
9335, 10449, 11821, Paarl	The Grape Community	ECD Centre
13805/6, Wellington	Malutsa	Industrial
1624, Gouda	Public Works	Clinic
19672, Paarl	Medi-Clinic	Parking/ business
13786/7	Pacmar	Business
Oakglen Street, Wellington	Boland Pulp	Business

Table 131: Properties sold

Properties leased	To	Purpose
19519, Paarl	Rural Empowerment Foundation	Skills centre
645, Mbekweni	Mbekweni Health Workers	Social and Health
1269, Mbekweni	Women Against Crime	Social and Health
2689, Mbekweni	Stella Manzi	Needlework Project
2689, Mbekweni	Jos Funeral Services	Funeral Services
593, Paarl	Paarl Valley Pigeon Club	Sport
888/1, Paarl	Vodacom	Antenna
3456, Wellington	Owner of erf 3457	Gardening
1622, Gouda	Public Works	Police Station
1397, Wellington	Wellington Racing Pigeon Club/ Sonstraaltjie Crèche	Sport/ Crèche
14733, Paarl	Mpact	Parking
1870 and 95, Wellington	Wellington Museum	Museum

Table 132: Properties leased

Community Hall Usage

Usage	Paarl Town Hall	Huguenot Hall	Mbekweni Hall	Wellington Town Hall	Gouda Hall	Colibri Hall	Fairyland Hall
SASSA	0	50	59	48	0	0	0
Council	2	3	4	10	12	3	0
Birthdays	9	12	5	12	7	2	9
Weddings	11	26	3	8	3	2	0
Dances	14	20	5	6	15	11	0
Matric Functions	13	0	0	2	0	0	0
Meetings and workshops	15	87	59	23	25	7	35
Farewells	3	0	2	5	2	0	1
Shows/churches	10	19	40	13	13	53	69
Concerts	22	23	10	5	3	6	5
UIF	0	92	0	0	0	0	0

Table 133: Community Hall Usage

Capital and Maintenance Projects

Project Description	Cost
Exterior paint Paarl Museum	R 90,000
Repair and paint Happy Toddlers	R 47,321
Oude Woning roof repair	R 101,950
Hospitaal Street Clinic paint and roof repairs	R 38,750
Civic Centre stairs bullnoses	R 20,700
Voortrekkers Wellington paint and repair	R 42,363
Spar palisade fence	R 25,841
Renovations Ouma Granny Museum	R 97,111
Civic waterproof	R 41,6254
Palisade Lolliepop Educare	R 55,615
Paarl Theatre roof	R 68,048
Palisade fence Wamakersvallei	R 39,717
Wellington SPCA renovations	R 99,148
Paving Paarl Museum	R 41,660
Civic Centre ceilings	R 55,712
Civic Centre fence	R 70,000
Fire prevention and detection system Civic Centre	R 93,000
Office upgrade Civic Centre	R 121,279
Upgrade leased properties	R 43,300

Table 134: Capital and Maintenance Projects

Cellphone administration:

Administered cellphone accounts for 191 users.

Property Policy Objectives taken from IDP			
Strategic Objective (SO): Institutional Transformation (Municipal KPA)			
Municipal Key Focus Area (KFA): Facilities			
Name of Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2014/2015	Actual 2014/2015
Annual Assessment of Community Facility/ Building Maintenance needs	Number of documented Maintenance plans for facilities submitted to the Executive Mayor by 30 June	1	1

Table 135: Property Policy Objectives taken from IDP

Employees: Property					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	15	15	15	0	0
4-6	4	3	4	1	4
7-9	3	3	3	0	0
10-12	1	1	1	0	0
13-15	1	1	1	0	0
16-18	0	0	0	0	0
19-20	0	0	0	0	0
Total	24	23	24	1	4

Table 136: Employees – Property

LEGAL SERVICES

Legal Services within the Municipality supports the Council and administration with legal advice and support. The positions of the two Legal Advisors and Manager Legal Services were vacant for the major part of the reporting year, after one of the legal advisors resigned to take up a job opportunity elsewhere. During this period external legal service providers who provide a wide spectrum of legal services such as representation in litigation, legal opinions, contracts and agreements were used. Due to the scarcity of the required skill, the position could not be filled as yet. The organisational structure provides for the strengthening of the Legal Service Unit, which capacity will be obtained in the new reporting year. The posts will be graded in the 2015/2016 financial year, after which a further attempt will be made to fill the position. The administrative support of the section is currently performed by one permanent staff member.

Employees: Legal Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	0	0	0	0	
4-6	0	1	1	0	
7-9	0	0	0	0	
10-12	0	0	0	0	
13-15	1	2	0	2	50
16-18	0	1	0	1	25
19-20	0	0	0	0	
Total	1	4	1	3	75

Table 137: Employees – Legal Services

Employees: Risk Management (Internal Audit)					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	1	1	1	0	0
4-6	2	2	2	0	0
7-9	-	-	-	-	-
10-12	-	-	-	-	-
13-15	-	-	-	-	-
16-18	-	-	-	-	-
19-20	-	-	-	-	-
Total	3	3	3	0	0

Table 138: Employees: Risk Management (Internal Audit)

Employees: Procurement Services					
Job Level	2013/2014	2014/2015			
	No. of Employees	No. of Posts	No. of Employees	No. of Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0-3	1	5	2	3	60
4-6	3	26	16	10	38.5
7-9	3	6	5	1	16.7
10-12	19	2	1	1	50
13-15	8	3	3	0	0
16-18	0	1	1	0	0
19-20	2	0	0	0	0
Total	36	43	28	15	34.9

Table 139: Employees: Procurement Services

Financial Performance 2014/2015: Property, Legal, Risk Management and Procurement Services					
R					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustments Budget	Actual	% Variance to Adjustments Budget
Total Operational Revenue (excluding tariffs)	(16,683,754)	17,739,365	73,927,302	63,689,913	86.15%
Expenditure:					
Employees	5,010,131	(25,591,028)	(24,671,458)	(23,193,896)	94.01%
Repairs and Maintenance	1,581,501	(365,089)	(654,457)	(646,763)	98.82%
Depreciation and Provisions	14,406,594	(559,605)	(599,335)	(242,038)	40.38%
Other	14,738,544	(1,388,598)	(58,099,917)	(46,685,159)	80.35%
Total Operational Expenditure	35,736,771	(27,904,320)	(84,025,167)	(70,767,855)	84.22%
Net Operational (Service) Expenditure	19,053,016	(10,164,955)	(10,097,865)	(7,077,942)	70.09%

Table 140: Financial Performance 2014/2015 – Property, Legal, Risk Management and Procurement Services

Capital Expenditure 2014/2015: Property					
					R
Capital Projects	Budget	Adjustments Budget	Actual Expenditure	% Variance to Adjustments Budget	Total Project Value
Total all	1,300,000	2,548,230	1,876,955	-26.34%	2,548,230
<i>Major projects</i>					
Office alterations all floors	0	558,324	0	100	558,324
Office building: Upgrading Civic Centre	0	518,205	518,204	0%	518,205
Extension to Market Street Building	0	300,000	299,123	-0.29%	300,000

Table 141: Capital Expenditure 2014/2015 – Property

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL

The Property Services Unit continually strives to improve property management practices. During the year improvements in operational systems were implemented to enhance efficiency and service delivery by this unit.

The main projects for this unit during the past year are listed below. These projects are priority projects and will, due to the extent thereof, feature on the programme of the unit for years to come:

- (1) Upgrade/maintenance of municipal buildings. All the available funding for the maintenance and upgrade of leased properties has been spent. The funding needs for the maintenance of buildings continue to grow faster than the available funding;
- (2) Upgrade of Civic Centre air-conditioning. This project is being undertaken over several years due to the extensive costs involved to upgrade the air-conditioning system, which is now 39 years old. The upgrade allows for a phased approach and will be undertaken based on the funding available in each financial year. The total upgrade is expected to take place over a period of approximately eight years;
- (3) Upgrade of electrical wiring of the Civic Centre. A contractor has been appointed and commenced with work on the ground floor. The work is however subject to the office alterations to be done and the contractor could not continue in the reporting year. The funding has been rolled over to the 2015/2016 financial year. The total project will also be undertaken over at least five financial years due to the high costs involved;
- (4) Implementing a fire detection system in the Civic Centre has also become a priority following the continued alterations to offices and increased number of staff working in the building. A report on the requirements for such a system as well as other health and safety matters has been prepared. The necessary work flowing from this investigation will proceed in the 2015/2016 financial year.
- (5) Alterations to the available office space to open plan have also been identified as the solution to needs for additional office space. This project has also commenced and will continue in the coming financial years as needed.

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL

The Legal Services Section of the Municipality plays a supporting role in protecting the Municipality from legal action by way of internal and external legal support services. Legal action is also instituted by the Municipality, where necessary, to enforce municipal legislation and contractual obligations. By the very nature of this unit's work, no capital projects were undertaken.

The Municipality is using the services of an external service provider to assist the Municipality in administering its own legislation through the development and promulgation of new legislation as well as the review of existing legislation. The Municipal Code encompasses all of the Municipality's own legislation as well as policies and are constantly updated and reviewed.

The positions of the two Legal Advisors and Manager Legal Services were vacant for the major part of the reporting year. During this period external legal service providers who provide a wide spectrum of legal services such as representation in litigation, legal opinions, contracts and agreements were used and in this way it was ensured that the required performance was maintained by duly protecting the interests of the Municipality.

Chapter 1: Mayor's Foreword and Executive Summary

Chapter 2: Governance

Chapter 3: Service Delivery Performance (Performance Report)

Chapter 4: Organisational Development Performance

Chapter 5: Financial Performance

Chapter 6: Auditor-General Audit Findings

Glossary

Appendices

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

- Component A: Introduction to the Municipal Personnel
- Component B: Managing the Municipal Workforce
- Component C: Capacitating the Municipal Workforce
- Component D: Managing the Workforce Expenditure

INTRODUCTION

The organisational development function falls under the Human Resource Section. Its main objectives are to manage organisational design and business modelling, coordinate culture and change management, administer job descriptions, job evaluation system management, and to develop and maintain an effective employee performance appraisal system and awards process. Its focus is also the development of employees to ensure that Drakenstein Municipality has a skilled workforce.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees				
Description	2013/2014	2014/2015		
	No. of Employees	No. of Approved Posts	No. of Employees	No. of Vacancies
Water	85	153	80	73
Wastewater (Sanitation)	105	187	113	74
Electricity	134	233	135	98
Waste Management	165	241	164	77
Housing	58	145	97	48
Wastewater (Stormwater Drainage)	-	82	54	28
Roads	86	168	98	70
Transport	26	40	25	15
Planning	43	73	44	29
Local Economic Development	5	8	7	1
Planning (Strategic and Regulatory)	0	0	0	0
Community and Social Services	263	135	98	37
Environmental Protection	3	6	3	3
Health	0	0	0	0
Security and Safety	158	326	181	145
Sport and Recreation	60	477	301	176
Corporate Policy Offices and other	529	422	298	124
Totals	1,720	2,696	1,698	998

Table 142: Total number of employees

Vacancy Rate 2014/2015			
Designations	*Total no. of approved posts	*Variances (total time that vacancies exist using full-time equivalents)	*Variances (as a proportion of total posts in each category) %
Municipal manager	1		
CFO	1		
Other S57 Managers (excluding Finance posts)	4		
Other S57 Managers (Finance posts)	0		
Municipal Police	0		
Firefighters	90		
Senior Management: Levels 13-15 (excluding Finance posts)	50		
Senior Management: Levels 13-15 (Finance posts)	11		
Highly skilled supervision: levels 9-12 (excluding Finance posts)	105		
Highly skilled supervision: levels 9-12 (Finance posts)	17		
Total			

Note: These figures are based on the holding structure.

Table 143: Vacancy Rate 2014/2015

Turnover Rate			
Details	Total no. of appointments as at beginning of financial year	No. of terminations during the financial year	Turnover Rate*
2012/2013	1,765	107	6.06%
2013/2014	1,717	146	8%
2014/2015	1,711	137	8%

**Divide the number of employees who have left the organisation within a year by total number of employees who occupied posts at the beginning of the year.*

Table 144: Turnover Rate

COMMENT ON VACANCIES AND TURNOVER

The Municipality has been fortunate to attract highly skilled senior managers and a Municipal Manager to head the organisation; it is currently actively recruiting employees to fill other critical vacancies and to populate the new structure with suitably qualified employees in the posts on the new organogram. The Municipality mainly loses employees to other municipalities where they are offered higher positions at higher salaries due to the experience they have gained at a large municipality like Drakenstein. Due to the regulatory environment affecting salary structures, paying higher salaries than the standardised evaluated salary is not easily achieved. Paying scarce skills allowances is also not the answer as the determination on what a scarce skill is and when the scarcity ends, has its own challenges. The turnover rate of 8% is within the norm. A high number of employees are reaching retirement age with long years of service and choosing to leave formal employment for retirement.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

The new structure adopted by Council in December 2012 has been populated and reviewed three times since 2012 to ensure that it remains relevant. The placement process was finalised and appeals have been dealt with. Vacant funded positions are advertised on an ongoing basis and prioritised vacancies were identified by the Executive Management Team. Posts that have to be evaluated are dealt with in line with the priorities identified. The Municipality was regraded to a category 7 municipality to allow for the implementation of TASK from 1 July 2015. This has assisted with attracting skills in critical vacant positions. It has also aided in the Municipality obtaining a clean audit as the Financial Directorate, in particular, could appoint highly competent staff. The Municipality is currently focusing on evaluating job descriptions and a regional unit was established to deal with the evaluations and started with the process in June 2015. All new and major-change posts will be evaluated, and due to the process any other post can be re-evaluated in this manner. The implementation of the modules in the new HR has almost been finalised. The last part that has to be implemented is self-service and the implementation thereof is set for 2015/2016.

4.2 POLICIES

HR Policies and Plans				
Name of policy		Completed	Reviewed	Date adopted by Council or comment on failure to adopt
1	Education and Training Policy	27/11/2008	Under Review	27/11/2008
2	Performance Management Policy Framework	30/08/2007	Reviewed	21/05/2014
4	Recruitment, Selection and Appointments Policy	27/11/2008	Reviewed	21/05/2014
5	Sexual Harassment Policy	25/10/2007	Under Review	25/10/2007
6	Smoking Policy	30/07/2002	Under Review	30/07/2002
7	Rehabilitation/Alcohol Policy	28/09/2006	Under Review	28/09/2006
8	HIV/AIDS policy	30/11/2004	Under Review	30/11/2004
9	Placement Policy	30/12/2012	Used for placements if and when necessary where changes are made to the structure	13/12/2012
10	Appointment of Temporary Staff Policy	20/09/2013	Will be reviewed in the 2015/2016 financial year	20/09/2013
11	Private Work Policy	13/12/2012	Will be reviewed in the 2015/2016 financial year	13/12/2012
12	Accelerated Promotion Policy	20/06/2012	Policy by agreement with trade unions abolished	20/06/2012
13	Overtime Policy	30/05/2012	Will be reviewed in the 2015/2016 financial year	24/05/2013

Table 145: HR Policies and Plans

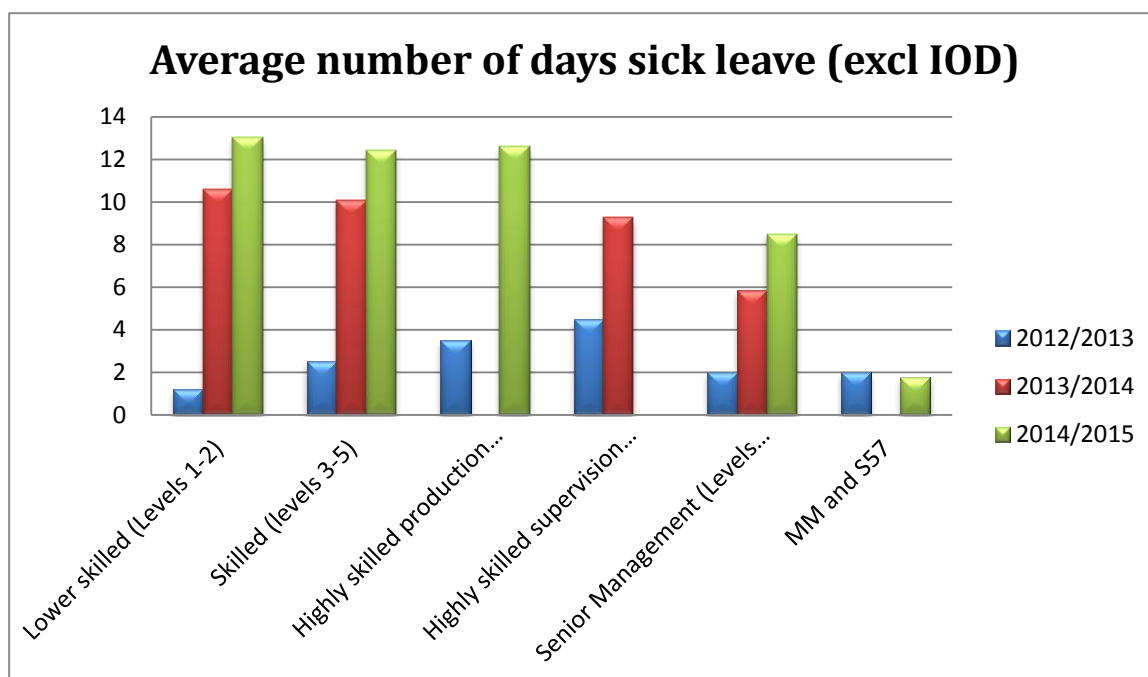
4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and cost of injuries on duty					
Type of injury	No. of days taken for injury leave	No. of employees using injury leave	Proportion employees using sick leave (%)	Average injury – Leave days per employee	Total estimated cost R
Required basic medical attention only	836	132	7,71%	6,33	371,958
Temporary total disablement	1,096	32	1,87%	34,25	527,269
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	1,932	164	9,58%	11,78	899,227

Table 146: Number and cost of injuries on duty

Number of days and cost of sick leave (excluding injuries on duty)					
Designations	Total no. of sick leave	Proportion of sick leave without medical certification %	No. of employees using sick leave	Total no. of employees in post*	*Average days sick leave per employee
Lower skilled (levels 1- 2)	8,077	4.8%	620	634	13.02
Skilled (levels 3-5)	9,203	5.9%	742	728	12.4
Highly skilled production (levels 9 – 12)	3,497	7.5%	276	308	12.6
Senior Management (levels 13 – 15)	307	8.3%	36	37	8.5
MM and S57/6	28	9.3%	4	6	1.75
Total	21,112		1,318	1,713	

Table 147: Number of days and cost of sick leave (excluding injuries on duty)



Graph 12: Average number of days sick leave

No deaths or major injuries at work were experienced in the reporting period. The Health and Safety Officer and line management are encouraged to continuously increase awareness amongst employees in order to minimise the occurrence of injuries. Accredited training in respect of Occupational Health and Safety is implemented annually for health and safety representatives and employees. This assists in increasing awareness and reduces health and safety accidents. Personnel records of the number of sick leave instances are recorded and kept in the HR/payroll system. Health and safety kits are continuously provided to ensure that first aid is applied in the case of an incident occurring.

Number and period of suspensions				
Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken or status of case and reasons why not finalised	Date finalised
General Worker	Assault/attempted assault	12/08/2014	Services terminated	07/10/2014
Electrician	Theft/attempted theft	15/09/2014	Hearing started 24/02/2015	Finding awaited
Law Enforcement Officer	Assault	10/11/2014	Services terminated	17/03/2015
General Worker	Assault/attempted assault	13/01/2015	Services terminated	09/03/2015
Handyman	Theft/attempted theft	13/01/2015	Services terminated	27/02/2015

Table 148: Number and period of suspension

4.4 PERFORMANCE REWARDS

Performance Rewards by Gender					
Designations	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2013/2014 R	Proportion of beneficiaries within group %
Lower skilled (Levels 1 – 2)	Female	N/A	N/A		N/A
	Male	N/A	N/A		N/A
Skilled (Levels 3 – 5)	Female	N/A	N/A		N/A
	Male	N/A	N/A		N/A
Highly skilled production (level 6 – 8)	Female	N/A	N/A		N/A
	Male	N/A	N/A		N/A
Highly skilled supervision (levels 9 – 12)	Female	N/A	N/A		N/A
	Male	N/A	N/A		N/A
Senior Management (Levels 13 – 15)	Female	N/A	N/A		N/A
	Male	N/A	N/A		N/A
MM and S57	Female	1	0		0
	Male	5	0		N/A
Total		6	6		0
Has the statutory municipal calculator been used as part of the evaluation process?					Yes

Table 149: Performance Rewards by Gender

Performance Rewards

Performance bonuses will be paid to S57 Managers for the 2014/2015 financial year, as resolved by Council. The contracts of the Municipal Manager and S57 Managers have been amended as such that they are eligible for performance bonuses. The Municipal Manager and Executive Managers enter into performance contracts on an annual basis and their performance is monitored and reported on as required. Their contracts were amended for 2014/2015 and they will be eligible for performance bonuses for the year starting 01 July 2014.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Implementation of the 2014/2015 Workplace Skills Plan, as approved by the skills development stakeholder, was a great success. Some of the critical projects such as the Municipal Finance Management Programme, Electrical Apprenticeship and Road Construction Works NQF 2 and 4 Learnerships will continue in the 2015/2016 financial year. Sourcing providers for National Certificate Civil Construction and Plumbing Learnership programmes has been finalised for courses targeting internal employees and unemployed youth for the 2015/2016 financial year.

The Municipality budgeted and granted an amount of **R 160,000** for twenty (20) internal employees towards bursaries. Study fields included Human Resources, Town and Regional Planning, Engineering, Electrical Engineering, Disaster Management and Artisan Development. Eighteen bursary holders are active with studies through the bursary process.

End of financial year status 2014/2015

Vote Number	Project	Initial Budget	Actual Expenditure	Reasons for balance
200115505000	Internal Bursaries	R 160,000	R 142,282 (89%)	Two bursary holders did not claim / provide the proof of registration.

Table 150: Internal bursary fund

A total of fifty learners were registered for Adult Education and Training. Thirty eight are internal officials and twelve are unemployed learners. Five learners from the Matric Old Syllabus Project received their matric certificates in the financial years 2014 and 2015.

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2015	Number of skilled employees required and actual as at 30 June 2015											
			Learnerships			Skills programmes and other short courses			Other forms of training			Total		
		No.	Actual 30 June 2014	Actual 30 June 2015	Target	Actual 30 June 2014	Actual 30 June 2015	Target	Actual 30 June 2014	Actual 30 June 2015	Target	Actual 30 June 2014	Actual 30 June 2015	Target
MM and S57	Female	0				0	0	0	0	0	0	0	0	0
	Male	3				0	0	0	3	3	3	3	3	3
Councillors, Senior Officials and Managers	Female	2				2	2	2	0	0	0	0	0	2
	Male	7				7	7	7	0	0	0	0	0	7
Technicians and Associate Professionals	Female	7				7	7	7	0	0	0	7	7	7
	Male	54				54	54	54	0	0	0	54	54	54
Professionals	Female	11				0	0	0	11	11	11	11	11	11
	Male	10				0	0	0	10	10	10	10	10	10
Sub-total	Female	20				9	9	9	11	11	11	11	11	11
	Male	74				61	61	61	13	13	13	13	13	13
Total		94				70	70	70	24	24	24	24	94	94

Table 151: Skills Matrix

Financial Competency Development: Progress Report						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting Officer	1	0	1	1	1	0
Chief Financial Officer	1	0	0	1	1	1
Senior Managers	4	0	4	4	4	2
Any other financial officials	55	0	55	0	47	12
Supply Chain Management Officials						
Heads of Supply Chain Management Units	1	0	1	0	1	1
Supply Chain Management Senior Managers	2	0	2	0	2	0
Total	64	0	64	6	56	16
<i>*This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)</i>						

Table 152: Financial Competency Development – Progress Report

Skills Development Expenditure											R
Management Level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2014/2015								
			Learnerships		Skills Programmes and other short courses		Other forms of training		Total		
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	
MM and S57	Female	0	-	-	-	-	-	-	-	-	
	Male	3	-	-	135,000	135,000	-	-	135,000	135,000	
Legislators, Senior Officials and Managers	Female	2	-	-	90,000	90,000	-	-	90,000	90,000	
	Male	7	-	-	305,000	305,000	-	-	305,000	305,000	
Professionals	Female	11	72,500	72,500	72,500	69,686	-	-	145,000	142,186	
	Male	10	77,300	77,300	62,500	62,500	-	-	139,800	139,800	
Technicians and Associate Professionals	Female	7	33,000	31,000	-	-	-	-	33,000	31,000	
	Male	54	299,600	299,600	-	-	-	-	299,600	299,600	
Clerks	Female	50	-	-	15,000	14,600	-	-	15,000	14,600	
	Male	23	-	-	7,500	7,500	-	-	7,500	7,500	
Service and Sales Workers	Female	2	-	-	-	-	4,600	7,548	4,600	7,548	
	Male	14	20,000	19,300	-	-	-	-	20,000	19,300	
Plant and machine operators and assemblers	Female	1	-	-	-	-	2,400	3,490	2,400	3,490	
	Male	22	-	-	7,500	7,500	200,000	200,000	207,500	207,500	
Elementary occupations	Female	41	120,000	120,000	-	-	87,498	87,498	207,498	207,498	
	Male	92	132,600	132,590	100,000	100,000	100,000	100,000	332,600	332,590	
Sub-total	Female	114	225,500	88,500	177,500	174,286	94,498	98,536	297,498	296,322	
	Male	225	547,500	528,790	617,500	617,500	300,000	300,000	1,147,000	1,146,290	
Total		339	R 773,000	R 617,290	R 795,000	R 791,786	R 394,498	R 398,536	R 1,947,500	R 1,942,613	
Note: Amount of budget expenditure is R 1,942,613.55 (including travelling and accommodation costs). This translates into 99% budget spent of R1,947,500 (original Council training budget: R 1,417,500 + R 530,000 additional) allocated for the Workplace Skills Plan (2014/2015)											

Table 153: Skills Development Expenditure

Council budgeted an amount of R 1,947,500 and spent 99% of the amount (actual R 1,942,613) on the implementation of the approved Workplace Skills Plan (2014/2015). Additional amounts detailed below were budgeted and spent on various projects resulting in an overall expenditure amount of **R 3,446,291** on all skills development interventions for the financial year 2014/2015.

Additional Skills Development Expenditure includes:

Project	Initial Budget	Actual Expenditure
Internal Employee Bursaries	R 160,000	R 142,282
External /Mayoral Bursaries	R 275,000	R 184,042
Vacation Work	R 153,620	R 153,620
Student/ Work Integrated Learning	R 319,615	R 319,615
Municipal Finance Management Programme/ Electrical Apprenticeship (LGSETA MANDATORY GRANTS VOTE)	R 704,119	R 704,119
	R 1,612,354	R 1,503,678

Table 154: Additional Skills Development Expenditure

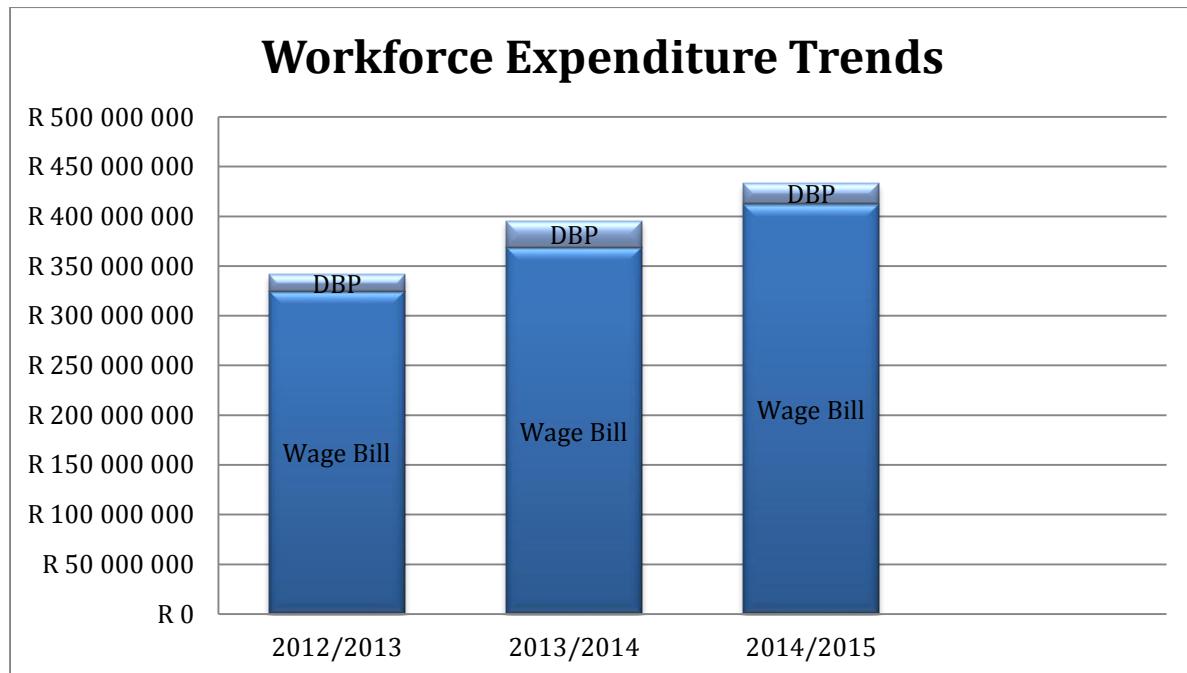
National Treasury successfully identified Drakenstein Municipality as a Special Merit Case for legislative implementation of Municipal Finance Minimum Competencies. The Municipality is currently implementing an in-house programme for the final prioritised target using Stellenbosch School of Public Leadership, with the programme set to conclude in June 2016.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

Municipalities are required to carry out quality services in an effective, efficient and financially sound manner by supporting the principles of ensuring cost-effective and affordable service delivery. Accountability and transparency are, therefore, important when managing workforce expenditure. To be effective, it is important to ensure that the Municipality plans properly. A Capital Expenditure Plan was introduced for this purpose to ensure the spending on projects is completed by setting timeframes for all the processes leading up to the successful completion of the projects. To ensure that the Municipality adheres to legislation, only approved and budgeted posts on the structure are advertised. All positions are advertised on the Municipality's website, internally and in the local media. This also applies to bursaries. Advertising in other media is based on the target market for the post. This saves on advertising costs and in the electronic age gives easy and quick access to applicants. Drakenstein strives to appoint employees who share the vision of "A Place of Excellence" and who will add value to the organisation. The training and development of internal staff is aimed at ensuring that they are able to perform their duties better.

4.5 EMPLOYEE EXPENDITURE



Graph 13: Workforce Expenditure Trends

COMMENT ON WORKFORCE EXPENDITURE

Drakenstein's workforce expenditure of R 412,476,034 accounted for 25.6% of the total operating budget expenditure of R 1,613,474,953 for the 2014/2015 financial year. This included R 20,901,358 for provisions for defined benefit plan (DBP) expenses as required by the SA Standards of GRAP, after taking into account R 4,124,348 worth of actuarial losses for post-employment healthcare benefits. The workforce expenditure of R 368,388,765 accounted for 24.1% of the total operating budget expenditure of R 1,530,761,371 for the 2013/2014 financial year. This included R 26,831,623 for provisions for defined benefit plan (DBP) expenses as required by the SA Standards of GRAP, after taking into account R 11,998,993 worth of actuarial losses for long-service awards. The R 341,729,835, after restatements, accounted for 25.4% of the total operating budget expenditure of R 1,348,522,819 for the 2012/2013 financial year. This included R 16,776,891 for provisions for DBP expenses as required by the SA Standards of GRAP. It is clear from the above that the total workforce expenditure as a percentage of the total operating budget decreased substantially over the last three financial years from 25.6% to 24.1% to 25.4%. Monetarily, the total workforce expenditure increased at an acceptable rate although the actual gains of R 15,808,053 for the DBP post-employment healthcare benefit expenses in the 2011/2012 financial year and R 11,998,993 worth of actuarial losses for long-service awards in 2013/2014 distort the picture somewhat.

Number of employees whose salaries were increased due to their TASK levels being audited		
Post Description	Gender	Aggregate of change in yearly earnings
Chief Information Officer	M	R 66,421
Senior Operator/ Administrator	F	R 144,435
Operator/ Administrator	F	R 524
Operations and Support Manager	M	R 620
ICT Helpdesk	M	R 264
Manager: Budgets And Accounting	F	R 39,984
Manager: Supply Chain Management	M	R 45,784

Table 155: Number of employees whose salaries were increased due to their positions being upgraded

Employees whose salary levels exceed the grade determined by job evaluation				
Occupation	Number of employees	Job evaluation level	Yearly equivalent of basic salary above the highest notch of TASK level	Reason for deviation
1. Actuals: Unskilled and defined decision-making	56	T1-T3	R 23,330	Employees were previously on the Van der Merwe salary scale and with the implementation of TASK these individuals already earned more than the highest notch of the TASK grade. These employees will be held personal to incumbent.
2. Actuals: Semi-skilled and discretionary decision-making	269	T4-T8	R 617,250	
3. Actuals: Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	100	T9-T13	R 332,045	
4. Actuals: Professionally qualified and experienced specialists and mid-management	8	T14-T18	R 6,176	

Table 156: Employees whose salary levels exceed the grade determined by job evaluation

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. of appointments	Reason for appointment when no established post exists
No appointments were made to posts not approved on the structure				

Table 157: Employees appointed to posts not approved

DISCLOSURES OF FINANCIAL INTERESTS

Disclosures have been made by officials and Councillors concerning their financial interests, as required by Municipal Performance Regulations 805 of 2006 and are set out in Appendix I. No transgressions due to financial interests occurred.

Chapter 1: Mayor's Foreword and Executive Summary

Chapter 2: Governance

Chapter 3: Service Delivery Performance (Performance Report)

Chapter 4: Organisational Development Performance

Chapter 5: Financial Performance

Chapter 6: Auditor-General Audit Findings

Glossary

Appendices

CHAPTER 5: FINANCIAL PERFORMANCE

- Component A: Statements of Financial Performance
- Component B: Spending against Capital Budget
- Component C: Cash Flow Management and Investments
- Component D: Other Financial matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The following sections provide an overview of the financial results of the Municipality for the year under review per economic classification compared to the prior year audited results, the Original and Final Adjustments Budget.

Note: Statements of Revenue Collection Performance by vote and by source are included in **Appendix J**.

Financial Summary						
R'000						
Description	2013/2014	Current Year 2014/2015			2014/2015 % Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	187,145	202,015	200,646	195,502	114%	114%
Service charges	948,551	1,074,381	1,110,204	1,224,643	84%	73%
Investment revenue	9,856	8,985	10,821	13,752	93%	85%
Transfers recognised – operational	128,598	161,876	156,720	152,924	95%	98%
Other own revenue	120,387	64,542	121,409	107,244	136%	42%
Total Revenue (excluding capital transfers and contributions)	1,394,535	1,511,798	1,599,799	1,541,998	102%	96%
Employee costs	368,389	434,516	416,206	412,940	95%	98%
Remuneration of Councillors	18,745	20,453	20,453	19,976	98%	98%
Depreciation	190,531	162,568	174,109	165,053	102%	96%
Finance charges	58,976	56,833	65,820	61,025	107%	94%
Materials and bulk purchases	496,541	537,714	537,714	543,065	101%	100%
Transfers and grants	837	595	595	567	95%	95%
Other expenditure	388,911	346,835	548,050	433,703	72%	53%
Total expenditure	1,522,931	1,559,514	1,767,448	1,635,864	105%	93%
Surplus (Deficit)	(128,395)	(47,716)	(167,648)	(93,866)	197%	56%
Transfers recognised – capital	97,447	54,671	64,387	64,886	119%	101%
Contributions recognised – capital and contributed assets	0	0	0	0	0%	0%
Surplus (Deficit) after capital transfers and contributions	(30,948)	6,956	(103,262)	(32,617)	-417%	28%

Financial Summary						
R'000						
Description	2013/2014	Current Year 2014/2015			2014/2015 % Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Share of surplus/(deficit) of associate	-	-	-	-	-	-
Surplus (Deficit) for the year	(30,948)	6,956	(103,262)	(32,617)	-417%	28%
Capital expenditure and fund sources						
Capital expenditure	207,951	284,821	218,192	215,404		
Transfers recognised – capital	85,930	54,821	65,091	64,886	118%	100%
Public contributions and donations	-	0	0	0	0%	0%
Borrowing	112,179	205,000	133,147	132,020	64%	99%
Internally generated funds	9,841	25,000	19,954	18,498	74%	93%
Total sources of capital funds	207,951	284,821	218,192	215,404	76%	99%
Financial position						
Total current assets	438,022	394,107	517,229	542,234	134%	118%
Total non-current assets	4,563,094	4,556,859	4,490,230	4,619,730	129%	129%
Total current liabilities	401,285	353,582	353,582	490,422	138%	150%
Total non-current liabilities	729,252	975,839	975,839	834,253	99%	99%
Community wealth/ Equity	3,870,579	3,621,545	3,678,038	3,837,290	136%	140%
Cash flows						
Net cash from (used) operating	228,640	245,587	197,345	202,332	82%	103%
Net cash from (used) investing	(206,020)	(276,277)	(218,192)	(217,706)	79%	100%
Net cash from (used) financing	24,201	96 722	96 722	92 066	95%	95%
Cash/cash equivalents at the year end	182,668	131,540	254,662	259,526	197%	102%
Cash backing/surplus reconciliation						
Cash and investments available	182,668	131,540	254,662	259,526	197%	102%
Application of cash and investments	(129,750)	0	0	(109,633)		
Balance – surplus (shortfall)	52,919	131,540	254,662	149,893	114%	59%
Asset Management						

Financial Summary						
R'000						
Description	2013/2014	Current Year 2014/2015			2014/2015 % Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Asset register summary (WDV)	4,561,920	4,950,966	5,007,459	5,161,964	0%	0%
Depreciation and asset impairment	165,880	162,568	174,109	165,053	102%	95%
Renewal of existing assets	255,680					
Repairs and maintenance	58,989	62,257	72,681	72,374	116%	0%
Free services						
Cost of free basic services provided	54,146					
Revenue cost of free services provided	74,355					

Table 158: Financial Summary

Financial Performance of Operational Services						
R'000						
Description	2013/2014	Current Year 2014/2015			2014/2015 % Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	93,771	99,387	106,583	102,701	-3%	4%
Wastewater (Sanitation)	84,693	89,846	99,443	87,543	3%	c
Electricity	629,988	671,120	701,338	668,605	0%	5%
Waste Management	77,473	75,651	155,853	129,221	-71%	c
Component A: sub-total	885,926	860,353	907,364	858,849	0%	5%
Roads	82,204	91,770	92,294	89,014	3%	4%
Planning	12,308	33,636	34,772	33,327	1%	4%
Environmental Protection	0	0	0	0	0%	0%
Component B: sub-total	94,512	125,406	127,066	122,341	2%	4%
Community and Social Services	19,762	15,468	56,645	71,007	-359%	-25%
Sports and Recreation	51,451	58,094	60,201	58,091	0%	4%

Financial Performance of Operational Services						
R'000						
Description	2013/2014	Current Year 2014/2015			2014/2015 % Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Security and Safety	95,431	10,165	10,098	7,078	30%	30%
Housing	108,001	111,189	119,597	118,341	-6%	1%
Health	4,348	5,976	5,182	5,084	15%	2%
Component C: sub-total	278,993	200,892	251,723	259,601	-29%	-3%
Corporate Policy Offices and Other	264,158	372,863	481,295	395,073	-6%	18%
Component D: sub-total	264,158	372,863	481,295	395,073	-6%	18%
Total Expenditure	1,523,588	1,559,514	1,767,448	1,635,864	-5%	7%

Table 159: Financial Performance of Operational Services

COMMENT ON FINANCIAL PERFORMANCE

The financial performance of the organisation yielded excellent results. The actual operating revenue yielded a result of 96.6% when compared with the Final Adjustments Budget for 2014/2015. The actual operating expenditure yielded a result of 92.6% of the Final Adjustments Budget for 2013/2014. The deficit for the 2014/2015 financial year is mainly due to the significant increase in contributions for the provision for landfill site, which amounted to R58,129,184 – the sharp increase was due to a higher estimation for the ultimate rehabilitation of Drakenstein's eight landfills based on the revised minimum rehabilitation requirements set by the Department of Water and Sanitation.

The Municipality moved from an operating deficit of R 29.5 million in the 2013/2014 financial year to an operating deficit of R 28.9 million in the 2014/2015 financial year. Although moving in the right direction slowly but surely, the results still indicate that not all off-setting depreciation ('paper money') is fully cash funded. Through our Long-Term Financial Sustainability Policy we envisage to break even by the 2022/2023 financial year.

5.1 GRANTS

Grant Performance						
R'000						
Description	2013/2014	2014/2015			2014/2015 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	161,623	145,343	155,917	148,769	-2.36%	4.58%
Equitable share	75,995	85,321	85,321	85,321	0%	0%
Municipal Infrastructure Grant (MIG)	33,382	33,138	33,138	33,138	0%	0%
Municipal Systems Improvement	890	934	934	934	0%	0%
Department of Water Affairs	1,300	1,450	1,450	1,450	0%	0%
Electrification Grant	11,922	3,000	5,772	5,192	-73.07%	10.05%
Regional Bulk Services Infrastructure Grant	37,358	19,428	26,461	20,842	-7.28%	21.24%
Expanded Public Works Grant (EPWP)	816	1,000	1,211	1,211	-21.10%	0%
Other transfers/grants	0	600	1,000	574	4.33%	42.60%
Provincial Department:	44,763	82,436	92,131	64,365	21.92%	30.14%
Proclaimed Roads	0	15,934	15,934	15,934	0%	0%
Library Personnel	1,783	7,602	7,736	150	98.03%	98.06%
Housing	42,869	58,900	68,461	48,281	18.03%	29.48%
Community Development Workers	111	472	630	107	77.33%	83.02%
Other transfers/grants	0	0	0	0	0%	0%
Other grant providers:	21,722	6,948	10,374	852	87.74%	91.79%
	21,722	6,948	10,374	852	87.74%	91.79%
Total Operating Transfers and Grants	228,148	234,727	258,422	213,986	8.84%	17.20%

Table 160: Grant Performance

COMMENT ON OPERATING TRANSFERS AND GRANTS

All grants received that did not form part of the Division of Revenue Act (DORA) allocation as gazetted, were utilised as per conditions set in the service level agreements. All grants utilised were treated in accordance to GRAP 23.

Grants received from sources other than Division of Revenue Act (DORA)						
Details of Donor	Actual Grant 2013/2014	Actual Grant 2014/2015	2014/2015 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature of and benefit from the grant received, including description of any contributions in kind
A – Municipal Infrastructure Grant	33,305	33,138	0	30/06/2015	n/a	
B – Financial Management Grant	1,300	1,450	0	30/06/2015	n/a	
C – Municipal Systems Improvement Grant	890	934	0	30/06/2015	n/a	
D – Electrification Grant	14,500	3,000	0	30/06/2015	n/a	
E – RBIG	39,328	19,428	0	30/06/2015	n/a	
F- ROADS	0	15,934	0	30/06/2015	n/a	
Foreign Governments/Development Aid Agencies						
N/A						

Table 161: Grants received from sources other than Division of Revenue Act (DORA)

COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

All grants received that did not form part of the DORA allocation as gazetted, were utilised as per conditions set in the service level agreements. All grants utilised were treated in accordance with GRAP 23.

5.2 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset management at Drakenstein Municipality is guided by the Asset Management Policy of the Municipality, which is reviewed on an annual basis to ensure it complies with best practice and changes in legislation, including the latest GRAP requirements.

This policy commits the Municipality to the management and maintenance of Municipal assets in a way that is aligned with strategic objectives and recognised good practice, and also to the establishment and maintenance of an asset register that complies with the latest accounting standards.

The objectives of the Asset Management Section and the Asset Management Policy within the Drakenstein Municipality are to assist officials in understanding their legal and managerial responsibilities with regard to assets and to ensure:

- (a) consistent application of asset management principles;
- (b) application of accrual accounting;
- (c) compliance with the MFMA, GRAP and other related legislation;

- (d) optimisation of asset usage; and
- (e) effective and efficient safeguarding and control of assets of the Municipality, through safeguarding procedures and through the proper recording of assets from authorisation to acquisition and to subsequent disposal.

The acquisition and construction of infrastructure assets of the Municipality are planned in terms of priorities as determined in the IDP and by Council, and as per the different Infrastructure Master Plans.

Information regarding Asset Register updates in respect of disposals, adjustments, review of useful life, etc. is based on submissions by user departments in accordance with the procedures in place. Regular counts of movable assets are conducted in accordance with the prescriptions of the Asset Management Policy.

The Financial Services Directorate is responsible for maintaining an asset register for all assets capitalised. Assets under the control of each directorate are however managed by the relevant directors, which makes it clear that asset management is a function involving a large number of departments, indicating the need for a Coordination Committee to align the activities of all involved. Consequently the establishment of an Asset Management Committee was approved by the Executive Management Team during June 2015. It is envisaged that the process of successful implementation of the Asset Management Policy and Asset Management Strategy will be driven through this committee, with regular reporting to senior management, as envisaged in the *MFMA Local Government Asset Management Guideline*.

A number of issues related to asset management currently influence the Asset Management Strategy of the Municipality. The following are the most significant issues identified:

- Lack of an appropriate integrated asset management system.
Currently all asset systems do not integrate automatically. The asset register module on the SOLAR Management Information System is utilised to record and maintain mainly financial and limited other basic data regarding all asset components. Management envisages that the limitation be addressed by implementing an Asset Management System that will provide more up-to-date spatial data and information on maintenance and renewal requirements. Ideally the system will integrate with the financial system and provide data to also maintain financial information to full adherence with GRAP requirements. This will however be a time-consuming process due to the many aspects of asset management as well as the requirements of GRAP.

- Lack of capacity in the Asset Management Section.

This limitation was partly addressed through the appointment of two new staff members, contributing to the capacitation of the Asset Management Section, with the aim to produce a fully GRAP compliant asset register and to maintain such a register. The Municipality currently has six dedicated staff members assigned to asset management in the Financial Services Directorate. However, in terms of the organisational structure and the higher demands and standards required, the section is still inadequately staffed. The management of infrastructure assets is particularly challenging in that it necessitates the expertise of engineering staff with some accounting knowledge or background, a skill that is scarce. The Municipality has to rely on external service providers to update and manage the infrastructure portion of the assets.

Treatment of the largest assets acquired 2014/2015			
Asset 1			
Name	Upgrade of Bulk Sewer: Southern Paarl		
Description	Sewerage network		
Asset type	Infrastructure		
Key staff involved	Sanitation/sewerage services personnel		
Staff responsibilities	Project management / Maintenance of sewerage networks / Asset register compilation		
Asset Value	2012/2013	2013/2014	2014/2015
	R 16,446,477	R 16,446,477	R 16,446,477
Capital implications	External loan / Regional Bulk Infrastructure Grant Depreciation and payment of interest on loan used to fund project.		
Future purpose of asset	Eliminate possible pollution of the Berg River, make provision for future development. Open up large area for housing and business development and therefore job creation. Will alleviate the housing backlog		
Describe key issues	Vandalism of infrastructure a big obstacle		
Policies in place to manage asset	Asset Management Policy		
Asset 2			
Name	Proclaimed and Main Road Upgrades		
Description	Road network		
Asset type	Infrastructure		
Key staff involved	Sanitation/sewerage services personnel		
Staff responsibilities	Project management / Maintenance of sewerage networks / Asset register compilation		
Asset Value	2012/2013	2013/2014	2014/2015
	R 38,437,391	R 38,437,391	R 38,437,391
Capital implications	External loan / MIG funding Depreciation and payment of interest on loan used to fund project.		
Future purpose of asset	Reseal and refurbishment of main routes and proclaimed roads to maintain timeously. Improved safety and transport facilities, reduction in requiring large capital expenditure in future		
Describe key issues	Insufficient funding to execute proper maintenance		
Policies in place to manage asset	Asset Management Policy		

Treatment of the largest assets acquired 2014/2015			
Asset 3			
Name	11 Mℓ Newton Reservoir		
Description	Water network		
Asset type	Infrastructure		
Key staff involved	Water services personnel		
Staff responsibilities	Project management / Maintenance of water networks / Asset register compilation		
Asset Value	2012/2013	2013/2014	2014/2015
Capital implications	External loan / MIG funding Depreciation and payment of interest on loan used to fund project.		
Future purpose of asset	Reduce risk related to water retention and availability for the Wellington, Newton and Mbekweni area. Open area up for all types of development including low-cost and gap housing. Open up large area for housing and business development and therefore job creation. Will alleviate the housing backlog		
Describe key issues	Funding to complete booster pump station that forms part of the Newton Bulk Water Augmentation project.		
Policies in place to manage asset	Asset Management Policy		

Table 162: Treatment of the largest assets acquired 2014/2015

COMMENT ON ASSET MANAGEMENT

The above projects were identified through the Infrastructure Master Plans and the priorities contained in the IDP and were funded through loans and grants. No tariffs were raised to fund these projects.

The Municipality implemented a process whereby each capital project is approached and managed according to the requirements of the MFMA. The Council only approves projects where the full cost of the project, the future operating costs of the project as well as the effect that the costs associated with the project will have on tax and tariffs were considered by the Council.

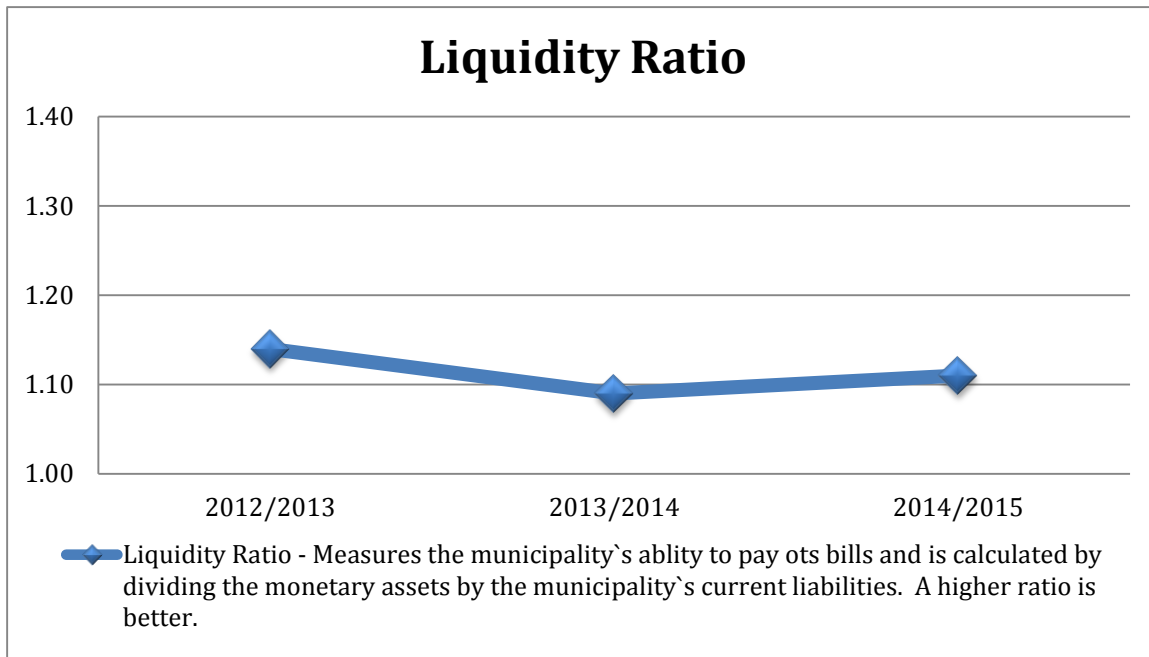
Repairs and Maintenance Expenditure 2014/2015				
				R'000
Description	Original Budget	Adjustments Budget	Actual	Budget Variance
Repairs and maintenance expenditure	62,257	72,681	72,374	(10,424)

Table 163: Repairs and Maintenance Expenditure 2014/2015

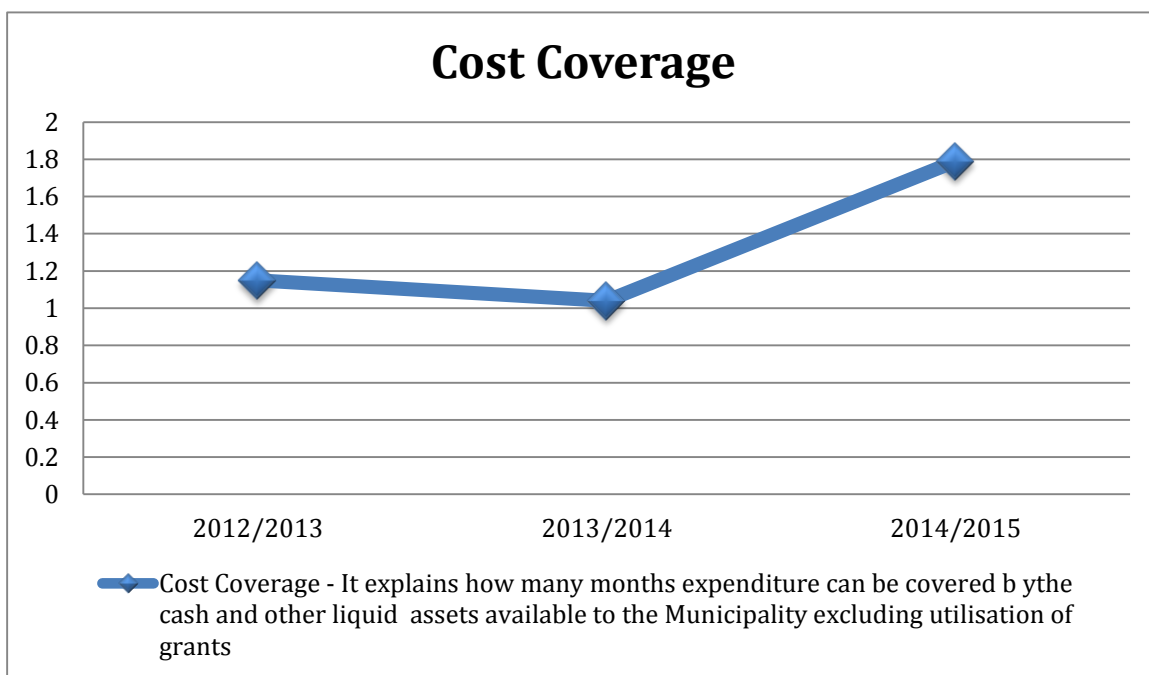
COMMENT ON REPAIRS AND MAINTENANCE EXPENDITURE

This expenditure reflects actual materials expenditure on budgeted repairs and maintenance items, but does not include internal labour, contracted services and vehicle costs.

5.3 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

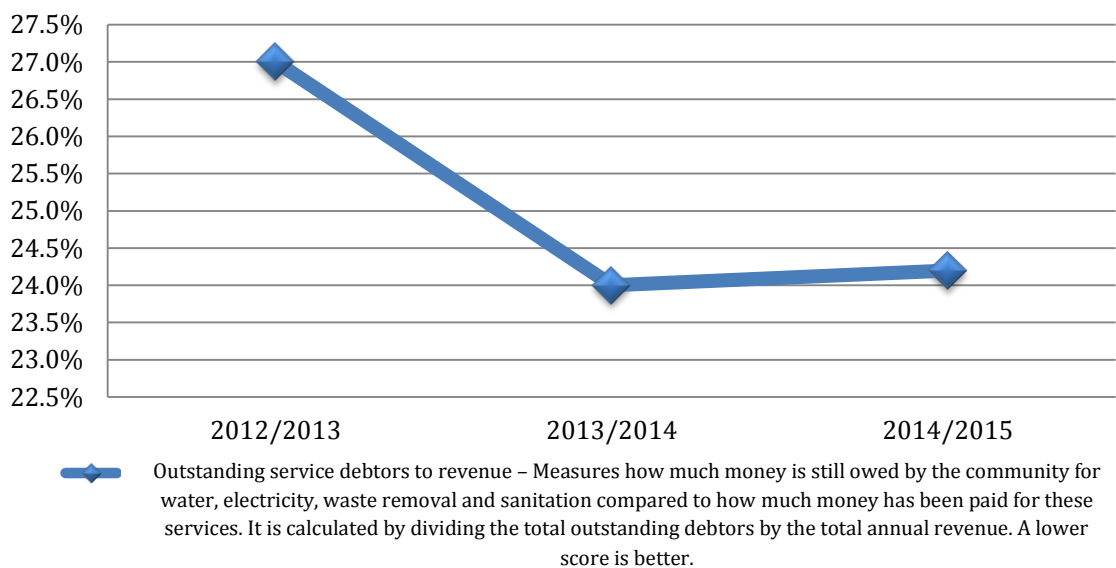


Graph 14: Liquidity Ratio



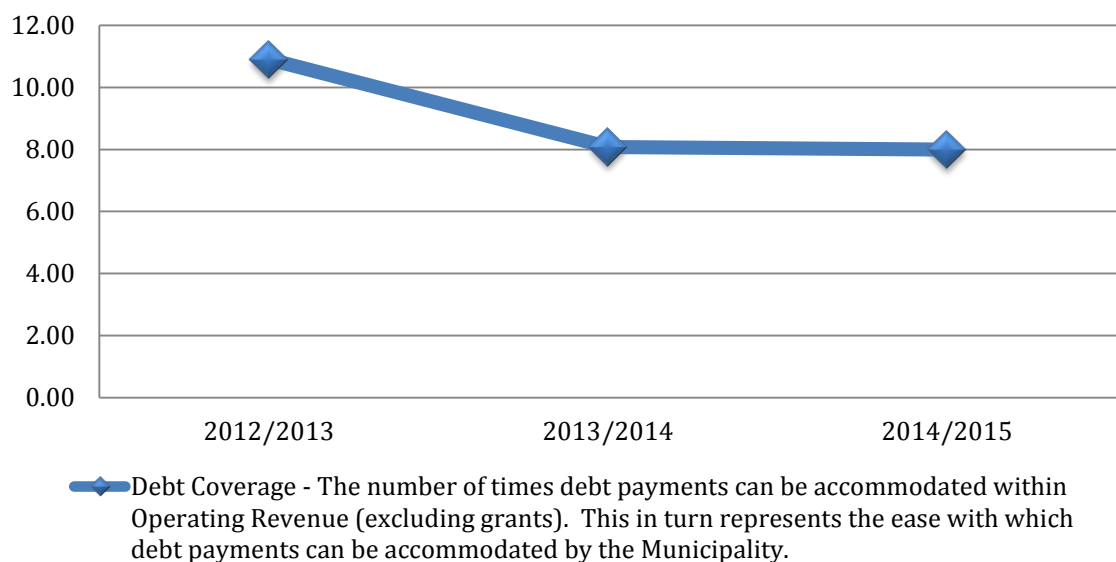
Graph 15: Cost Coverage

Outstanding Service Debtors to Revenue

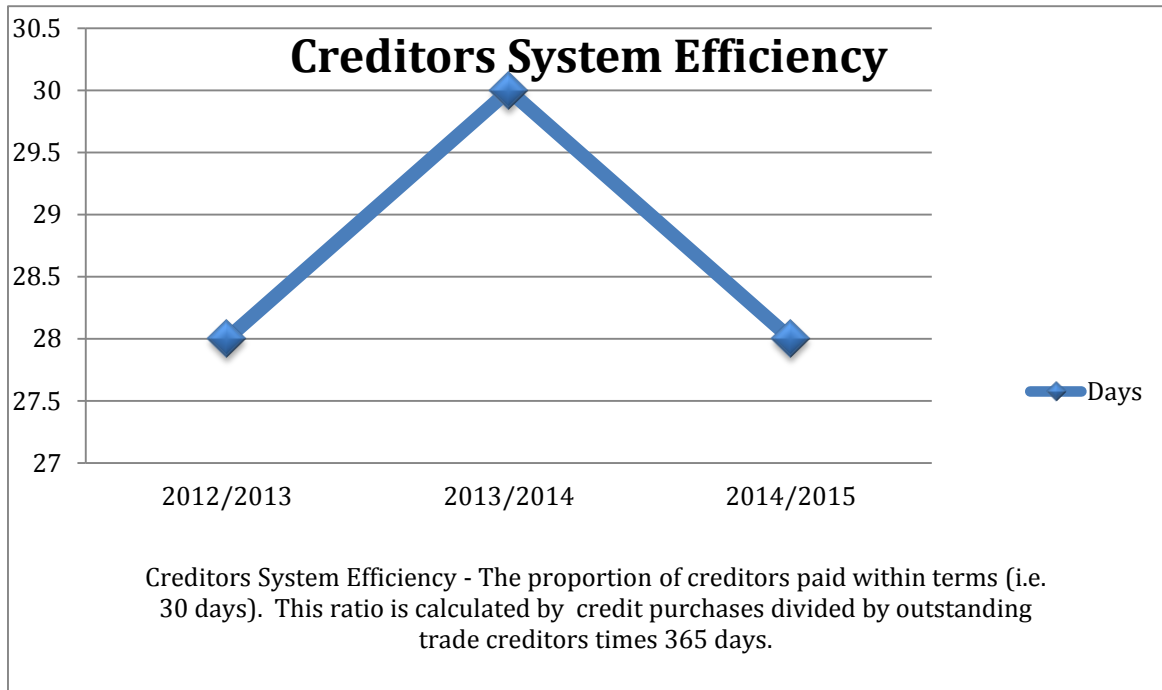


Graph 16: Outstanding Service Debtors to Revenue

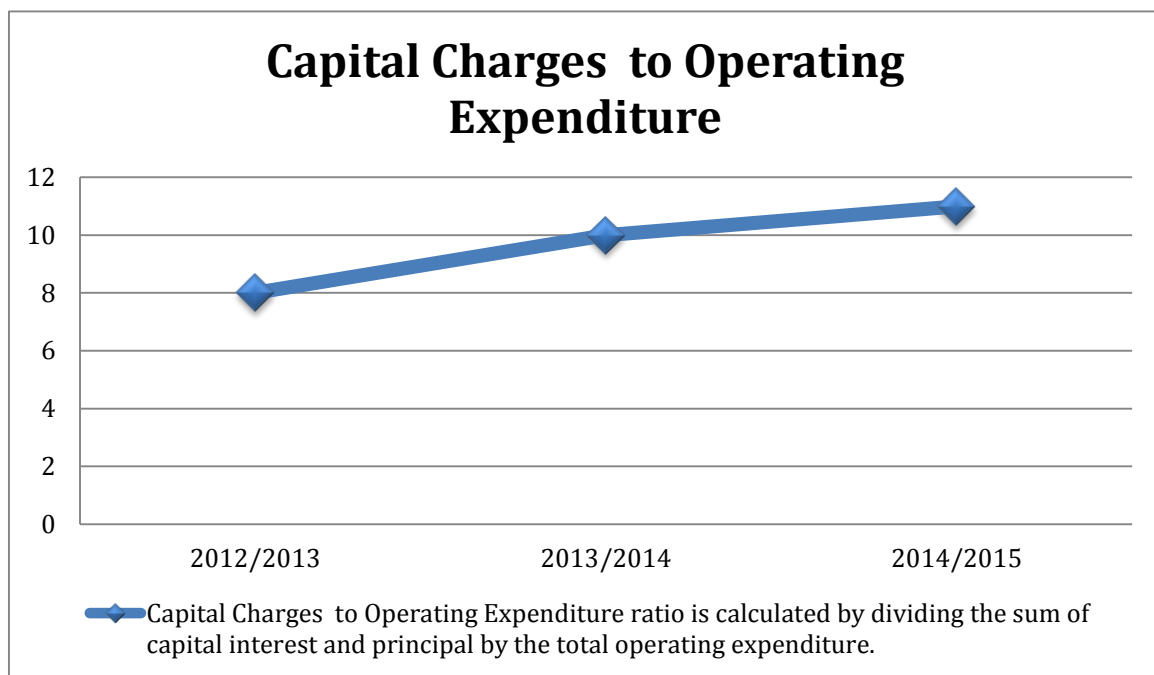
Debt Coverage



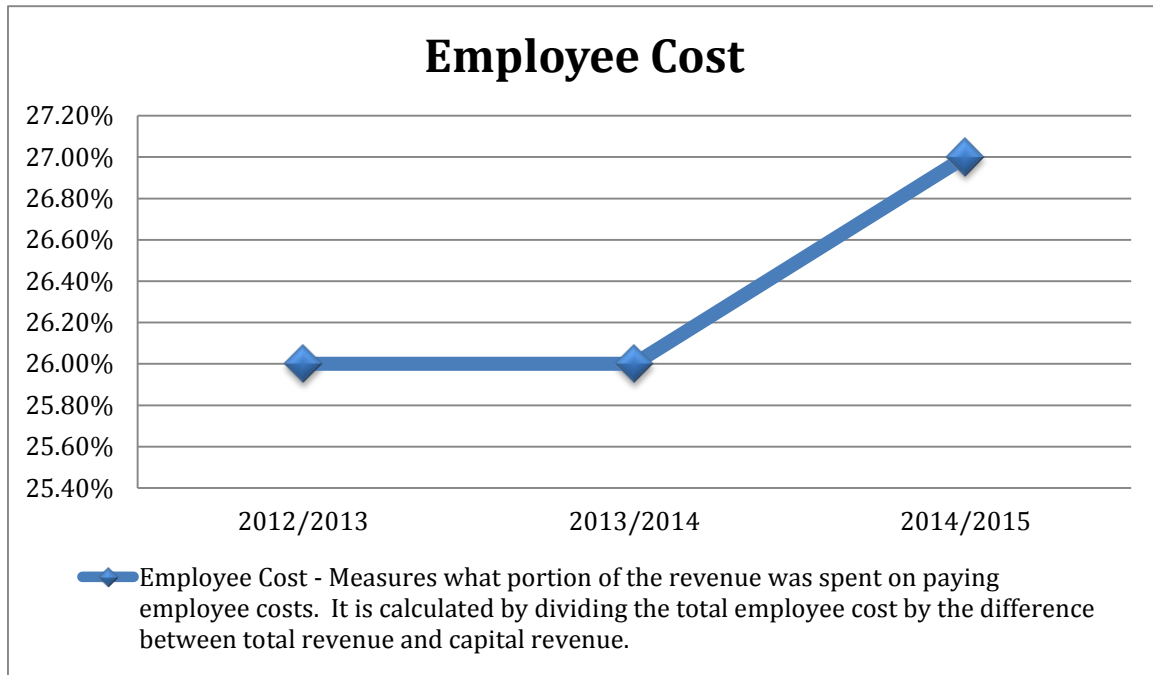
Graph 17: Debt Coverage



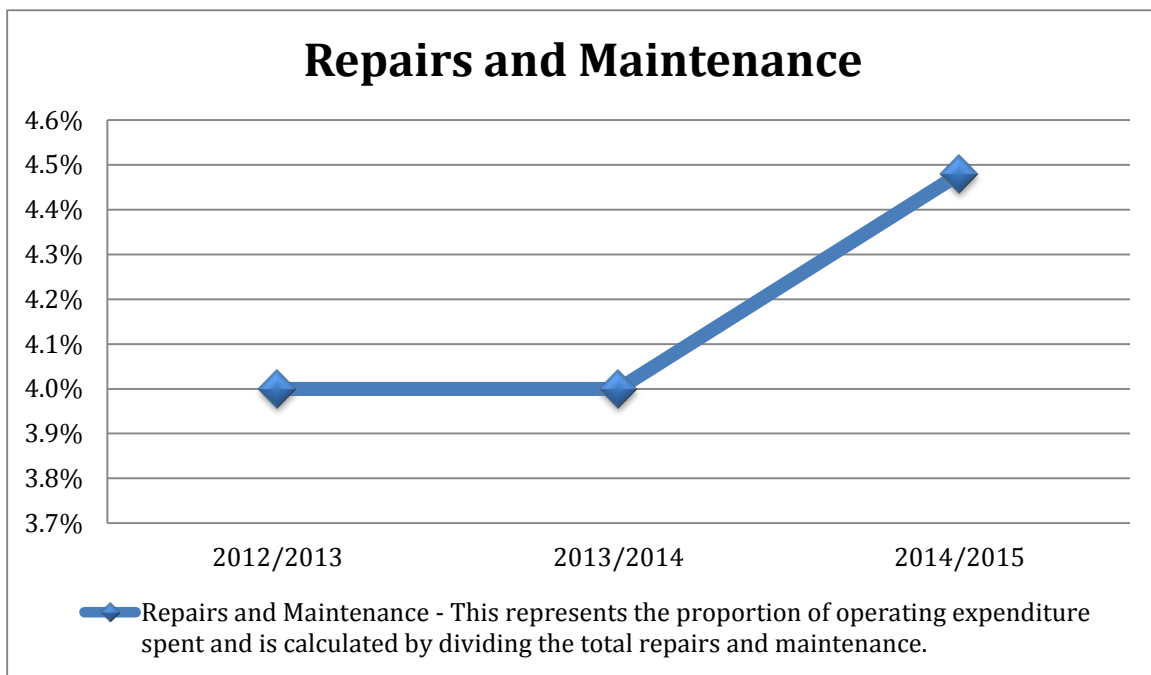
Graph 18: Creditors System Efficiency



Graph 19: Capital Charges to Operating Expenditure



Graph 20: Employee Cost



Graph 21: Repairs and Maintenance

COMMENT ON FINANCIAL RATIOS

The Liquidity Ratio represents the ability of the Municipality's current assets to service its current liabilities. This ratio shows a stable trend over the three years under review and the Municipality was still in a liquid position in the 2014/2015 financial year with a ratio of 1.11:1. It has to be noted that this is a very tight position which the organisation is striving to improve.

Cost Coverage

This ratio represents the number of months' fixed expenditure that can be covered by the cash and liquid assets available to the municipality.

The cost coverage ratio year on year however shows a positive upward trend from the 2012/2013 financial year to the 2013/2014 financial year to the current 1.8 times coverage for the 2014/2015 year.

Outstanding Service Debtors to Revenue

This ratio measures how much money is owed by debtors when compared to the generated revenue. This is a measure of what the fraction of outstanding debt is from the total generated revenue. This ratio has remained stable year on year, which is a good indication that the debt situation of the Municipality is improving slightly year on year.

Debt Coverage

This ratio shows a stable trend from 2013/2014. Although stable, the low debt coverage remains a concern for the organisation, as it means that the capacity of the Municipality to pay off its debt is decreasing due to the large amounts of external loans taken up by the Municipality. A very strict approach to the management of external loans is required in order to carefully manage loans taken up and loans that still need to be taken up.

Creditors System Efficiency

The creditors payment period increased from 28 days to 30 days from 2012/2013 to 2013/2014 but once again decreased to 28 days in 2014/2015. The legislated payment period in terms of Section 65 of the MFMA is 30 days and the organisation is thus operating within the norm and the legislated timeframe when it comes to the payment of creditors.

Capital Charges to Operating Expenditure

This ratio indicates the percentage that capital charges make out of the total operating expenditure. This is an indication of how geared the organisation is. This ratio is still a concern as it shows an upward trend for the last three years under review.

Employee Cost

This ratio represents the percentage employee cost compared to the total expenditure of Council. This ratio is within the norm of the industry.

Repairs and Maintenance

The percentage amount of repairs and maintenance shows a slightly increased trend year on year, which could be an indication that the replacement programme of Council is effective and more money is being spent on the maintenance of capital assets.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

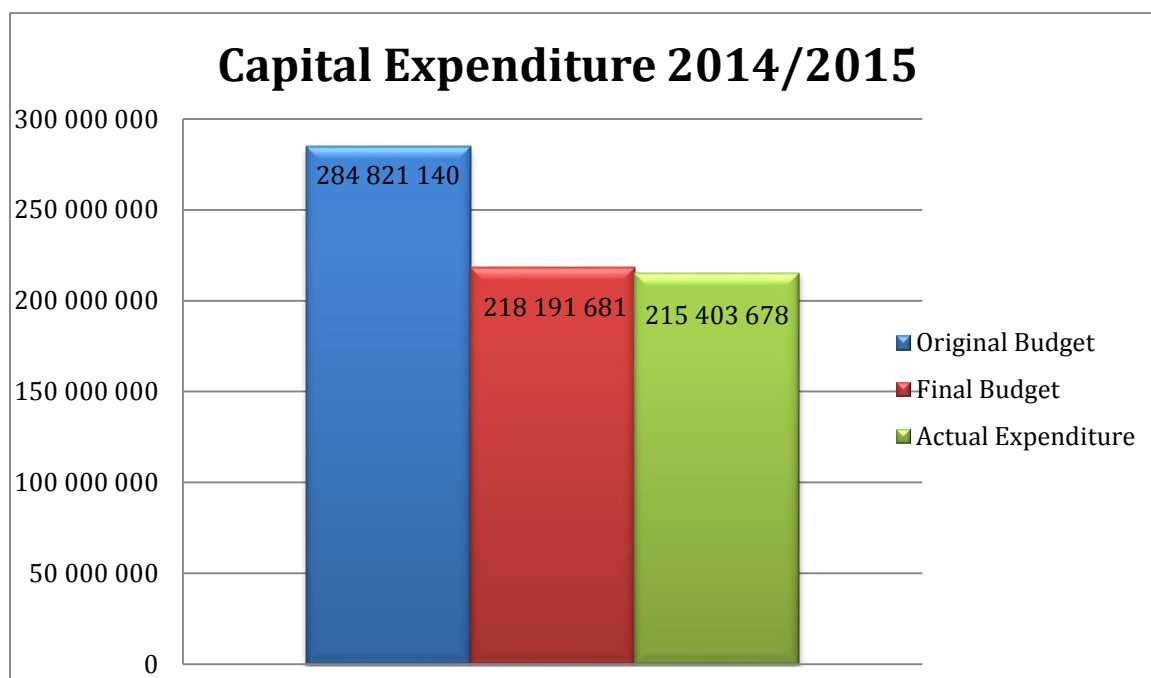
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects of which the value will last over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. Component B provides an overview of the sources of asset finance and the utilisation of assets as planned.

The major infrastructure projects funded from the Capital Budget were (a) the upgrade of the bulk sewer in Southern Paarl; (b) proclaimed and main road upgrades; (c) construction of a reservoir in the Newton Area; (d) the replacement of the Strawberry King bulk water pipe; and (e) the construction of Stokery Road in Wellington. These projects represent 43.89% of the total capital budget spend.

Refer to **Appendices L** (relating to the new works and renewal programmes), **M** (relating to the full programme of full capital projects, and **N** (relating to the alignment of projects to wards) for a further analysis of capital expenditure.

5.4 CAPITAL EXPENDITURE



Graph 22: Capital Expenditure

5.5 SOURCES OF FINANCE

Capital Expenditure - Funding Sources 2014/2015						
Details	2013/2014	2014/2015			R'000	
	Actual	Original Budget (OB)	Adjustments Budget (AB)	Actual	Adjustments to OB Variance %	Actual to AB Variance (%)
Source of finance						
External loans	112,179	205,000	133,147	132,020	65%	99%
Public contributions and donations	0	0	0	0	0%	0%
Grants and subsidies	85,930	54,821	65,091	64,886	119%	100%
Other	9,841	2,000	19,954	18,498	80%	93%
Total	207,951	284,821	218,192	215,404		
Percentage of finance						
External loans	54%	72%	61%	61%	85%	100%
Public contributions and donations	0%	0%	0%	0%	0%	0%
Grants and subsidies	41%	19%	30%	30%	155%	101%
Other	5%	9%	9%	9%	104%	94%
Capital expenditure						
Water and sanitation	110,580	139,145	96,422	96,380	69%	100%
Electricity	20,377	26,627	18,537	17,850	70%	96%
Housing	549	4,200	3,547	3,516	84%	99%
Roads and stormwater	29,545	53,011	52,101	51,990	98%	100%
Other	46,900	61,838	47,585	45,668	77%	96%
Total	207,951	284,821	218,192	215,404		
Percentage of expenditure						

Capital Expenditure – Funding Sources 2014/2015						
Details	2013/2014	2014/2015				R'000
	Actual	Original Budget (OB)	Adjustments Budget (AB)	Actual	Adjustments to OB Variance %	Actual to AB Variance (%)
Water and sanitation	53%	49%	44%	45%	90%	101%
Electricity	10%	9%	8%	8%	91%	98%
Housing	0%	1%	2%	2%	110%	100%
Roads and stormwater	14%	19%	24%	24%	128%	101%
Other	23%	22%	22%	21%	100%	97%

Table 164: Capital Expenditure – Funding Sources – 2014/2015

COMMENT ON SOURCES OF FUNDING

Overall, 98.7% of the Capital Budget was spent during the 2014/2015 financial year.

The Municipality is working on streamlining in-house processes to ensure that it reaches as close to 100% spending as possible.

5.6 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Capital Expenditure of five largest projects					
R					
Name of project	Current year			Variance year	
	Original Budget	Adjustments Budget	Actual Expenditure	Original Variance (%)	Adjustments Variance (%)
Upgrade Bulk Sewer: Southern Paarl	26,200,000	27,073,088	27,073,088	3.3%	0%
Proclaimed and Main Road Upgrades	20,917,977	20,917,977	20,917,008	0%	0%
11 Mℓ Newton Reservoir	16,061,000	18,462,606	18,461,440	14.9%	0%
Replace of Strawberry King Bulk Water Pipe	11,600,000	10,123,226	10,123,219	-12.7%	0%
Construction of Stokery Road, Wellington	15,000,000	18,031,869	17,965,946	19.8%	-0.4%
<i>*Projects with the highest capital expenditure in 2014/2015</i>					
Name of Project A	Upgrade Bulk Sewer: Southern Paarl				
Objective of project	Eliminate possible pollution of the Berg River, make provision for future development				
Delays	Not applicable, work to be completed in April 2016 only. Delay in grant funding from Department of Water and Sanitation				
Future challenges	Vandalism of infrastructure a big obstacle				
Anticipated citizen benefits	Open up large area for housing and business development and therefore job creation. Will alleviate the housing backlog				
Name of Project B	Proclaimed and Main Road Upgrades				

Capital Expenditure of five largest projects					
R					
Name of project	Current year			Variance year	
	Original Budget	Adjustments Budget	Actual Expenditure	Original Variance (%)	Adjustments Variance (%)
Objective of project	Reseal and refurbishment of main routes and proclaimed roads to maintain timeously				
Delays	None				
Future challenges	Insufficient funding to execute proper maintenance				
Anticipated citizen benefits	Improved safety and transport facilities, reduction in requiring large capital expenditure in future				
Name of Project C	11 Mℓ Newton Reservoir				
Objective of project	Reduce risk related to water retention and availability for the Wellington, Newton and Mbekweni areas. Open area up for all types of development including low-cost and gap housing.				
Delays	Project is on programme				
Future challenges	Funding to complete booster pump station that forms part of the Newton Bulk Water Augmentation project.				
Anticipated citizen benefits	Open up large area for housing and business development and therefore job creation. Will alleviate the housing backlog				
Name of Project D	Replacement of Strawberry King Bulk Water Pipe				
Objective of project	Reducing water security risk for the Wellington, Newton and Mbekweni areas.				
Delays	The project will only to be completed over a six- to eight-year period				
Future challenges	Vandalism of infrastructure a big obstacle. Open area up for all types of development including low-cost and gap housing.				
Anticipated citizen benefits	Open up large area for housing and business development and therefore job creation. Will alleviate the housing backlog.				
Name of Project E	Construction of Stokery Road, Wellington				
Objective of project	Upgrade of road to dual carriageway				
Delays	Some due to adverse subsurface conditions				
Future challenges	None				
Anticipated citizen benefits	Improved road safety and transport facilities				

Table 165: Capital Expenditure of five largest projects

COMMENT ON CAPITAL PROJECTS

Deviations noted in the actual vs. budgeted spend of the infrastructure above were due to delays in the electrification of housing projects because of the holdup in community participation and the fact that certain housing projects did not start according to timelines. The Municipality received additional funds from the national fiscus through the Regional Bulk Infrastructure Grant to boost the project, Upgrade Bulk Sewer: Carolina Road to Amstelhof.

5.7 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Infrastructure Services represents the core of service delivery to the community.

The infrastructure must be replaced, rehabilitated and maintained within acceptable norms and standards to ensure the reliable provision of services. The total replacement cost of the existing infrastructure services is R 8 billion. The assets have depreciated to approximately 45% of the replacement value and insufficient funds are available to replace and maintain the assets to meet the growing demand.

However, a risk assessment study was undertaken to determine the most important assets that should be replaced and maintained to ensure service delivery.

The provision of basic services to the informal areas is a moving target due to the migration of informal inhabitants into the areas. Services in terms of minimum standards are provided but need to be extended on an annual basis, which places a burden on the Capital Budget.

Service Backlogs as at 30 June 2015				
	Households (HHs)			
	*Service level above minimum standard		**Service level below minimum standard	
	No. of HHs	% HHs	No. of HHs	% HHs
Water	64,551	100	297	0.0
Sanitation	63,665	98.0	1,183	0.2
Electricity	51,604 ¹	79.59	13,244 ¹	20.41
Waste Management	43,385	100	0	0
Housing	*	*	*	*
% HHs are the service above/below minimum standard as a proportion of total HHs. "Housing" refers to *formal and **informal settlements.				

*Note: Housing backlogs addressed in Table 2. The required information cannot be provided in terms of households.

** Note: No backlog on providing minimum services to formal households.

Only some informal settlements are below the minimum service level.

¹Figures now include Eskom areas but exclude Stellenbosch areas of Pniel and Hollandse Molen

Table 166: Service Backlogs as at 30 June 2015

Municipal Infrastructure Grant (MIG) * Expenditure 2014/2015 on Service Backlogs						
R						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Infrastructure – Road transport				0	0	
Roads, pavements and bridges	0	0	0	0%	0%	
Stormwater	0	0	0	0%	0%	
Infrastructure – Electricity	437	437	437	0%	0%	
Generation	0	0	0	0%	0%	
Transmission and Reticulation	0	0	0	0%	0%	
Street lighting	437	437	437	0%	0%	
Infrastructure – Water	8,036	8,036	8,036	0%	0%	
Dams and reservoirs	0	0	0	0%	0%	
Water purification	0	0	0	0%	0%	
Reticulation	8,036	8,036	8,036	0%	0%	
Infrastructure – Sanitation	18,951	18,951	18,951	0%	0%	
Reticulation	18,951	18,951	18,951	0%	0%	
Sewerage purification	0	0	0	0%	0%	
Infrastructure – Other						
Waste Management	0	0	0	%	%	
Transportation	0	0	0	%	%	
Gas	0	0	0	%	%	
Other	5,714	5,714	5,714	0%	0%	
PMU	1,657	1,657	1,657	0%	0%	
Sport	4,057	4,057	4,057	0%	0%	
				%	%	
Total	33,138	33,138	33,138	0%	0%	

Table 167: MIG Expenditure 2014/2015 on Service Backlogs

COMMENT ON BACKLOGS

The MIG allocation for 2014/2015 was **R 33,138,000** and the 100% expenditure thereof resulted in additional service delivery. The main beneficiaries are the poorer

communities as they are given better infrastructure which assists in improving their standard of living.

Most of 2014/2015 MIG funds were spent on multi-year projects and are still on-going.

The following projects resulted in additional service delivery:

- Paarl: Siyahlala: Bo Dal Rd: New Street Lighting
50% completed (800 households benefited); and
- Newton: Construction of two 11 Mℓ reservoirs
Phase 1 (1 x 11 Mℓ Reservoir) completed and operational
Approximately 7,500 households benefiting

The following projects are on-going and will further reduce backlogs once completed:

- Strawberry King to Wellington: New Water Pipeline;
- Wellington: Upgrade of Wastewater Treatment Works;
- Newton: Construction of two 11 Mℓ reservoirs;
- Upgrading of Weltevrede Sports Ground;
- Upgrading of Hermon Sports Ground; and
- Paarl: Siyahlala: Bo Dal Rd: New Street Lighting.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow is of vital importance to the health of a municipality. The Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) requires that a municipality must establish an appropriate and effective cash management and investment policy. Under this policy, the municipality must:

- conduct its cash management and investments;
- invest money not immediately required; and
- surplus cash refers to money that is not immediately required for expenditure; this surplus could include income from rates and services, rents, fines, grants, subsidies, levies and interest earned on investments.

Investments are placed with top creditworthy institutions as rated by nationally recognised credit rating agencies.

The department reports regularly to the Executive Mayor, the Finance Portfolio Committee, the Auditor-General and the National Treasury in order to assess the performance of the investment portfolio and to ensure that the investments comply with policy objectives, guidelines, applicable laws and regulations.

5.8 CASH FLOW

Cash Flow Outcomes				
Description	2013/2014	Current Year 2014/2015		
	Audited Outcome	Original Budget	Adjustments Budget	Actual
Cash Flow from operating activities				
Receipts				1,571,693
Ratepayers and other	1,259,557,801	1,275,680,717	1,357,237,980	1,353,263
Government – Operating	149,202,087	161,876,170	147,238,453	139,777
Government – Capital	97,447,304	54,671,140	75,756,526	64,886
Interest	9,840,452	18,764,508	20,585,029	13,752
Dividends	15,120	15,120	15,120	15
Payments				(1,369,361)
Suppliers and employees	-1,227,591,419	-1,207,992,703	-1,337,072,533	(1,306,268)
Finance charges	-58,975,521	-56,833,009	-65,820,412	(61,025)
Transfers and Grants	-836,706	-595,000	-595,000	(2,068)
Net cash from (used) operating activities	228,659,118	245,586,943	197,345,163	202,332
Cash flow from investing activities				
Receipts				(217,706)
Proceeds on disposal of PPE	1,539,002	250,000	250,000	(215,404)
Decrease (Increase) in non-current debtors	0	0	0	(2,302)
Decrease (Increase) other non-current receivables	392,152	-250,359	-250,359	0
Decrease (Increase) in non-current investments	0	0	0	0
Payments				0
Capital assets	-207,951,178	-276,276,506	-218,191,681	0
Net cash from (used) investing activities	-206,020,025	-276,276,865	-58,084,824	(217,706)
Cash flow from financing activities				
Receipts				92,066
Short-term loans	0	0	0	0
Borrowing long term/refinancing	119,927,784	205,000,000	205,000,000	89,355
Increase (Decrease) in consumer deposits	2,536,291	654,779	654,779	2,711
Payments				0
Repayment of borrowing	-98,262,569	-108,932,338	-108,932,338	1,571,693
Net cash from (used) financing activities	24,201,506	96,722,441	96,722,441	92,066
Net increase/(Decrease) in cash held	46,840,600	66,032,519	75,875,563	76,692
Cash/cash equivalents at the beginning of the year	135,992,365	65,507,289	178,786,182	182,833
Cash/cash equivalents at the end of the year	182,668,002	131,539,809	254,661,745	259,525

Table 168: Cash Flow Outcomes

COMMENT ON CASH FLOW OUTCOMES

Cash received from debtors has increased from the prior year, indicating an effective implementation of the Debtors' Policy. Fewer operating grants were received than were budgeted, mainly as a result of a delay in the receipt of housing subsidies from the Western Cape Government, Department of Human Settlements.

5.9 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

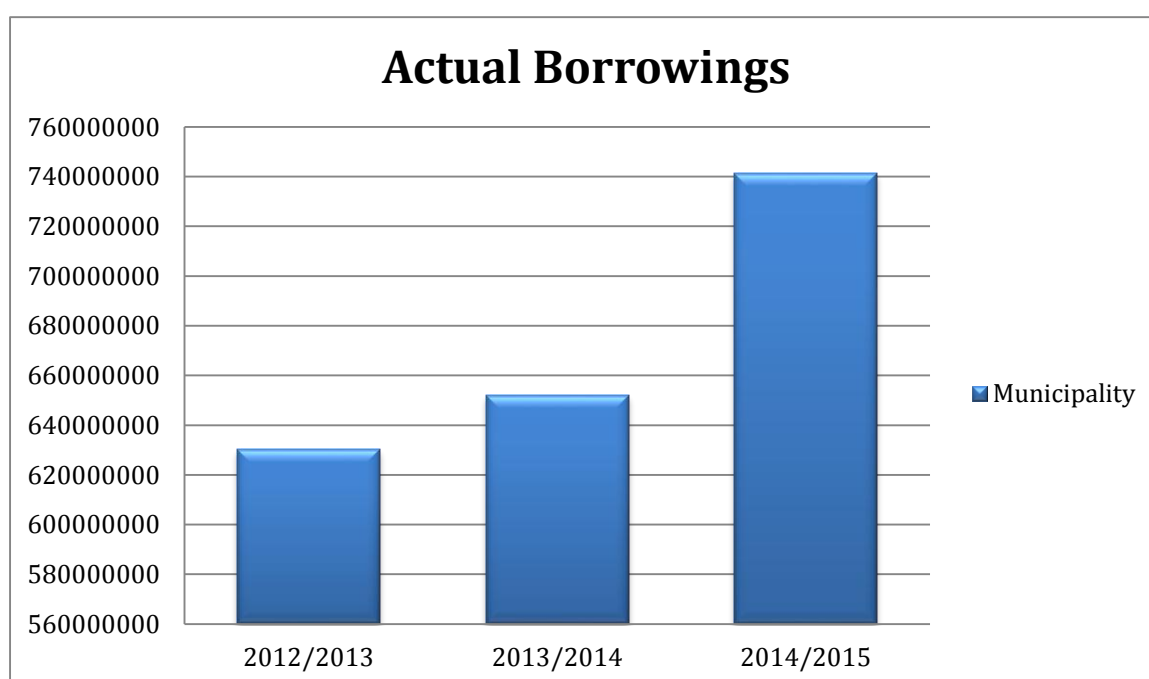
The application of the Municipality's Investment Policy aims to gain the optimal return on investments, without incurring undue risks, during those periods when cash revenue is not needed for capital or operational purposes, whereas the Borrowing Policy aims to gain the lowest interest rate on external borrowings.

Actual Borrowings 2012/2013 – 2014/2015			
Instrument	2012/2013	2013/2014	2014/2015
Municipality			
Long-term loans (annuity/reducing balance)	630,237	651,902	741,258
Long-term loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment credit	-	-	-
Financial liabilities	-	-	-
PPP liabilities	-	-	-
Finance granted by capital equipment supplier	-	-	-
Marketable bonds	-	-	-
Non-marketable bonds	-	-	-
Bankers acceptances	-	-	-
Financial derivatives	-	-	-
Other securities	-	-	-
Municipality total	630,237	651,902	741,258

Table 169: Actual Borrowings 2012/2013 – 2014/2015

Municipal and Entity Investments			
Instrument	2012/2013	2013/2014	2014/2015
	Actual	Actual	Actual
Municipality			
Securities – National government	-	-	
Listed Corporate Bonds	153	139	142
Deposits – Bank	70,634	159,008	225,836
Deposits – Public Investment Commissioners	-	-	-
Deposits – Corporation for Public Deposits	-	-	-
Bankers Acceptance Certificates	-	-	-
Negotiable Certificates of Deposit – Banks	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-
Repurchase Agreements – Banks	-	-	-
Municipal Bonds	-	-	-
Other	-	-	-
Municipality sub-total	70,787	159,147	225,978

Table 170: Municipal and Entity Investments



Graph 23: Actual Borrowings

COMMENT ON BORROWING AND INVESTMENTS

Investments have increased since the previous financial year, whereas borrowings have also increased due to the increased investment in infrastructure. The Municipality is nearing its point of effective gearing and will thus have to seek other sources of finance in future, such as government grants, or will need to revise its investment in infrastructure going forward.

5.10 PUBLIC-PRIVATE PARTNERSHIPS

PUBLIC-PRIVATE PARTNERSHIPS

Drakenstein Municipality has commenced with the establishment of a public-private partnership. The Waste to Energy Project is in the process of being externally assessed as prescribed by Section 78(3) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

COMPONENT D: OTHER FINANCIAL MATTERS

5.11 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Municipality has to submit the current Supply Chain Management Policy to National and Provincial Treasury on an annual basis for scrutiny and compliance verification against the Model Supply Chain Management Policy that was issued by National Treasury. The purpose of this exercise is to determine whether the Municipal Supply Chain Management Policy deviates from the stipulations of the Model Supply Chain Management Policy and Supply Chain Management Regulations. The Supply Chain Management Policy was reviewed during the 2014/2015 financial year. Certain amendments to the policy were tabled before Council in order to improve operational efficiency.

A committee system for competitive bids is functional, with stated and assigned delegations issued and signed by the respective members serving on the respective committees. No Councillor is a member of or acts as an observer at any bid committee evaluating or approving tenders, quotations, contracts or other bids. The SCM Manager and the SCM Specialist have obtained the prescribed competency levels for municipal finance management and three other senior supply chain management officials are in the process of obtaining the required accreditation.

5.12 GRAP COMPLIANCE

The Municipality has fully implemented the Standards of GRAP (Generally Recognised Accounting Practice) in accordance with the MFMA and Directive 5 issued by the Accounting Standards Board (ASB) and did not deviate from any standard. During the year the Municipality adopted GRAP 105: Transfers between entities under common control, GRAP 106: Transfers between entities not under common control and GRAP 107: Mergers, and furthermore the consequential amendments to the following standards of GRAP were adopted:

Reference	Topic
GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 13	Leases
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23	Revenue from Non-exchange Transactions
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating Assets
GRAP 31	Intangible Assets
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments

Table 171: GRAP Compliance List

The adoption of the standards and interpretation above did not have a significant impact on the financial position, financial performance or cash flows of the Municipality.

Chapter 1: Mayor's Foreword and Executive Summary

Chapter 2: Governance

Chapter 3: Service Delivery Performance (Performance Report)

Chapter 4: Organisational Development Performance

Chapter 5: Financial Performance

Chapter 6: Auditor-General Audit Findings

Glossary

Appendices

CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS

- Component A: Auditor-General opinion of Financial Statements 2013/2014
- Component B: Auditor-General opinion of Financial Statements 2014/2015
- Glossary
- Appendices

The Annual Financial Statements as set out in Volume I and the Annual Performance Report as set out in Volume V was submitted to the Auditor-General on 31 August 2015. The Auditor-General performed their audit during the months of July to November 2015 and submitted their Auditor-General's Report (attached hereto as Volume II) as required by Section 126(3) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) to the Municipality on 30 November 2015.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2013/2014

Auditor-General Report on Financial Performance 2013/2014	
Audit Report Status	Unqualified Audit Opinion
Non-compliance issues	Remedial action taken
None	Not applicable

Table 172: Auditor-General Report on Financial Performance 2013/2014

Auditor-General Report on Service Delivery 2013/2014	
Status of Audit Report	Clean Audit Opinion
Non-compliance issues	Remedial action taken
None	Not applicable

Table 173: Auditor-General Report on Service Delivery 2013/2014

COMPONENT B: AUDITOR-GENERAL OPINION 2014/2015

6.1 AUDITOR-GENERAL REPORT 2014/2015

Auditor-General Report on Financial Performance 2014/2015	
Status of Audit Report	Unqualified Audit Opinion
Non-compliance issues	Remedial action taken
None	Not applicable

Table 174: Auditor-General Report on Financial Performance 2014/2015

Auditor-General Report on Service Delivery 2014/2015*	
Status of Audit Report	Clean Audit Opinion
Non-compliance issues	Remedial action taken
None	Not applicable

Table 175: Auditor-General Report on Service Delivery 2014/2015

AUDITOR-GENERAL REPORT ON THE FINANCIAL STATEMENTS 2014/2015

The Auditor-General's Report in paragraph 6 of the report attached hereto as Volume II gave Drakenstein Municipality a clean bill of health and we quote:

"In my opinion, the financial statements present fairly, in all material respects, the financial position of the Drakenstein Municipality as at 30 June 2015 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA."

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Predetermined objectives

The Auditor-General's Report in paragraph 19 of the report attached hereto as Volume II gave Drakenstein Municipality a clean bill of health and we quote:

"I did not identify material findings on the usefulness and reliability of the reported performance information for the following key performance areas:

- *Key Performance Area 2: Physical infrastructure and energy efficiency on pages 17 to 20*
- *Key Performance Area 3: Services and customer care on pages 21 to 24*
- *Key Performance Area 4: Economic growth and development on pages 25 to 29*
- *Key Performance Area 6: Social and community development on pages 33 to 36"*

Compliance with legislation

The Auditor-General's Report in paragraph 23 of the report attached hereto as Volume II gave Drakenstein Municipality a clean bill of health and we quote:

"I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA."

Internal control

The Auditor-General's Report in paragraph 24 of the report attached hereto as Volume II gave Drakenstein Municipality a clean bill of health and we quote:

"I considered internal control relevant to my audit of the financial statements, performance report and compliance with legislation. I did not identify any significant deficiencies in internal control."

COMMENTS ON AUDITOR-GENERAL'S OPINION 2014/2015

Drakenstein Municipality received an unqualified opinion with no other matters on the Annual Financial Statements and performance information for the 2014/2015 financial

year. It is clear in the opinion of the Auditor-General that Drakenstein Municipality's financial position and service delivery performance are sound and that sound leadership, financial management and internal control practices are in place.

Management submits monthly Section 71 of the MFMA reports in the required format to National Treasury and the Western Cape Provincial Treasury and the same information in a layman's report to the Executive Mayor and Council.

Signed (Chief Financial Officer)..... Dated

GLOSSARY

Glossary	
Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give " <i>full and regular</i> " reports on the matters under their control to parliament and provincial legislatures as prescribed by the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). This includes plans, budgets, in-year and annual reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe " <i>what we do</i> ".
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003). Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor-General and approved by Council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided, it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.

Glossary	
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are " <i>what we use to do the work</i> ". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Sets out municipal goals and development plans.
National Key Performance Areas	<ul style="list-style-type: none"> • Service delivery and infrastructure; • Economic development; • Municipal transformation and institutional development; • Financial viability and management; and • Good governance and community participation.
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are " <i>what we wish to achieve</i> ".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as " <i>what we produce or deliver</i> ". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunisation, or a service such as processing an application) that contributes to the achievement of a key result area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered).
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this employee performance management and development system (EPMDS), performance standards are divided into indicators and the time factor.
Performance Targets	The level of performance that municipalities and its employees strive to achieve. Performance targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery and Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p>a) <i>one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p>b) <i>which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.</i></p>

APPENDICES

APPENDIX A: COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, committees allocated and Council attendance						
Council members	Full-time	Part-time	Committees allocated	*Ward and /or party represented	Percentage Council Meetings attended	Percentage apologies for non-attendance
					%	%
Adams, Noël David	√		Community Services	Proportional	100	N/A
Adriaanse, Miriam Maria		√	Infrastructure Services	Ward 24	90	50
Afrika, Amelda Felicity		√	Community Services	Proportional	85	100
Allom, Amina		√	Infrastructure Services	Ward 25	82	100
Apollis, Cupido Jacobus Johannes		√	Corporate Services	Proportional	85	90
Appollis, Mariëtte Bernice		√	Community Services	Proportional	80	75
Arnolds, Ruth Belldine		√	Corporate Services	Ward 7	88	50
Bekeer, Abraham		√	MPAC	Proportional	85	100
Blanckenberg, Derrick Solomon		√	Corporate Services	Proportional	90	100
Bolani, Luvuyo Espin		√	Infrastructure Services	Proportional	82	100
Buckle, Albertus Marthinus Loubser		√	MPAC	Ward 18	92	100
Combrink, Gert Cornelius	√		Financial Services	Proportional	100	N/A
Cupido, Felix Patric		√	Community Services	Proportional	95	100
Cupido, Patricia Beverley Ann		√	Financial Services	Proportional	87	100
Daries, Lutisia Nancy		√	Appeals Committee and Planning and Economic Development	Ward 22	88	100
Davids, Claire Olivia		√	Infrastructure Services	Proportional	91	0
Davids, Sharon Winona replaced by Julius, Elmarie		√	MPAC	Proportional	80	100
De Beer, Abraham Hendrik replaced by Jacobs, Andre		√	Infrastructure Services	Proportional	63.6	100
De Goede, Hendrik Ruben		√	Financial Services	Ward 19	95	100
De Wet, Jo-Ann		√	MPAC	Proportional	100	N/A
Du Toit, Lourens Matthys	√		Community Services	Ward 17	100	N/A
Gouws, Eva		√	Corporate Services	Ward 21	90	100
Gwada, Zuko Lawrence		√	Planning and Economic Development	Proportional	100	N/A
Hlati, Vuyani		√	Infrastructure Services	Ward 5	84	67
Jacobs, Andre Noel		√	Infrastructure Services	Proportional	56	60
Julius, Elmarie		√	Corporate Services	Proportional	95	100
Kearns, Christephine		√	Infrastructure Services	Ward 10	100	N/A
Kearns, Esther Martha	√		Infrastructure Services	Ward 20	100	N/A
Kem, Zithembele		√	Community Services	Proportional	95	50
Kika-Dyson, Spasie Nontuthuzelo		√	Planning and Economic Development	Proportional	88	100
Koegelenberg, Renier Adriaan	√		Planning and Economic Development and Appeals Committee	Ward 4	100	N/A
Kotze, Daniel Andreas		√	Appeals Committee	Proportional	69	50

Councillors, committees allocated and Council attendance						
Council members	Full-time	Part-time	Committees allocated	*Ward and /or party represented	Percentage Council Meetings attended	Percentage apologies for non-attendance
					%	%
Landu, Linda		√	Planning and Economic Development	Proportional	68	50
Le Roux, Jacobus Francois	√		Appeals Committee	Proportional	100	N/A
Lumko, Sonwabo Ernest		√	Corporate Services	Ward 14	85	67
Magala, Lungile Morris		√	Corporate Services	Ward 6	100	N/A
Mangena, Tembikile Christopher		√	Community Services	Ward 9	80	100
Matthee, Joseph		√	MPAC	Proportional	92	100
Mbubu, Victor - Deceased		√	Infrastructure Services	Ward 16	75	100
Mchelm, Jerome Clive		√	Financial Services	Ward 31	73	50
Msolo, Mhlangabezi Case		√	Financial Services and Appeals Committee	Ward 12	90	100
Mtiki, Nombuyiselo		√	Corporate Services	Proportional	84	67
Naude, Willem Johannes		√	Corporate Services	Ward 23	100	N/A
Niehaus, Lodewyk Wilfred		√	Infrastructure Services	Ward 15	94	100
Nomana, Tryfhina Zukiswa		√	Planning and Economic Development	Ward 6	88	100
Ntlemeza, Lulama Eunice	√		Corporate Services	Proportional	100	N/A
Paliso, Mziyanda		√	Financial Services	Proportional	100	N/A
Philander, Wendy Felecia	√		Community Services	Ward 26	95	100
Poole, Conrad James	√		Planning and Economic Development	Ward 27	88	100
Rademeyer, Johannes Gerhardus	√		Infrastructure Services	Ward 2	93	100
Rens, Samuel Colin		√	Community Services	Proportional	73	50
Ross, Cupido Senior		√	Financial Services	Proportional	91	100
Ross, Soudah		√	Community Services	Ward 13	88	100
Sheldon, Keith replaced by Kika-Dyson, Spasie		√	Planning and Economic Development	Proportional	66.6	0
Smit, Wilhelmina Elizabeth		√	MPAC	Ward 3	85	100
Smith, Matthys Daniel Jacobus	√		Planning and Economic Development	Ward 29	94	100
Smuts, Rean	√		Corporate Services	Proportional	78	100
Songqeza, Tandiwe Eveline		√	MPAC	Proportional	100	N/A
Stowman, Aidan Charles	√		Community Services	Ward 11	95	100
Tshaya, Mpelese Alfred		√	Community Services	Ward 8	100	N/A
Van der Westhuizen, Colin Clive		√	Community Services	Ward 1	75	60
Van Deventer, Gesina Maria Magdalena	√		Executive Mayor	Proportional	100	N/A
Van Nieuwenhuyzen, Reinhardt Heinrich		√	MPAC	Ward 28	92	100
Von Schlicht, Helena		√	Planning and Economic Development	Proportional	75	100
Witbooi, Gerald John		√	Corporate Services	Ward 30	83	100

Table 176: Councillors, Committees allocated and Council attendance

APPENDIX B: COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral/Executive Committee) and purposes of Committees	
Municipal Committees	Purpose of committee
Municipal Public Accounts Committee	To perform an oversight function on behalf of Council over the executive functionaries of the Council.
Appeals Committee	To deal with appeals in terms of Section 62 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
Audit Committee	<p>In terms of Section 166(2) of the MFMA, an audit committee must advise the municipal council, the political office bearers, the accounting officer and the management staff of the municipality, on matters relating to:-</p> <ul style="list-style-type: none"> • Internal financial control; • Risk management; • Performance management; and • Effective governance.
Fraud and Risk Management Committee	To assist the Accounting Officer by reviewing the effectiveness of the municipality's fraud and risk management systems, practices and procedures and providing recommendations for improvement.
Budget Steering Committee	To assist Council in ensuring that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.
Special Committee	<ul style="list-style-type: none"> • To serve as administrative tribunal to conduct hearings of Councillors charged for contravention of the Code of Conduct for Councillors and to make recommendations to Council regarding proposed sanctions. • To consider any other matter of a disciplinary nature relating to Councillors and make a recommendation to Council.

Table 177: Committees (other than Mayoral/Executive Committee) and purposes of committees

APPENDIX C: SECOND- AND THIRD-TIER ADMINISTRATION STRUCTURE

Second- and Third-tier Structure	
Department	Executive Manager/Manager
Civil Engineering	Deputy Executive Manager: Mr D du Plessis
Civil Engineering	Snr Engineer Support Services: Mr S de Jongh
Civil Engineering Services	Manager Fleet Management: Mr FW Nieuwoudt
Civil Engineering Services	Snr Engineer Roads, Stormwater and Traffic: Mr CM Lotz
Civil Engineering	Manager Building Maintenance: Mr K Wyngaart
Planning Services	Vacant
Planning: Land Use Planning	Manager Land Use Planning: Mr HG Strydom
Planning: Land Survey and Valuation	Manager Land Survey and Valuation: Mr DO Cupido
Planning: Building Control	Manager Building Control: Mr David Delaney
Planning: Spatial Planning	Manager Spatial Planning: A Shortles
Civil Engineering Services	Snr Engineer: Support Services (Civil Engineering) Mr WJ Knaggs
Civil Engineering Services	Snr Engineer Mr AA Kowalewski
Civil Engineering Services	Senior Engineer Wastewater Services: Mr RM Brown
Internal Audit	Manager Internal Audit: Mr TC Traut
Income Division	Manager Income: Mr AC Abrahams
Financial Reporting	Manager Financial Reporting: Mr A Viola
Revenue and Expenditure	Snr Manager Revenue and Expenditure: Ms NG Keketsi
Financial Statements and Reporting	Senior Manager Financial Management Support: Ms C Lategan
Budget Office	Manager Budget: Ms KS Fredericks
Assets and Insurance	Manager Assets and Insurance: Ms L Theron
Supply Chain Management Unit	Manager Supply Chain Management: Mr H Vergotine
Housing: Rural Development	Manager Rural Development: Ms E Williams
Housing Admin	Manager Housing Admin: Mr NV Konjwayo
Traffic Services	Chief Traffic Services: Mr J Cornelissen
Snr Manager: Human Settlement	Snr Manager Human Settlement: Mr F Rhoda
Protective Services	Deputy Executive Manager: Mr V Petersen
Community Development	Manager Community Development: Mr JGP Rhoda
Fire Services	Chief Fire Services: Mr D Damons
Housing Projects	Manager Housing Projects: Mr C Jacobs
Libraries and Information Services	Manager Libraries and Information Services: Ms L Thomas
HR: Labour Relations Officer	Chief Labour Relations Officer: Mr P la Grange
HR: Training Officer	Chief Training Officer: Ms M Sibeko
HR: Personnel Admin	Chief Personnel Officer: Ms T van der Westhuizen
Information and Communication Technology	Chief Information Officer: Mr FB Theron
Legal Services	Vacant
Corporate Services	Manager Administration: Mr C Wessels
Electrical Services	DEM Electrical Services: Mr A Albertyn
Electrical Services: Administration	Manager Operations and Maintenance: Mr M Fredericks
Electrical Services	Chief Electrical Engineering Technician: Mr D Gabriel
Planning: Spatial Planning	Manager Spatial Planning: Ms AA Shortles
Planning: Economic Development	Manager Local Economic Development: Ms C Phillips
Office of the Municipal Manager	Chief Audit Executive: Ms R Jaftha
Office of the Municipal Manager	Ombudsman: Ms LL Nojozi
Office of the Municipal Manager	Chief Risk Officer: Mr G Dippenaar
Office of the Municipal Manager	Manager IDP/PMS: Ms F Qebanya

Table 178: Second- and Third-tier Structure

APPENDIX D: FUNCTIONS OF MUNICIPALITY

Municipal Functions		
Municipal Functions	Function applicable to Municipality	
	Yes	No
Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), Schedule 4, Part B functions:		
Air pollution	√	
Building regulations	√	
Child care facilities	√	
Electricity and gas reticulation	√	
Firefighting services	√	
Local tourism	√	
Municipal airports		√
Municipal planning	√	
Municipal health services	N/A	
Municipal public transport	N/A	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other.	√	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international shipping and related matters.		√
Stormwater management systems in built-up areas	√	
Trading regulations	√	
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewerage disposal systems.	√	
Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), Schedule 5, Part B functions:		
Beaches and amusement facilities		√
Billboards and the display of advertisements in public places	√	
Cemeteries, funeral parlours and crematoria	√	
Control of public nuisances	√	
Control of undertakings that sell liquor to the public	√	
Facilities for the accommodation, care and burial of animals	√	
Fencing and fences	√	
Licensing of dogs		√
Licensing and control of undertakings that sell food to the public	√	
Local amenities	√	
Local sports facilities	√	
Markets		√
Municipal abattoirs		√
Municipal parks and recreation	√	
Municipal roads	√	
Noise pollution	√	
Pounds	√	
Public spaces	√	
Refuse removal, refuse dumps and solid waste disposal	√	
Street trading	√	
Street lighting	√	
Traffic and parking	√	

Table 179: Municipal Functions

APPENDIX E: WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
1	WARD COUNCILLOR	Yes	3	3	3
	Cllr CC van der Westhuizen				
	WARD COMMITTEE MEMBERS				
	Mr Henry Valentyn				
	Mr Ivan Marang				
	Mr Jason Peter Snyders				
	Ms Rosaline van der Westhuizen				
	Mr Jack Botha				
	Ms Jo-Ann Phillips				
	Mr Zithulele Jefree Duzen				
	Ms Vuyokazi Cynthia Gcakini				
	Mr Wiseman Sipho Matokazi				
	Mr Jacobus van Rooyen				
2	WARD COUNCILLOR	Yes	4	4	3
	Cllr JG Rademeyer				
	WARD COMMITTEE MEMBERS				
	Mr Hendrick Jacobus Kotze				
	Ms Susara du Toit				
	Ms Wilma Leonora Busse				
	Mr Nicolaas Daniël Sauerma				
	Mr Andries Petrus Vorster				
3	WARD COUNCILLOR	Yes	5	5	3
	Cllr WE Smit				
	WARD COMMITTEE MEMBERS				
	Abel Mentoer				
	Ms Magrieta Futhwa				
	Mr Johannes Steenkamp				
	Ms Sarie Johannes				
	Mr Nicolaas Geldenhuys				
	Mr Damon Mintoer				
	Ms Lilian Jones				
	Ms Clara Jawa				
4	WARD COUNCILLOR	Yes	6	6	3
	Cllr RA Koegelenberg				
	WARD COMMITTEE MEMBERS				
	Mr Christo Botha				
	Mr Adriaan Johannes du Plessis				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
	Ms Elmarie Kotze Marthinus Hermanus le Roux Mr Carel Hendrik Stander Mr Petrus Johannes Kruger Steenkamp Ms Heleen Petsch				
5	WARD COUNCILLOR Cllr V Hlati WARD COMMITTEE MEMBERS Mr Ismail Lindile Botha Mr Nonzwakazi Tshabe Mr Benjamin Alfred Kika Mr Johannes Jacobus Joseph Mr Simphiwe Mkosana Ms Linda Maria Pietersen Mr Ivan James Kiewit Mr Nondumiso Petros Mr Sinoyolo Nyawula Ms Margaret Jongani	Yes	5	5	4
6	WARD COUNCILLOR Cllr T Z Nomana WARD COMMITTEE MEMBERS Mr Nceba Mpiliswana Mr Lucas Wellem Mrs Zandile Mjuza Mr Sydwell Sithembiso Magqazana Mrs Sonia Thozama Nongwedle Mr Phindile Maki Mr Thumeka Yakobi Ms Patience Bomikazi Delihlazo A G Maki Mr Luvuyo Yedwa	Yes	8	8	6
7	WARD COUNCILLOR Cllr RB Arnolds WARD COMMITTEE MEMBERS Ms Monica Ryan Mr Bega Hera Mr Davey Simonse Mr Deon Manuel Mr David Geduld Ms Bellmordene Robson	Yes	4	4	4

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
8	WARD COUNCILLOR	Yes	3	3	3
	Cllr MP Tshaya				
	WARD COMMITTEE MEMBERS				
	Ms Noncedo Mahlathi				
	Ms Thobele Mtyole				
	Mr Siyabulela Qambela				
	Ms N Peter				
	Mr Nkosiphendule Takatayo				
	Ms Shiela Witbooi				
	Mr Zikhali Nomonde				
	Mr Vuysile Thabo Kallie				
	Ms B Fizizolo				
	Mr V Mananga				
9	WARD COUNCILLOR	Yes	3	3	6
	Cllr TC Mangena				
	WARD COMMITTEE MEMBERS				
	Mr Velile Moses Jela				
	Mr Mncedisi Nobala				
	Mr Loyiso Felix Sibelegwana				
	Ms Khanyiswa Margaret Khweni				
	Ms Vuyokazi Cynthia Mfiki				
	Mr Vukile Henry Nkewu				
	Ms Nokhaya Xhayimpi				
	Mr Thapelo Nimrod Moahloli				
	Ms Ayanda Lloyd Nyaka				
	Ms Nontuthuzelo Lydia Kwini				
10	WARD COUNCILLOR	Yes	4	4	4
	Cllr C Kearns				
	WARD COMMITTEE MEMBERS				
	Mr Heinrich Appollis				
	Mr Gerald Abrahams				
	Mr Berend Boltman				
	Ms Mirian Engelbrecht				
	Ms Magrieta Hendricks				
	Mr Christiaan Abrahams				
	Mr Williams Kearns				
	Mr Neil Pietersen				
	Ms Sandra Jones				
	Ms Rosetta Pietersen				
11	WARD COUNCILLOR	Yes	5	5	4
	Cllr AC Stowman				
	WARD COMMITTEE MEMBERS				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
	Mr Julian Clive Blankenberg Ms Jennifer Daniels Mr Noël Daniels Ms Merencia Charlotte Charmain Jooste Ms Cynthia Ndzuzo Ms Lenie Ross Mr Jan September Ms Lindley Titus				
12	WARD COUNCILLOR Cllr MC Msolo WARD COMMITTEE MEMBERS Mr Monde Tose Ms Gladys Maseng Mr Philimon Qumza Ms Bulelwa Lucia Sijaji Ms Lityshia Kwili Ms Beauty Momolotoe Phokeng Mr John Vuyisile Sandlo Ms Elda Matobs Tose Mr Sydwell Makabongwe Matshotayana	Yes	4	4	4
13	WARD COUNCILLOR Cllr S Ross WARD COMMITTEE MEMBERS Ms Margeret Joubert Ms Juliana Demas Ms Veronica Koopman Ms Delie Abelse Ms Yandekea Theodora Fatyela Mr Barend George Ms Marlene Fredericks Ms Angelina Solomon Ms Sonia Falmer	Yes	10	10	3
14	WARD COUNCILLOR Cllr SE Lumko WARD COMMITTEE MEMBERS Ms Mandy Jacobs Ms Patricia Mjulen Ms Monica Riegers Mr Dumisani Daweti Mr Calvin Festus Ms Norina Scheffers	Yes	7	7	7

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
	Mr Molisana Leonard Taso				
	Mr Saolomzi Ganandana				
	Ms Brenda von Willing				
	Mr Douglas Matthews				
15	WARD COUNCILLOR	Yes	4	4	4
	Cllr LW Niehaus				
	WARD COMMITTEE MEMBERS				
	Ms Christina Elizabeth Niehaus				
	Mr Percy Alfred Lotter				
	Mr Louis Louw				
	Mr T W Engela				
	Ms Hanri Laubscher				
	Anzel Beukes				
	Ms Marlene Whitehead				
	Mr Pieter van Heerden				
	WARD COUNCILLOR				
16	Cllr B Duba	Yes	3	3	5
	WARD COMMITTEE MEMBERS				
	Ms Nancy Nonkumbulo George				
	Ms Nontombi Mdunusie				
	Mr Sonwabo Bangani				
	Ms M E Tsotesi				
	Mr Thamsanga Ntayi				
	Mr Sakhele John Mcimbi				
	Khalima Frans				
	Ms Linda Joyce Mhlebi				
	Mr Ben Matynolo				
	Mr Loyiso Mjandana				
17	WARD COUNCILLOR	Yes	3	3	3
	Cllr LM du Toit				
	WARD COMMITTEE MEMBERS				
	Mr Stephanus Roberts				
	Mr John Cook				
	Mr Johannes Casper Bezuidenhout				
	Mr Michael Philip Shaw				
	Mr Dawid Linee				
	Ms Georgina Davids				
	Ms Irene Abrahams				
	Ms Frouwien Reina du Toit				
	Mr Willem Meiring				
	Mr Daniel Young				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
18	WARD COUNCILLOR	Yes	6	6	3
	Cllr AML Buckle				
	WARD COMMITTEE MEMBERS				
	Ms Josephine Ann Cornelius				
	Mr Zolani Livingstone Masoka				
	Ms Nozizwe Mosala				
	Ms Sikelelwa Mirriam Ntangani				
	Ms Linda Muller				
	Mr Johannes van Zyl Smith				
	Ms Adele Brink				
	Ms Naaim Davids				
	Mr Petrus Pietersen				
19	WARD COUNCILLOR	Yes	7	7	3
	Cllr HR de Goede				
	WARD COMMITTEE MEMBERS				
	Ms Elizabeth Maria Wessels				
	Mr Christiaan Jacobus Visser				
	Mr Johannes Andrews				
	Mr Theunis Gerhardus Bester				
	Mr David Johannes van Lill Basson				
	Ms Elizabeth Johanna Janse van Rensburg				
	Ms Johanna Elizabeth Swanepoel				
20	WARD COUNCILLOR	Yes	4	4	4
	Cllr EM Kearns				
	WARD COMMITTEE MEMBERS				
	Mr Marshall Alexander				
	Ms Jennifer Botha				
	Mr Pieter Johnson				
	Mr Esau Davids				
	Ms Theresa Pietersen				
	Mr Herlin Carelse				
	Ms Celita Charles				
21	WARD COUNCILLOR	Yes	5	5	4
	Cllr E Gouws				
	WARD COMMITTEE MEMBERS				
	Mr Johan Niklaas Adams				
	Ms Lenie Borrings				
	Mr November Setley				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
	Ms Mirinda Paulse				
	Ms Marlene Parkerson				
	Ms Cherie Williams				
	Ms Antionette Feona van Breda				
	Ms Mercia Booysen				
	Mr Isak John de Kok				
	Ms Roseline Rossouw				
22	WARD COUNCILLOR	Yes	9	9	5
	Cllr LN Daries				
	WARD COMMITTEE MEMBERS				
	Mr John Eduard Williams				
	Ms Esme Solomon				
	Mr Mario Williams				
	Ms Rozanne Botha				
	Mr Ivan Martin				
	Mr Ivan Henry Sendin				
	Mr William Henry van Wyk				
	Mr Cecil Booysen				
	Ms Miranda Duimpies				
23	WARD COUNCILLOR	Yes	5	5	2
	Cllr WJ Naude				
	WARD COMMITTEE MEMBERS				
	Mr Samuel Andrews				
	Ms Batronesia Arendse				
	Mr Garth Botha				
	Ms Dawn Jacobs				
	Mr Patrick A Poggenpoel				
	Mr Attie E Rens				
	Ms Susan Rens				
	Mr Abdul M Richards				
	Ms Sharon E September				
	Ms Magda D Syfers				
24	WARD COUNCILLOR	Yes	5	5	3
	Cllr MM Adriaanse				
	WARD COMMITTEE MEMBERS				
	Mr Kervin Patrick Bowers				
	Mr Jonathan Fredricks				
	Ms Brysina Kruger				
	Mr Jephtha Leibrandt				
	Ms Geraldine Gordon				
	Mr Barry van Wyk				
	Mr Michael Nathan				
	Mr Jessie Festus				
	Ms Elizabeth Windvogel				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
25	WARD COUNCILLOR	Yes	4	4	4
	Cllr A Pietersen				
	WARD COMMITTEE MEMBERS				
	Ms Florintina Alida Groenewald				
	Ms Stienie Elizabeth de Kock				
	Ms Carol Vanella Linee				
	Mr Winston Quinton Gewsind				
	Mr Leon Diedericks				
	Mr Charles Petrus Jacobs				
	Ms Angeline Rhoda Roman				
26	WARD COUNCILLOR	Yes	6	6	4
	Cllr WF Philander				
	WARD COMMITTEE MEMBERS				
	Mr Samuel Adonis				
	Ms Claudine Rooks				
	Ms Joyce Kroutz				
	Ms Clarens du Plessis				
	Ms Daisy Coetzee				
	Ms Maria Titus				
27	WARD COUNCILLOR	Yes	8	8	4
	Cllr CJ Poole				
	WARD COMMITTEE MEMBERS				
	Ms Doreen Kilowan				
	Ms Lorraine de Klerk				
	Ms Vanessa Booysen				
	Ms Whilemina Hendricks				
	Mr Henry Matthews				
	Mr Karools Isaacs				
28	WARD COUNCILLOR	Yes	4	4	4
	Cllr RH van Nieuwenhuyzen				
	WARD COMMITTEE MEMBERS				
	Ms Marie E Conradie				
	Mr Zenzile Gcinisa				
	Mr Johannes Sidney				
	Ms Margaret Waterboer				
	Ms Cecilia Mitchell				
	Mr Japie H Arendse				
	Ms Sunette van der Westhuizen				
	Mr Eden Leon Davids				
	Mr John-Hilton Stevens				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee Members	Committee established Yes/No	Number of monthly Committee meetings held during the year	Number of Monthly Reports submitted to Speaker's Office on time	Number of quarterly public Ward Meetings held during the year
	Ms Angelique Stevens				
29	WARD COUNCILLOR	Yes	5	5	3
	Cllr MDJ Smith				
	WARD COMMITTEE MEMBERS				
	Mr Turnel Abrahams				
	Ms Brenda Anne Albertus				
	Ms M S Engeldoe				
	Mr Williams Moses Walters				
	Mr Johannes Quinot				
	Mr Hendrik Filand				
	Ms Shirley Barends				
	Mr Lesdigo Brown				
30	WARD COUNCILLOR	Yes	4	4	2
	Cllr GJ Witbooi				
	WARD COMMITTEE MEMBERS				
	Ms Magrieta Marsh				
	Mr Ettiene Ernest Patience				
	Ms Suzette Nicolene Scholtz				
	Ms Levena Eleanor de Wee				
	Mr Christopher Stephen Joachims				
	Mr Arnold Arendse				
	Mr Derick William Brown				
	Mr George Charles				
	Mr Johannes Smit				
	Mr P A Camfer				
31	WARD COUNCILLOR	Yes	3	3	2
	Cllr JC Mchelm				
	WARD COMMITTEE MEMBERS				
	Ms Joan Adams				
	Mr Zandisile Killion Cekiso				
	Mr Mziwabantu Wilfred Cekiso				
	Ms Anne-licia Jacobs				
	Mr Brendan Koopman				
	Ms Cavendine McCree				
	Ms Amelia Robinson				
	Ms Dinah Smith				
	Ms Charmaine van Rooyen				
	Mr Klaas Nicky Morkel				

Table 180: Functionality of Ward Committees

APPENDIX F: WARD INFORMATION

Ward Title: All Wards				
Capital Projects: Seven largest 2014/2015 (Full list in Appendix N)				
No.	Project Name and Detail	Start date	End date	Total value
1.				
2.				
3.				
4.				
5.				
6.				
7.				
None of the seven largest capital projects were allocated to a specific ward. Capital projects benefited more than one ward. See Appendix N				

Table 181: Ward – Capital Projects

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	64,848	64,848	51,604	64,848	
Households without minimum service delivery	0	0	13,244	0	
Total households*					
Houses completed in year					
Shortfall in housing units					
*Including informal settlements					

Table 182: Basic Service Provision

Top four Service Delivery Priorities (Highest priority first)		
No.	Priority name and detail	Progress during 2014/2015
1	Housing	311 housing opportunities provided
2	Electricity	261 informal dwellings connected
3	Skills development	4 training workshops per annum
4	Job creation	1,205 work opportunities created

Table 183: Top four Service Delivery Priorities

**APPENDIX G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE
2014/2015**

Municipal Audit Committee Recommendations		
Date of Committee Meeting	Committee recommendations during 2014/2015	Recommendations adopted
25 August 2014	Performance Management: The AC recommended that: <ul style="list-style-type: none"> • Management continues to document and implement standard operating procedures relating to the performance management system and that compliance to the operating procedures are monitored through ongoing management and supervisory checks. 	Yes
	Internal Audit: The AC recommended that: <ul style="list-style-type: none"> • Internal Audit manages delivery and progress reporting on the approved audit plan in a more disciplined manner by ensuring that the Audit Committee is informed of changes to the plan and delivery of projects in a timely manner; • Management gives attention to the timely implementation of the agreed action plans to address Internal Audit findings; • Internal Audit improves recordkeeping and reporting on audits where management action plans need to be implemented; and • Internal Audit reports to the Audit Committee on a quarterly basis regarding progress made with the implementation of Combined Assurance in the Municipality. 	Yes
	Forensic Investigations: The AC recommended that: <ul style="list-style-type: none"> • Management continues to ensure that all reported cases are investigated and the required action is taken to resolve the cases in a timely manner; and • Management ensures that the efforts made to recover amounts due are reflected in the report. 	Yes
27 February 2015	Internal Audit: The AC recommended that: <ul style="list-style-type: none"> • The restructuring and capacitation of the Municipality's Internal Audit and Risk Management Unit should be prioritised; • The 2014/15 Internal Audit Plan approved by the Audit Committee be reviewed and prioritised taking into account the current Internal Audit resources and time available till the end of the financial year; • The amended Internal Audit Plan including substantive motivations for the proposed 	Yes

Municipal Audit Committee Recommendations		
Date of Committee Meeting	Committee recommendations during 2014/2015	Recommendations adopted
	<p>changes to the plan be presented to the Audit Committee for consideration and approval; and</p> <ul style="list-style-type: none"> Management develops a project plan outlining specific timelines and deliverables in the efforts to implement Combined Assurance in the Municipality. 	
	<p>Performance Management:</p> <p>The Audit Committee recommended that:</p> <ul style="list-style-type: none"> Management reviews and supervisory checks of the portfolios of evidence be formalised and incorporated into the standard operating procedures for the performance indicators; and Officials be held accountable for ensuring the reliability and integrity of the reported performance results. 	Yes
25 May 2015	<p>Quality Assurance State of Readiness Review:</p> <p>The Audit Committee recommended that:</p> <ul style="list-style-type: none"> The response plan prepared by Internal Audit is adhered to. Internal Audit would be in a position to state that the audits are carried out in conformance with the International Standards for the Professional Practice of Internal Auditing in their audit reports. 	Yes
	<p>Performance Management:</p> <p>The Audit Committee recommended that:</p> <ul style="list-style-type: none"> The management reviews and supervisory checks of the portfolio of evidence should be continuously reviewed and where necessary incorporated into the standard operating procedures for the performance indicators. This related specifically to the national indicators that should be included in the SDBIP. 	Yes
	<p>Municipal Governance Action Plan 2013/14:</p> <p>The Audit Committee recommended that:</p> <ul style="list-style-type: none"> Management should continue their effort to implement all the agreed recommendations made by the AGSA before the end of the financial year. 	Yes
	<p>Financial Management:</p> <p>The Audit Committee recommended that:</p> <ul style="list-style-type: none"> Management should continue in their efforts to match the expenditure to the budgets and prepare the budgets in line with anticipated future expenditure. 	Yes

Table 184: Municipal Audit Committee Recommendations

APPENDIX H: LONG-TERM CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS

Long-term Contracts (Eight Largest Contracts entered into 2014/2015)					
R					
Name of Service Provider (Entity or Municipal)	Description of service rendered by the Service Provider	Start date of contract	Expiry date of contract	Project Manager	Contract Value
Mellon Housing Initiative	H 3/2013 -CONSTRUCTION OF 150 HOUSING UNITS ON ERF 1249, GOUDA	July 2014		F Rhoda	R 18,887,046 (10% contingencies included and 14% VAT excluded)
Seven Sirs Group	CONSTRUCTION OF 76 TOP STRUCTURES IN LANTANA/KOLBE STREET, PAARL (INCREASE IN CONTRACT VALUE AND EXTENSION OF CONTRACT PERIOD)	July 2014	March 2015	F Rhoda	R 7,204,756 (VAT excluded)
Vakala Construction (Pty) Ltd	CONSTRUCTION OF BULK SEWER TO SOUTHERN PAARL, PHASE 3	Jan 2015	April 2016	R Brown	R 41,080,383 (15% contingencies and escalation included and VAT excluded)
Strata Civils (Pty) Ltd	CONSTRUCTION OF STRAWBERRY KING BULK WATER PIPELINE TO WELLINGTON, PHASE 1	Jan 2015	Sept 2015	A Kowaleski	R 22,761,403 (VAT excluded)
Vakala Construction (Pty) Ltd	REPLACEMENT OF BULK WATER PIPELINE BETWEEN KLIP DAM AND BETHEL DAM, PAARL MOUNTAIN	Jan 2015	June 2015	A Kowaleski	R 7,890,577 (10% contingencies included and VAT excluded)
World Focus Construction 226 CC	UPGRADING OF WELTEVREDE SPORTING FACILITIES, WELLINGTON	Feb 2015	July 2015	A vd Merwe	R 4,460,916 (14% VAT included)
Vakala Construction	CONSTRUCTION OF THE PAARL WASTEWATER TREATMENT WORKS MATURATION POND BY-PASS PIPELINE	March 2015	August 2015	R Brown	R 4,035,168 (10% contingencies included and 14% VAT excluded)
Amandla GCF Construction CC	CONSTRUCTION OF A DROP-OFF AND A CHIPPING AND CRUSHING AREA AT DRAKENSTEIN LANDFILL	March 2015	Nov 2015	C Lotz	R 11,700,794 (10% contingencies included and 14% VAT excluded)

Table 185: Long-term Contracts

Public-Private Partnerships entered into 2014/2015					
					R'000
Name and description of project	Name of partner(s)	Initiation date	Expiry date	Project manager	Value 2014/2015
No PPP entered into during the year under review					

Table 186: Public-Private Partnerships entered into 2014/2015

APPENDIX I: DISCLOSURES OF FINANCIAL INTEREST

Disclosure of Financial Interests		
Period 1 July 2014 to 30 June 2015		
Position	Name	Description of Financial Services
(Executive) Mayor	Cllr GMM van Deventer	Nil
(Executive) Deputy Mayor	Cllr CJ Poole	Nil
Member of Executive Mayoral Committee		
Portfolio: Finance	GC Combrink	Nil
Portfolio: Planning and Economic Development	Dr MDJ Smith	Nil
Portfolio: Security Services and Disaster Management	R Smuts	Nil
Portfolio: Corporate Services	Le Ntlemeza	Nil
Portfolio: Social Services and Community Development	Dr ND Adams	Nil
Portfolio: Environmental Affairs, Open Spaces and Parks	Dr LM du Toit	Le Bac Estates (Pty) Ltd
Portfolio: Housing and Human Settlements	WF Philander	Nil
Portfolio: Public and Governmental Relations	EM Kearns	Nil
Portfolio: Infrastructure Services	JG Rademeyer	J&M Promotions BK
Portfolio: Sport, Culture and Youth Matters	A Stowman	Nil
Councillor		
	MM Adriaanse	Nil
	AF Afrika	Nil
	Amina Allom	Nil
	CJJ Apollis	Nil
	MB Apollis	Nil
	RB Arnolds	Nil
	A Bekeer	Nil
	DS Blackenberg	Nil
	LE Bolani	Nil
	AML Buckle	Turnstone Trading Pty (Ltd)
	FP Cupido	Nil

Disclosure of Financial Interests		
Period 1 July 2014 to 30 June 2015		
Position	Name	Description of Financial Services
	PB Cupido	Nil
	LN Daries	Nil
	CO Davids	Nil
	AHP de Beer	Did not return form
	HR de Goede	Nil
	J de Wet	Nil
	E Gouws	Nil
	ZL Gwada	Nil
	V Hlati	Nil
	E Julius	Nil
	C Kearns	Nil
	Z Kem	Did not return form
	RA Koegelenberg	Nil
	DA Kotze	Nil
	L Landu	Nil
	JF le Roux	Nil
	SE Lumko	Nil
	S Kika-Dyson	Nil
	TC Mangena	Nil
	J Matthee	Nil
	V Mbubu	Nil
	JC Mchelm	Nil
	MC Msolo	Nil
	N Mtiki	Nil
	WJ Naude	Nil
	LW Niehaus	Nil
	Tryphina Nomana	Nil
	M Paliso	Purple Red Trading
	CJ Poole	Nil
	SC Rens	Nil
	CS Ross	Nil
	S Ross	Nil
	WE Smit	Nil
	TE Somgqeza	Nil
	MA Tshaya	Nil
	C van der Westhuizen	Nil
	RH van Nieuwenhuyzen	Nil
	H von Schlicht	Huguenot College
	GJ Witbooi	Nil
Municipal Manager	Mr JF Mettler	Nil
Chief Financial Officer	Mr J Carstens	Nil
Executive Managers		

Disclosure of Financial Interests		
Period 1 July 2014 to 30 June 2015		
Position	Name	Description of Financial Services
	Corporate Services: Ms A de Beer	Nil
	Planning Services: Mr A Adam	Nil
	Community Services: G Boshoff	Nil
	Infrastructure: Deon Louw	Nil
Other S57 Officials	N/A	
<i>*Financial interests to be disclosed even if they were incurred for only part of the year.</i>		

Table 187: Disclosure of Financial Interests

APPENDIX J: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX J (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
R'000						
Vote Description	2013/2014	Current Year 2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Executive and Council	12,976	10,670	12,709	16,297	(5,627)	(3,588)
Budget and Treasury Office	194,266	231,993	210,754	212,152	19,841	(1,398)
Corporate Services	18,352	5,007	5,006	21,240	(16,233)	(16,234)
Community and Social Services	4,007	9,655	9,664	3,306	6,349	6,358
Sports and Recreation	2,564	2,793	3,556	2,803	(10)	753
Public Safety	71,157	18,000	74,042	63,996	(45,996)	10,046
Housing	57,893	75,137	63,520	57,246	17,891	6,274
Health	25	11	12	10	1	2
Planning and Development	5,815	5,858	6,135	7,273	(1,415)	(1,138)
Road Transport	9,731	16,335	16,338	16,454	(119)	(116)
Electricity	753,357	830,128	848,685	830,696	(568)	17,989
Water	142,609	157,667	163,073	156,418	1,249	6,655

Revenue Collection Performance by Vote						
R'000						
Vote Description	2013/2014	Current Year 2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Wastewater Management/ Sewerage	132,431	114,725	132,709	124,242	(9,517)	8,467
Waste Management and Solid Waste	87,458	88,491	117,983	96,337	(7,846)	21,646
Total revenue by vote	1,492,640	1,566,470	1,664,186	1,608,470	(42,000)	55,716

Table 188: Revenue Collection Performance by Vote

APPENDIX J (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R'000						
Description	2013/2014	2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	185,564	200,747	199,379	193,849	6,899	5,530
Property rates – penalties and collection changes	1,581	1,267	1,267	1,653	(386)	(386)
Service charges – electricity revenue	714,223	805,557	802,176	778,129	27,428	24,047
Service charges – water revenue	119,990	134,515	137,597	152,068	(17,552)	(14,471)
Service charges – sanitation revenue	51,338	55,078	69,810	60,647	(5,569)	9,163
Service charges – refuse revenue	62,972	69,419	90,827	68,000	1,419	22,827
Service charges – other	27	32	30	30	1	0
Rentals of facilities and equipment	8,527	21,825	21,824	10,450	11,375	11,375
Interest earned – external investments	9,856	8,985	10,821	13,752	(4,768)	(2,932)

Revenue Collection Performance by Source						
R'000						
Description	2013/2014	2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Interest earned – outstanding debtors	12,301	9,780	9,765	13,702	(3,922)	(3,937)
Dividends received	0	15	15	15	0	0
Fines	58,119	5,301	61,322	49,704	(44,404)	11,617
Licenses and permits	13,079	12,740	12,741	14,032	(1,292,793)	(1,292)
Agency services	0	0	0	0	0	0
Transfers recognised – operational	128,598	161,876	156,720	152,924	8,952	3,796
Other revenue	27,461	(24,411)	(25,257)	(30,568)	(6,156)	(5,310)
Gains on disposal of PPE	898	250	250	2,475	(2,225)	(2,225)
Total revenue (excluding capital transfers and contributions)	1,394,535	1,511,798	1,599,801	1,519,613	(1,321,701)	57,802

Table 189: Revenue Collection Performance by Source

APPENDIX K: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						
R						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	-	-	-	0%	0%	
Public Transport Infrastructure and Systems Grant	-	-	-	0%	0%	
Other Specify:						
Finance Management Grant	1,450	1,450	1,450	0%	0%	
Municipal Systems Improvement Grant	934	934	934	0%	0%	

Conditional Grants: excluding MIG						
R						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Integrated National Electrification Grant	3,000	5,772	3,523	-17.43%	38.96%	
Regional Bulk Infrastructure Grant	7,033	19,428	20,482	-191.23%	-5.43%	
Expanded Public Works Programme	1,000	1,211	1,211	-21.10%	0%	
Total	13,417	28,795	27,600	-105.71%	4.15%	

Table 190: Conditional Grants excluding MIG

APPENDIX L: CAPITAL EXPENDITURE – NEW AND UPGRADE/RENEWAL PROGRAMMES

APPENDIX L (I): CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

Capital Expenditure							
R'000							
Description	2013/2014	2014/2015					
	Actual	Original Budget	Adjustments Budget (after virements)	Actual Expenditure	Planned Capital Expenditure		
					FY + 1	FY + 2	FY + 3
<u>Capital expenditure by Asset Class</u>							
<u>Infrastructure Total</u>	97,460	117,003	119,434	110,387	165,729	295,239	275,409
<u>Infrastructure: Road transport – Total</u>	25,550	4,850	52,708	48,940	21,349	7,321	4,396
Roads, pavements and bridges	21,115	4,850	48,414	47,189	21,349	7,321	4,396
Stormwater	4,436	–	4,293	1,751	–	–	–
<u>Infrastructure: Electricity – Total</u>	15,503	18,200	12,588	11,655	23,540	99,149	64,588
Generation	–	–	–	–	–	–	–
Transmission and Reticulation	14,515	16,952	11,854	11,301	21,601	96,953	64,296
Street lighting	988	1,249	734	354	1,939	2,195	292

Capital Expenditure							
R'000							
Description	2013/2014	2014/2015					
	Actual	Original Budget	Adjustments Budget (after virements)	Actual Expenditure	Planned Capital Expenditure		
					FY + 1	FY + 2	FY + 3
Infrastructure: Water – Total	22,183	39,137	14,431	30,574	69,567	83,543	63,419
Dams and Reservoir	16,298	18,643	16,075	16,877	45,545	46,401	25,354
Water purification	88	120	351	351	120	3,500	26,059
Reticulation	5,797	20,374	(1,995)	13,346	23,902	33,641	12,007
Infrastructure: Sanitation – Total	14,067	47,166	34,276	13,134	44,273	100,603	140,607
Reticulation	–	11,965	–	–	10,668	1,550	9,155
Sewerage purification	14,067	35,201	34,276	13,134	33,605	99,053	131,452
Infrastructure: Other – total	20,156	7,650	5,432	6,084	7,000	4,625	2,399
Waste management	634	7,650	2,181	2,179	7,000	4,625	1,305
Transportation	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–
Other	19,522	–	3,251	3,906	–	–	1,094
Community Total	6,579	12,830	9,942	8,183	15,725	20,014	24,759
Parks and gardens	250	823	640	562	1,350	724	985
Sports fields and stadia	5,482	–	9,674	6,830	–	–	–
Swimming pools	–	–	–	–	75	–	–
Community halls	109	1,117	–	–	2,634	7,664	135
Libraries	–	365	–	–	47	50	52
Recreational facilities	439	8,402	1,389	686	9,256	9,225	20,614
Fire safety and emergency	–	–	515	105	550	605	666
Security and policing	–	500	(2,276)	–	1,500	1,500	1,500
Capital Expenditure							
R'000							
Description	2012/2013	–					
	Actual	–	–	–	–	–	–
Busses	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–
Museums and art galleries	–	–	–	–	–	–	–
Cemeteries	299	–	–	0	–	–	550
Social rental housing	–	1,400	–	–	–	–	–
Other	–	223	–	–	312	246	258
Capital expenditure by Asset Class	–	–	–	–	–	–	–
Heritage assets – Total	–	–	–	–	–	–	–

Capital Expenditure							
R'000							
Description	2013/2014	2014/2015					
	Actual	Original Budget	Adjustments Budget (after virements)	Actual Expenditure	Planned Capital Expenditure		
					FY + 1	FY + 2	FY + 3
Buildings	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	-						
Investments properties - Total	-						
Housing development	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	-						
Other assets	10,989	39,112	12,953	22,111	50,790	56,320	33,211
General vehicles	4,222	5,200	3,881	14,872	30	-	3,568
Specialised vehicles	-	-	-		-	-	-
Plant and equipment	852	1,753	717	280	6,344	2,262	1,364
Computers – hardware/equipment	2,760	2,500	4,584	4,907	1,840	1,950	2,150
Furniture and other office equipment	1,663	20	1,528	1,267	60	60	60
Abattoirs	-	-	-		-	-	-
Markets	-	-	-		-	-	-
Civic Land and Buildings	-	-	-		3,050	900	940
Other buildings	-	12,997	600	388	26,768	31,258	713
Other land	955	-	515	398	150	-	-
Surplus Assets – (Investment or inventory)	-	-	-		-	-	-
Other Assets: Other	536	16,642	1,129		12,548	19,890	24,416
Agriculture assets	-						
List subclass	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Biological assets	-						
Lists subclass	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Capital Expenditure							
R'000							
Description	2012/ 2013	2013/2014					
	Actual	Original Budget	Adjustments Budget (after virements)	Actual Expenditure	Planned Capital Expenditure		
					FY + 1	FY + 2	FY + 3
Intangibles	4,160	1,200	2,456	2,355	500	500	500
Computers – software and programming	4,160	1,200	2,456	2,355	500	500	500

Capital Expenditure							
R'000							
Description	2013/2014	2014/2015			Planned Capital Expenditure		
	Actual	Original Budget	Adjustments Budget (after virements)	Actual Expenditure	FY + 1	FY + 2	FY + 3
Other (list subclass)	-	-	-		-	-	-
Total Capital Expenditure on assets	119,187	170,145	144,785	143,036	232,743	372,073	333,879

Table 191: Capital Expenditure – New Assets Programme

APPENDIX L (II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure – Upgrade/Renewal Programme*							
R'000							
Description	2013/2014	2014/2015			Planned Capital Expenditure		
	Actual	Original Budget	Adjustments Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class	-	-	-	-	-	-	-
Infrastructure Total	82,987	102,081	60,757	66,295	121,608	208,002	220,663
Infrastructure: Road transport – Total	4,156	48,361	4,707	3,615	39,876	42,088	46,406
Roads, pavements and bridges	4,156	46,861	4,707	3,615	33,876	34,588	38,906
Stormwater	-	1,500	-	-	6,000	7,500	7,500
Infrastructure: Electricity – Total	4,243	7,550	5,961	4,635	30,857	66,049	47,746
Generation	-	-	-		-	-	-
Transmission and reticulation	4,243	7,550	5,398	4,448	30,757	65,199	47,746
Street lighting	-	-	563	187	100	850	-
Infrastructure: Water – Total	19,684	23,450	27,468	28,314	15,649	27,140	32,415
Dams and reservoirs	-	-	-	-	250	570	-
Water purification	-	100	-	-	400	250	250
Reticulation	19,684	23,350	27,468	28,314	14,999	26,320	32,165
Infrastructure: Sanitation – Total	54,904	18,970	22,620	29,732	23,925	72,474	94,095
Reticulation	-	1,300	-		4,050	1,391	5,300

Capital Expenditure – Upgrade/Renewal Programme*							
R'000							
Description	2013/2014	2014/2015			Planned Capital Expenditure		
	Actual	Original Budget	Adjustments Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Sewerage purification	54,904	17,670	22,620	29,732	19,875	71,083	88,795
Infrastructure: Other – total	–	3,750	–	–	11,300	250	–
Waste management	–	3,750	–		11,300	250	–
Transportation	–	–	–		–	–	–
Gas	–	–	–		–	–	–
Other	–	–	–		–	–	–
	–						
<u>Community Total</u>	2,439	10,198	4,561	3,737	11,984	6,696	4,540
Parks and gardens	217	–	956	804	–	–	100
Sports fields and stadia	1,497	–	1,024	901	–	–	–
Swimming pools	–	300	135	21	200	–	–
Community Halls	388	200	250	106	–	–	–
Libraries	132	–	328	268	–	–	–
Recreational facilities	205	8,498	95	93	10,384	5,096	2,140
Fire, safety and emergency	–						
Security and policing	–						
Buses	–						
Clinics	–						
Museums and Art Galleries	–						
Cemeteries	–	–	50	49	–	–	1,000
Social rental housing	–	1,200	1,723	1,494	1,400	1,600	1,300
Other	–	–	–		–	–	–
<u>Capital expenditure by Asset Class</u>	–						

Capital Expenditure – Upgrade/Renewal Programme*							
R'000							
Description	2013/2014	2014/2015			Planned Capital Expenditure		
	Actual	Original Budget	Adjustments Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<u>Heritage assets – Total</u>	-						
Buildings	-						
Other	-						
	-						
<u>Investments properties – Total</u>	-						
Housing development	-						
Other	-						
	-						
<u>Other assets</u>	3,338	2,398	8,089	2,336	9,503	8,230	5,780
General vehicles	2,227	-	6,108	743	-	-	-
Specialised vehicles	-	-	-		-	-	-
Plant and equipment	-	1,060	-		3,308	2,460	2,730
Computers – hardware/equipment	-	-	222		820	920	1,050
Furniture and other office equipment	12	-	-		-	-	-
Abattoirs	-	-	-		-	-	-
Markets	-	-	-		-	-	-
Civic land and buildings	13	1,038	195	173	5,000	2,900	2,000
Other buildings	951	300	1,565	1,420	375	1,950	-
Other land	-	-	-		-	-	-
Surplus Assets – (Investment or inventory)	-	-	-		-	-	-
Other Assets: Other	136	-	-		-	-	-
<u>Agriculture assets</u>	-						
List sub-class	-						
	-						
<u>Biological assets</u>	-						
List sub-class	-						
<u>Intangibles</u>	-						
Computers – software and programming	-						
Other (list sub-class)	-						

Capital Expenditure – Upgrade/Renewal Programme*							
							R'000
Description	2013/2014	2014/2015			Planned Capital Expenditure		
	Actual	Original Budget	Adjustments Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Total Capital Expenditure on renewed assets	88,764	114,676	73,407	72,368	143,094	222,927	230,983
<u>Specialised vehicles</u>	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-

**The financial information for this table is included in Table 181 above.*

Table 192: Capital Expenditure – Upgrade/Renewal Programme

APPENDIX M: CAPITAL PROGRAMME BY PROJECT 2014/2015

Capital Programme by Project 2014/2015					
Capital Project	Original Budget	Adjustments Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
11-Ml Newton Reservoir	16,061,000	18,462,606	18,461,440	0.01%	-14.95%
Replace of Strawberry King Bulk water pipe	11,600,000	10,123,226	10,123,219	0 %	12.73%
Welvanpas WTW and outbuildings	11,400,000	5,898,739	5,897,608	0.02%	48.27%
Sanitation/Sewerage					
Upgrade Bulk Sewer: Southern Paarl	26,200,000	27,073,088	27,073,088	0 %	-3.33%
Pentz Street Pump Station and New Rising	0	3,392,666	3,388,639	0.12%	0%
Rehab of Maturation Ponds Paarl WWTW	3,750,000	3,369,650	3,369,649	0%	10.14%
Electricity					
Electrification Housing Projects	3,461,579	6,354,095	6,071,273	4.45%	-75.39%
Network Upgrading: HV and MV	3,000,000	2,668,010	2,667,764	0.01%	11.07%
Regulatory Compliance	3,000,000	3,299,775	3,299,775	0.00%	-9.99%
Housing					
Water Meters and Connections Amstelhof	1,600,000	1,600,000	1,599,771	0.01%	0.01%
Upgrading own rental stock	1,200,000	1,494,164	1,494,130	0%	-24.51%
Ces 19/20 Kingston Town and infrastructure	0	422,034	422,034	0%	0.00%
Refuse Removal					
Construction of Wellington Landfill leachate	3,000,000	1,930,744	1,930,743	0%	35.64%
Construction of drop off chipping and crushing	3,700,000	3,815,520	3,815,520	0%	-3.12%
Refuse containers (wheelie bins/ pole bins)	250,000	250,000	248,009	0.80%	0.80%
Economic Development					
Refurbishment of Ikhwezi	500,000	2,172,912	2,131,926	1.89%	-326.39%
Informal trading kiosks in Paarl CBD	0	432,666	355,821	17.76%	0%
Informal trading structures: Drakenstein	0	217,795	217,795	0%	0%
Sports, Art and Culture					
Upgrading Weltevrede sports grounds	0	3,699,898	3,682,748	0.46%	0%
Tartan track: Daljosaphat stadium	0	1,124,825	1,123,947	0.08%	0%
Upgrading of Mbekweni sports and rugby stadium	650,000	628,794	628,793	0%	3.26%

Capital Programme by Project 2014/2015					
Capital Project	Original Budget	Adjustments Budget	Actual	Variance (Act – Adj) %	Variance (Act – OB) %
Executive and Council					
Office furniture	0	23,412	23,412	0%	0.00%
Unallocated operational infrastructure allocation	2,308,225	53,242	0	100%	100%
Safety and Security					
Furniture and equipment	0	47,581	43,932	7.67%	0%
Medical equipment	25,000	25,000	8,704	65.18%	65.18%
Buildings: Air conditioners	0	68,410	68,410	0%	0%
Corporate Services					
ICT Equipment: Computer Related (new and replacement)	2,500,000	4,102,644	4,055,700	1.14%	-62.23%
Intangible Assets: Software and Licenses	1,200,000	1,200,000	1,224,325	-2.03%	-2.03%
Computer Budget	0	599,885	599,885	0%	0%
Budget and Treasury Office					
Furniture and equipment	0	278,652	276,259	0.86%	0%
Directorate: Computer budget	0	99,370	99,370	0%	0%
Air conditioner	0	58,827	58,827	0%	0%
Community and Social Services					
VPUU Project Infrastructure	500,000	139,294	138,094	0.86%	72.38%
Rural Community Development	424,000	277,219	234,864	15.28%	44.61%
Upgrade of Library	170,000	155,342	95,784	38.34%	43.66%

Table 193: Capital Programme by Project 2014/2015

APPENDIX N: CAPITAL PROGRAMME BY PROJECT BY WARD 2014/2015

Capital Programme by Project by Ward 2014/2015*		
Capital Programme	Wards affected	Works completed (Yes/No)
Water		
11-Mℓ Newton reservoir	All	Yes
Replace of Strawberry King Bulk Water Pipe	All	Yes
Welvanpas WTW and Outbuildings	All	Yes
Sanitation/Sewerage		
Upgrade Bulk Sewer: Southern Paarl	All	Yes
Pentz Street Pump Station and New Rising	All	Yes
Rehab of Maturation Ponds Paarl WWTW	All	Yes
Electricity		
Electrification Housing projects	All	Yes
Network Upgrading: HV and MV	All	Yes
Regulatory Compliance (smart metering)	All	Yes
Housing		
Water Meters and Connections Amstelhof	All	Yes
Upgrading Own Rental Stock	All	Yes
Ces 19/20 Kingston Town and Infrastructure	All	Yes
Refuse Removal		
Construction of Wellington Landfill Leachate	All	Yes
Construction of Drop-off Chipping and Crushing	All	Yes
Refuse Containers (wheelie bins/ pole bins)	All	Yes
Budget and Treasury Office		
Furniture and Equipment	All	Yes
Directorate: Computer Budget	All	Yes
Air conditioner	All	Yes
Economic Development		
Refurbishment of Ikhezezi	All	Yes
Informal Trading Kiosks in Paarl CBD	All	Yes
Informal Trading Structures: Drakenstein	All	Yes
Sports, Art And Culture		
Upgrading Weltevrede sports grounds	All	Yes
Tartan Track: Daljosaphat Stadium	All	Yes
Upgrading of Mbekweni Sports and Rugby Stadium	All	Yes
Road And Transport		
Proclaimed and Main Roads Upgrades	All	Yes
Upgrade Side Walks (Ward Project)	All	Yes
Construction of Stokery Road, Wellington Trans	All	Yes
Executive and Council		
Office Furniture	All	Yes
Unallocated Operational Infrastructure Allocation	All	No
Corporate Services		
ICT Equipment: Computer Related (new and replacement)	All	Yes
Intangible Assets: Software and Licences	All	Yes
Computer Budget	All	Yes

Capital Programme by Project by Ward 2014/2015*		
Capital Programme	Wards affected	Works completed (Yes/No)
Community and Social Services		
VPUU Project Infrastructure	All	Yes
Rural Community Development	All	Yes
Upgrade of Library	All	Yes
Safety and Security		
Buildings: Air conditioners	All	Yes
Furniture and equipment	All	Yes
Medical equipment	All	Yes

Table 194: Capital Programme by Project by Ward 2014/2015

APPENDIX O: SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools				
N/A	0*	0*	0	0
Clinics				
N/A	0*	0*	0	0

Table 195: Service Backlogs – Schools and Clinics

APPENDIX P: SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service backlogs experienced by the community where another sphere of government is the service provider (whether or not the municipality acts on agency basis)		
Service and locations	Scale of backlogs	Impact of backlogs
Clinics:		
General health services – Gouda	The facility is too small and is located in a semi-detached house.	Facility inadequate to serve all the people who require services and not conducive to dispensary services.
General Health services – Windmeul- Paarl	The facility is too small and cannot serve all the needs of the people in this rural farming area. No doctor. Only referrals from general health nurse.	Facility inadequate to serve all the people who require services and not conducive to dispensary services.
Mbekweni CDC Centre- Mbekweni	The facility is too small and cannot serve all the needs of the people who require general health services.	Facility inadequate to serve all the people who require services and not conducive to dispensary services.
Soetendal Clinic – Wellington	The facility is too small and cannot serve all the needs of the people who require general health services.	Facility inadequate to serve all the people who require services and not conducive to dispensary services.
Housing:		
Total Informal Settlement Drakenstein Municipality.	4,428	Increase in the erection of illegal structures. Overcrowding in Municipal rental stock. Scarcity of well-located land. Insufficient funding. Increase of evictions. Cause of serious social problems.
	18,904 active applications + 108 officials and workers that are not captured on the provincial database. 18,981 cancellations	
Licensing and Testing Centre:		
N/A		
Reservoirs:		
N/A		
Schools (Primary and High):		
N/A		
Sports fields:		
Sports facility in Fairyland	As part of the VPUU project, the Community Services Department is currently investigating possible land for more sports facilities in Fairyland.	Only one soccer field is currently available for the following suburbs: Groenheuwel, Fairyland, Smarty Town and the Drommedaris Development. These clubs must travel long distances to practise and play their matches.

Service backlogs experienced by the community where another sphere of government is the service provider (whether or not the municipality acts on agency basis)		
Service and locations	Scale of backlogs	Impact of backlogs
Soccer fields at Weltevrede Sports Complex	Drakenstein Municipality is currently busy with the upgrading of Weltevrede sports grounds to the value of R 4,280,352. This will reduce the backlog regarding sports facilities in Wellington.	Impossible for all the clubs in Wellington to play and practise on one field.

Table 196: Service backlogs experienced by the community where another sphere of government is the service provider

APPENDIX Q: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of loans and grants made by the municipality 2014/2015				
All organisations or persons in receipt of loans*/grants* provided by the municipality	Reason for application	Conditions attached to funding	Value 2014/2015	Total amount committed over previous and future years
Child Welfare South Africa Western Cape	Transport, resources and stationery, clothing, banking fees, refreshments.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Ilitha Home-based Care	Purchase equipment for children and toys for indoor and outdoor. Upgrade the centre	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Lingelihle Educare Centre	Inside and outside equipment, kitchen utensils, blankets and mattresses.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Miqlat NPC	Repair of toilets.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Monte Christo Ministries	Feeding children.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Nonkqubela Senior Service Centre	Make it comfortable for elders to use the centre.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Paarl Darts Union	Upgrade equipment.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000

Paarl Cricket Club	Re-establish cricket club and training.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Phumelela Educare Centre	Buy equipment and maintain centre.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Angels Keepers Educare	Play equipment.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Arise and Shine for Disabled	Job creation project.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Bonokuhle After-school Care	Equipment for school and office.	Signing of an agreement – submission of financial report by end of financial year	R3,000	R 3,000
Child Welfare South Africa: Wellington	Detailed proposal. Various.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Die Afrikaanse Taalmuseum and Monumente	Upliftment of women.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Ebenezer Primary School	Purchasing of books	Signing of an agreement – submission of financial report by end of financial year	R3 ,000	R 0
FAMSA Boland: Drakenstein Area	Counselling for the community	Signing of an agreement – submission of financial report by end of financial year	R 3 ,000	R 0
First Step Academy NPC	Camps for students	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Gouda Learning Assistance And Aftercare	Purchasing of computers	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Healing Hands	Purchase blankets, tables and chairs.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Honey Bees	Purchase educational equipment and paint.	Signing of an agreement – submission of financial	R 3,000	R 0

		report by end of financial year		
Soetbly Dagsorg	Purchase stove, blackboard and tables.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 3,000
Huis Andrew Murray (Programme of Badisa)	Funding for skills training and development as well as equipment.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Journey Kids Day-care	Purchase educational toys.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Khanyisa Day Care Centre	Electricity, material, sanitation equipment.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Kiddies Paradise Day Care Centre	Purchase educational equipment and food.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Kids Only Day Care Centre	Floor tiles, computer and printer, ceiling board, office chairs, baby cot, etc.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Ikamvalethu Aftercare	Office equipment and stationery.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Koinonia Youth Enterprises	Skills Development training, Life Skills Training and workshops.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Laggiesland Crèche	Purchase educational toys	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Langabuya Educare Centre	Outdoor equipment	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Loerie Entertainers Youth Development	Purchase instruments.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Ma's vir Wellington Bediening	Detailed proposal. Various.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0

Maranatha Educare	Purchase computer.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Masakhane Grassroots Educare	Pots, kitchen utensils	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Masibulele Home Educare	Outdoor play equipment, tables, chairs, mattresses, and blankets, install a shade net.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Massive Productions	Marketing, catering, hall booking, transportation, etc.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Mickey Mouse Speelgroep	To extend classroom	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Newton Dienssentrum	Construction of hall and wall.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Noncedo Care Givers	Make it comfortable for elders to use the centre	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Percy Bilton Dienssentrum	Purchase equipment	Signing of an agreement – submission of financial report by end of financial year	R3,000	R 0
Quadriplegics of Drakenstein	Provide food parcels	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Rock Community Care	Equipment for newborn babies	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Samaritan's Feet Trust	Giving educational equipment and school shoes	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Saron Educare Centre	Celebration of children day	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0

Silukhanyo Educare Centre	Purchasing resources for learners, tables, chairs, blankets, mattresses, fix gaps in ceiling	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Siyanda Home-based Educare	Fence, outdoor play area, office computer.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Thandiwe Home Care	Paving, tables, chairs and educational material	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Vukuzenzele Food Garden project	Buying agricultural tools, training	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Wellington Revival Gospel Band	Music instruments and equipment	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Wellington Society for the aged	Transport, equipment and material.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
Woman against Crime	Awareness Programme.	Signing of an agreement – submission of financial report by end of financial year	R 3,000	R 0
<i>*Loans/Grants – whether in cash or in kind</i>				

Table 197: Declaration of loans and grants made by the Municipality 2014/2015

APPENDIX R: DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

MFMA Section 71 returns not made during 2014/2015 according to reporting requirements	
Return	Reason return has not been properly made on due date
<i>All returns submitted timeously.</i>	

Table 198: MFMA S71 returns not made during 2014/2015 according to reporting requirements

APPENDIX S: PRESIDENTIAL OUTCOME FOR LOCAL GOVERNMENT

Presidential outcome for Local Government		
Outcome/Output	Progress to date	Number or percentage achieved
Output: Improving access to basic services	All formal households have access to basic services.	100%
	Informal households are assessed on an annual basis and rectified the following year.	(average) 70%
Output: Implementation of the Community Work Programme		
EPWP: Environmental and Infrastructure Improvement Project (Solid Waste Management Project).	Continuous progress has been made, including the absorption of the management of the function into the Municipal Administration	Difficult to quantify but the objective is to expose as many unemployed people as possible to the programme.
The Community Works Programme functions in the Municipality, but is managed on behalf of national government by an external service provider.	1,076 people were employed with the help of the Municipality.	The target allocated to the Municipality was achieved.
Output: Deepen democracy through a refined Ward Committee Model		
All Ward Committees are functional.	Regular ward meetings are facilitated by the Ward Councillor. Consequently, regular reports to this effect are submitted to the Speaker and Council.	148 meetings were held during the financial year.
Output: Administrative and financial capability		
Debt Collection and Indigent Support Policy as well as the Writing Off of Irrecoverable Debt Policy were reviewed.	These policies were approved by Council to ensure that consumers who are struggling financially can be accommodated without severe negative effects to the Municipality.	98.4% debt collection rate for 2014/2015.

Table 199: Presidential outcome for Local Government

VOLUME I: ANNUAL AUDITED FINANCIAL STATEMENTS 2014/2015

VOLUME II: REPORT OF THE AUDITOR-GENERAL 2014/2015

VOLUME III: AUDIT OUTCOME IMPROVEMENT PLAN

VOLUME IV: REPORT OF THE AUDIT COMMITTEE 2014/2015

VOLUME V: ANNUAL PERFORMANCE REPORT 2014/2015