

Munisipaliteit • U-Masipala • Municipality

OVERSTRAND



22 January 2020

# ANNUAL REPORT

Draft audited



We belong



We care



We serve

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## LIST OF ABBREVIATIONS

**AG-** Auditor General

**Capex** - Capital Expenditure

**CBP** – Community Based Planning

**CFO-** Chief Financial Officer

**CRO-** Chief Risk Officer

**CSI-** Corporate Social Investment

**DEADP-** Department of Environmental Affairs and Development Planning

**DoA-** Department of Agriculture

**DoHS-** Department of Human Settlements

**DRDLR-** Department of Rural Development and Land Reform

**DWS** – Department of Water and Sanitation

**ECD-** Early Childhood Development

**EDP's-** Economic Development Practitioners

**EE** – Employment Equity

**EPWP-** Expanded Public Works Program

**FSPU-** Farmer Support Production Unit

**GDP-** Gross Domestic Product

**HR-** Human Resources

**IDP-** Integrated Development Plan

**IGR-** Intergovernmental Relations

**IOD-** Injury on Duty

**IRDP-** Integrated Residential Development Programme

**JAPAC-** Joint Audit and Performance Audit Committee

**KPA-** Key Performance Area

**KPI-** Key Performance Indicator

**LED-** Local Economic Development

**LUPA** – Land Use Planning Act

**MAYCO** – Executive Mayoral Committee

**MERO** – Municipal Economic Review Outlook

**MFMA** – Municipal Finance Management Act (No 56 of 2003)

**MIG-** Municipal Infrastructure Grant

**MM** – Municipal Manager

**MMC-** Member of Mayoral Committee

**MSA** – Municipal Systems act (No 32 of 2000)

**MSCOA** – Municipal Standard Chart of Accounts

**MTREF-** Medium Term Revenue and Expenditure Framework

**NEM:BA** – National Environmental Management: Biodiversity Act

**NGO-** Non Governmental organisation

**NT-** National Treasury

**OMAF-** Overstrand Municipal Advisory Forum

**OPEX** – Operating expenditure

**PMS-** Performance Management System

**PT-** Provincial Treasury

**SALGA-** South African local Government Association

**SCM** – Supply Chain Management

**SDBIP-** Service Delivery and Budget Implementation Plan

**SDF-** Spatial Development Framework

**SMME's** – Small, Medium and Micro enterprises

**SPLUMA-** Spatial Planning Land Use Management Act

**STATS SA-** Statistics South Africa

**TRA-** Temporary Relation Area

**UISP-** Upgrading of Informal Settlement Programme

**WFC-** Working for the Coast programme

**WFW-** Working for Water Programme

**WWTW-** Waste Water Treatment Works

# CHAPTER 1

## COMPONENT A: MAYOR'S FOREWORD

**Dear Stakeholder,**

As the Executive Mayor of Overstrand Municipality, it is my honour and privilege to present the Annual Report, for the 2018/19 financial year.

This document reflects the performance of our organization over the past financial year (i.e. 2018/19) in attaining the strategic objectives set in the Integrated Development Plan (IDP). Consequently it is extremely valuable, as it helps stakeholders and leaders navigate through the obstacles and pitfalls of service delivery, in order to benchmark new standards of performance and set new goals for improvement.



### a. Vision

The 1<sup>st</sup> review (2018/19) of our 5 year IDP for 2017/2021 IDP and the budget for 2018/19 were approved by Council on 30 May 2018.

For the 2018/19 IDP review our strategic direction was retained:

We retained our **Vision**- "To be a centre of excellence for the community"

We retained our **Mission** – "To create sustainable communities by delivering optimal services to support economic, social and environmental goals in a politically stable environment".

Our **five strategic objectives** were reaffirmed in the 2018/19 IDP review process.

Our service delivery on these strategic objectives for the period under review is clearly cited in Chapter 3 of this report.

### b. Political changes

During the 2018/19 financial year the composition of the Mayoral Committee changed with the appointment of Cllr Grant Cohen as Chairperson of the Community Services portfolio in June 2019. Cllr Ronald Nutt replaced Ald. Nicolette Botha Guthrie in Council who retired in March 2019.

### c. Key Policy Developments

In this reporting period our municipality continued to align its core service delivery strategy with the National Development Plan (NDP- 2030 vision) and the Provincial Strategic Plan (2014-2019).

## CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

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### **d. Rapid expansion of informal settlements**

Overstrand Municipality has been experiencing a rapid influx of residents which resulted in the increase of the number of informal dwellings.

Land invasions in the informal settlements occurred at an unprecedented rate. New "settlements" such as Marikana and Dubai in Zwelihle, Hermanus were established during the 2018/19 financial year, and a noticeable expansion in areas such as Overhills in Kleinmond and Masakhane in Gansbaai.

Communal services (toilets and taps) and refuse removal had to be provided to informal households on occupied land.

### **e. Key Service Delivery Improvements**

During the year under review we received a number of accolades that gave recognition to the hard work and excellent systems of the Overstrand Municipality and I would like to highlight a few of them:

- ❖ **Retained our clean audit**- I am proud to report that we have retained a clean audit for the 7<sup>th</sup> consecutive financial year. My sincere appreciation to all who have contributed to the Overstrand Municipality continuing its mandate of accountable governance, especially our dedicated administration team under leadership of the Municipal Manager. The Overstrand Municipality was awarded a clean audit, from the Auditor-General for 2012/13, 2013/14, 2014/15, 2015/16, 2016/17, 2017/18 and now 2018/19. This places Overstrand Municipality amongst the top 5% of local municipalities in South Africa to have received three or more consecutive clean audits.
- ❖ **Infrastructure and Repairs & Maintenance spending increased** – Our percentage capital (Capex) budget spending increased from 90.13% in 2017/18 to 100.21% in 2018/19. Furthermore spending on our repairs and maintenance increased from R160 million in 2017/18 to R215 million in 2018/19.
- ❖ **Provision of free basic services to indigent households increased** from 7 385 households in 2017/18 to 7 630 households in 2018/19.
- ❖ **Housing programme implementation**- 100% of the capital budget for housing was spent in the 2018/19 financial year that amounted to R 34, 1 million.
- ❖ **Quality of potable water** exceeded the target of 95% (actual 98.90%). Similarly **the quality of effluent** exceeded the target of 90% (actual 95.77%).
- ❖ **Electricity losses reduced** to 6.45% for the 2018/19 financial year exceeding the target of 7.5%. In terms of the average electricity losses of 14.5% within South Africa based upon Electricity Distribution entities, this is considered an excellent achievement.
- ❖ **Continued Blue Flag status** - The Overstrand Municipality was honoured once again to have Kleinmond, Hawston and Grotto beaches awarded with International Blue Flag status. Pilot status was also awarded to Castle Beach in Pearly Beach. Grotto Beach has the record of the beach with the longest uninterrupted Blue Flag status in South Africa.

## CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

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Some other achievements of the past year that I would like to highlight were:

- ❖ **Expanded Public Works Programme (EPWP)** – One thousand and forty eight (1048) temporary job opportunities were created through the EPWP. The target was 1000 job opportunities. This is an improvement of the 994 achieved in 2017/18.
- ❖ **Library upgrades/ extensions** – Financial support received from the Department of Cultural Affairs & Sport (Western Cape, DECAS) made it possible to satisfy a long overdue need to create a fully equipped children section in the Gansbaai Library. Also with DECAS's financial support the building and shelf space in the Eluxolweni Library (Pearly Beach) could be completed. The floor space was increased by more than 300%. The library now brings upmarket library services (including electronic media) closer to the residents of both Eluxolweni and Pearly Beach – library members (including scholars and students) who were forced in the past to drive a distance of more than 25 km to Gansbaai now have these important facilities on their doorstep.
- ❖ **Environmental Education and Awareness** – Through collaboration with local NGO's and businesses the message of environmental and marine conservation was spread, specifically the importance of protection and clean-up of our ocean and coastline.
- ❖ **Fire Services and Disaster Management** – Overstrand Fire and Disaster Management Services with the support of neighbouring fire services and other organisations are commended for their relentless efforts in combatting the devastating wildfires that swept through Hemel and Aarde Valley, Betty's Bay & Pringle Bay and Franskraal & Masakhane in January 2019.

### f. Public Participation

The ward committees and the Overstrand Municipal Advisory Forum (OMAF) are acknowledged as our official public participation structures.

During April 2018 we held consultation meetings in the wards regarding the Draft IDP review and Budget for 2018.

A Ward Committee Summit was held on 26 November 2018 with the theme "Consultation in Diversity".

### g. Sustained service delivery

We will not compromise on the basic service delivery mandate to our communities, Overstrand is committed to deliver on our **vision "To be centre of excellence for the community"**. The performance and achievements stated in this annual report are testament of our commitment to sustained service delivery. We will also continue to apply sound financial management.

### h. Conclusion

Thank you to our residents, communities, ward committees, partnering organisations and stakeholders. Your participation and support during the 2018/19 financial year is highly regarded and sincerely appreciated. May we build on our strengths and collectively address the challenges in order for Overstrand municipality "To be the centre of excellence for the community".

## CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

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In conclusion, I extend my sincere gratitude to the administration. It is only with the devoted efforts of our municipal staff that we were able to attain the performance accolades mentioned in this annual report.

I am truly proud to be a part of this institution and look forward to exceeding our objectives again in the New Year, cementing the Overstrand Municipality as the best service delivery region in South Africa.

**DUDLEY COETZEE**  
**EXECUTIVE MAYOR**

# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1 MUNICIPAL MANAGERS OVERVIEW

In reflecting on the 2018/19 financial year, I am pleased to report that the Overstrand Municipality has performed well in relation to service delivery, governance and financial management. The detailed information can be obtained in this annual report.

Overall, the municipality met 347 (81.26%) of a total number of 427 key performance indicators (KPIs) for the period 01 July 2018 – 30 June 2019. 65 (15.22%) of KPIs were almost met and 15 (3.51%) of the indicators were, for good and valid reasons not met.



Our service delivery during 2018/19 were severely challenged through amongst others the rapid expansion of our informal settlements due to land invasions and disruptions in the electricity provision due to load shedding by Eskom. Below average rainfall was experienced over the past 3 years in the Overstrand area. Level 1 water restrictions were implemented in the Greater Hermanus area from 1 November 2017. Since 1 March 2018 Level 1b restrictions in the Greater Hermanus area applied. More severe restrictions will be implemented if needed.

Having said this, I am extremely proud of the clean audit status retained for the 7th consecutive year. My sincere appreciation to my management team, all our officials and Council for your dedication and team work to retain our clean audit status.

Financially the Municipality performed well during 2018/19. Though the financial health position of the Municipality can be assessed as good, sound financial management will remain, as in the past, a priority in the future. This is of utmost importance due to escalating service delivery needs from our community, concomitant with the impact the weak economic growth of the country has on our community's ability to pay for services. Our long term financial plan will once again guide the Municipality in practicing sound financial management with the limited financial resources at our disposal.

During the year under review the top management team remained unchanged and all Section 56 positions (Directors) were filled. This benefitted the sustained service delivery performance as noted in this annual report.

We remain committed to accountable and ethical governance with no tolerance towards corruption and/or fraud. Any indications of alleged misconduct against officials and councillors shall be reported for investigation.

As this annual report reflects on Overstrand Municipality's performance and challenges for the 2018/19 financial year, I once again extend my sincere appreciation to the Council, The Executive Mayor and

## CHAPTER 1:

### MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

---

his Mayoral Committee, the Joint Audit and Performance Audit Committee, my management team and all our officials for their dedication and contribution to deliver on our Vision "*To be a centre of excellence for the community*".

**COENIE GROENEWALD**

**MUNICIPAL MANAGER**

# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## 1.2 MUNICIPAL OVERVIEW

This report addresses the performance of the Overstrand Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The **2018/19 Annual Report** reflects on the performance of the Overstrand Municipality for the period **1 July 2018 to 30 June 2019**. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the municipality must prepare an Annual Report for each financial year.

### 1.2.1 VISION AND MISSION

The Overstrand Municipality committed itself to the following vision and mission:



***Vision:***

**“To be a centre of excellence for the community”**

***Mission:***

**“Creation of sustainable communities by delivering optimal services to support economic, social and environmental goals in a politically stable environment”**

Figure 1: Overstrand Municipality, Vision and Mission, 2018/19

## CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

### 1.3 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

#### 1.3.1 POPULATION

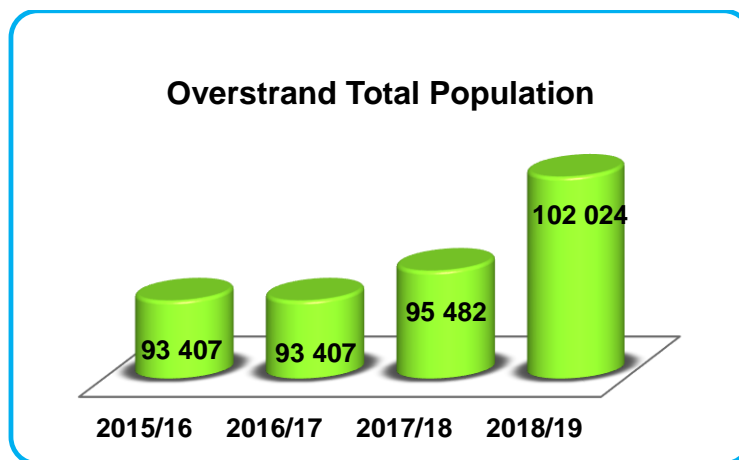
The municipality's estimated population for 2018/19 is **102 024**.

The table below indicates the total population within the municipal area:

2011/12	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
80 432 <sup>1</sup>	87 000 <sup>2</sup>	90 000 <sup>2</sup>	93 407 <sup>3</sup>	93 407 <sup>3</sup>	95 482 <sup>2</sup>	102 024
<i>Source: <sup>1</sup>Stats SA Census, 2011, <sup>2</sup> Overstrand own calculation <sup>3</sup>Stats SA Community Survey 2016, Provincial Treasury 2018 SEP</i>						

**Table 1: Demographic information of the municipal area – Total population**

The graph below illustrate the yearly population growth for the municipal area



**Figure 2: Total Population Growth**

*Source: <sup>1</sup>Stats SA Census, 2011, <sup>2</sup> Overstrand own calculation, <sup>3</sup>Stats SA Community Survey 2016*

#### A) POPULATION PROFILE

Age	2016/17			2017/18*			2018/19		
	Male	Male	Male	Male	Female	Total	Male	Female	Total
Age: 0-9	7604	7604	15288	7773	7855	15625	8397	8384	16781
Age: 10-14	3643	3643	7130	3724	3564	7288	3975	3805	7780

## CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Age	2016/17			2017/18*			2018/19		
	Male	Male	Male	Male	Female	Total	Male	Female	Total
Age: 15-19	3430	3430	7231	3506	3885	7392	3742	4147	7889
Age: 20-24	3608	3608	7060	3688	3529	7217	3936	3767	7703
Age: 25-39	11355	11355	22689	11607	11586	23193	12390	12366	24756
Age: 40- 54	8267	8267	15495	8451	7389	15839	9020	7886	16906
Age: 55-69	5289	5289	11000	5406	5837	11244	5771	6230	12001
Age: 70-84	2928	2928	6756	2993	3914	6906	3194	4177	7371
Age: 85+	129	129	758	132	643	775	71	214	285

*Source: Overstrand's own projections based on 2011 Census*

**Table 2: Population profile**

### 1.3.2 HOUSEHOLDS

The total number of households within the municipal area increased from **33 692** in the 2017/2018 financial year to a total of **34 782** the 2018/2019 financial year. This indicates an **increase of 3.1%** in the total number of households within the municipal area over the financial years (2017/18-2018/19).

Household	2015/16	2016/17	2017/18	2018/19
Number of households in municipal area	32 294	33 240	33 692	34 782
Number of indigent households in municipal area	7 512	7 418	7 385	7 630

*Source: Overstrand financial system*

**Table 3: Total number of households**

The graph below shows that the total number of indigent households increased from 7 385 households in 2017/2018 to 7 630 households in the 2018/2019 financial year. This indicates an increase of 3.32% in the total number of indigent households within the municipal area over the financial years (2017/18 – 2018/19).

## CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

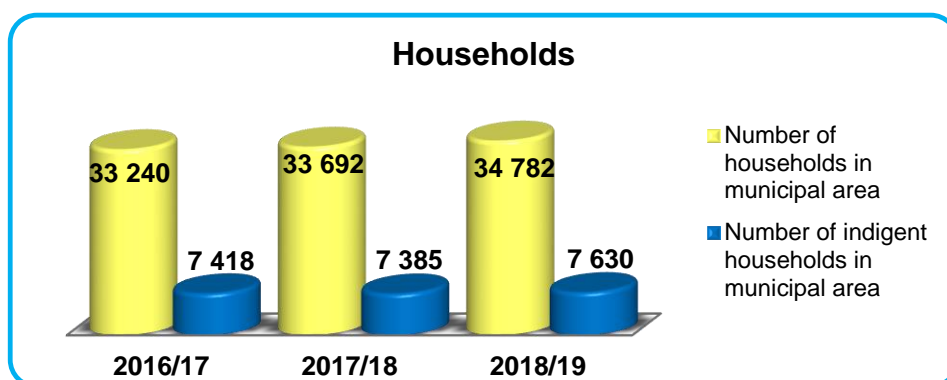


Figure 3: Total number of households

### 1.3.3 SOCIO-ECONOMIC STATUS

Financial year	Housing Backlog	Unemployment Rate	People older than 14 years illiterate	HIV/AIDS Prevalence	Urban/rural household split
2016/17	7612	*23.3%	*12.5%	Not Available	*93.4/6.6%
2017/18	7814	23.3%	12.5%	4.57%	*93.4/6.6%
2018/19	11 269	16.5%	Not available	4.72%	94/6%

Table 4: Socio Economic Status (\*based on 2011 Census Figures)

### 1.3.4 GEOGRAPHIC INFORMATION

#### A) MUNICIPAL GEOGRAPHICAL INFORMATION

Overstrand Municipality is located along the south western coastline of the Overberg District Municipal area bordering the City of Cape Town in the west and Cape Agulhas Municipality in the east. Its northern neighbour is Theewaterskloof Municipality.

The municipality covers a land area of approximately 1708 km<sup>2</sup> and **covers the areas of Hangklip/Kleinmond, Greater Hermanus, Stanford and Greater Gansbaai**. The municipal area has a coastline of approximately 200 km, stretching from Rooi Els in the west to Quinn Point in the east.

In addition to the endless, pristine beaches dotting the coastline, the Overstrand boasts 3 Blue Flag beaches and an additional beach with Blue Flag pilot status. Tourism is a major economic driver in the area and its popularity as a holiday destination results in a fourfold increase of its population over the holiday seasons.

# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## B) WARDS

The municipality is structured into the following 13 wards:

Ward	Areas
1	Franskraal and Masakhane
2	Gansbaai, De Kelders, Kleinbaai and Blomplark
3	Hermanus and a portion of Westcliff
4	Mount Pleasant, Hemel-en-Aarde Valley and a portion of Westcliff
5	Zwelihle South
6	Zwelihle North
7	Sandbaai
8	Hawston, Fisherhaven and Honingklip
9	Kleinmond, Mountain View and Palmiet
10	Betty's Bay, Pringle Bay, Rooi Els, Overhills and Proteadorp
11	Stanford, Baardskeerdersbos, Pearly Beach, Viljoenshof, Withoogte and Buffeljagsbaai
12	Zwelihle North-West
13	Onrus and Vermont

**Table 5: Overstrand Wards**

**Below is a map that indicates the wards of the Municipality in the Overberg District area:**



**Figure 4: Overstrand area map**

# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

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## GANSBAAI

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Gansbaai won the “World Responsible Tourism Destination” award in 2015 and is situated in the centre of a number of small bays with miles of unspoiled beaches, fynbos rich nature reserves, ancient milk wood forests, historically significant caves and breath-taking sea views.

Shark cage diving has become synonymous with Gansbaai and specialized boats leave from the Kleinbaai harbour daily so that extreme adventure seekers can have close encounters with great white sharks. The area is also home to the Marine Big 5 - whales, seals, dolphins and penguins and smaller marine life.

Gansbaai is the business and industrial centre of the Greater Gansbaai region. Fishing is the main commercial activity and marine based industry includes abalone farms and a fishery. The property development sector is expanding and the hospitality industry brings much needed revenue to the area.

With the fertile Baardskeerdersbos valley, the fresh water caves at De Kelders, the white sands of Pearly Beach, the jackass penguins at Dyer’s Island and the renowned Shark Alley, Gansbaai is truly a uniquely authentic region within Overstrand Municipality.

## KLEINMOND/HANGKLIP

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The Kleinmond-Hangklip coastal area including of Rooi Els, Pringle Bay, Betty’s Bay has the unique status of being situated in the Kogelberg Biosphere Reserve which was the first UNESCO designated biosphere reserve in South Africa. Biosphere reserves are tasked with being role-models of sustainability, demonstrating the balance between people and the environment to the benefit of both.

Kleinmond has an active harbour and many commercial fishermen make their living along the Hangklip coastline. Whether it’s hiking in the biosphere reserve with its 1 800 floral species, a visit to the Stony Point penguin colony, a tour of the Biosphere Eco-Centre in Rooi-Els, a picnic in the Harold Porter Botanical Gardens, shopping and sun downers in Kleinmond’s quaint Harbour Road, a day on the beach

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with family and friends, or a fleeting glimpse of the heard of wild horses roaming the dunes, eco-tourism is quite definitely the economic mainstay of this scenically magnificent and environmentally sensitive area of the Overstrand.

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### HERMANUS



In the past decade Hermanus has established itself as the business and cultural heart of the Overstrand. Although it may have shed its sleepy holiday town image and is able to boast a modern infrastructure, sophisticated specialty shops, shopping centres, a shopping mall and restaurants to rival the best in the world, Hermanus has managed to retain the charm of its fishing village heritage.

Hermanus is situated between sweeping mountains and the sparkling Atlantic Ocean and is only a short scenic 1½ hours (140 km) drive from Cape Town. Tourism is a main contributor to the economy of Hermanus and businesses catering for the robust hospitality industry are plentiful. Visitors to the town can choose from over 100 accommodation options ranging from up market B&B's, guesthouses, luxury resorts and boutique hotels to budget priced self-catering and back-packer establishments. Hermanus is known as the **best land based whale watching destination in the world** and from June through to December each year thousands of tourists visit our shores to marvel at the magnificent southern right whales as they splash and romp and nurture their new-born calves. Whale watching cruises depart from the New Harbour daily and flights to view the giants of the deep from the air are also very popular. The Hemel-en-Aarde Wine Route has become the 4<sup>th</sup> most popular wine route in South Africa in a short period.

Hermanus is rapidly establishing itself as an arts destination, with more than 45 galleries displaying arts and crafts throughout the town. Exploring the town on foot is one of the best ways of finding the hidden gems.

Hermanus has a well-developed industrial area and over the last 10 years enjoyed growth in the building sector with security villages, private homes, holiday resorts and commercial and retail property development projects adding to the economic wealth of the area. Hermanus is also a leader in commercial abalone farming and development of further aquaculture farms is anticipated. Agriculture, manufacturing, wholesale and retail businesses, financial and investment companies and the wine industry also **contribute significantly to the economic prosperity**.

The administrative head office of the municipality is also situated in the centre in Hermanus.

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## STANFORD



Stanford is a proud and elegant village built on the strong roots of farming. The surrounding valley, mountain slopes, wetlands and coastal belt make Stanford attractive to those looking for pristine outdoors, wholesome experiences but still the creature comforts of a wide range of tourist offerings. Stanford is also the only town on the Cape Whale Coast that is not situated on the coastline, but it is connected by the meandering Klein River and its estuary which has remained healthy and full right throughout the year. The rural atmosphere of the old village with its many historical features has been retained and preserved thanks to the foresight of the Stanford Conservation Trust and the Stanford Heritage Committee.

Stanford has a peaceful and quiet charm which has drawn many people from the city in search of the quality of life a small village offers. Many of the old homes have been renovated and restored and countless new homes have been built in Stanford in the past decade. They all prescribe to the "Stanford Style" to ensure that the unique character of the village is maintained.

Stanford's economy is driven by tourism, wineries, commercial harvesting of fynbos, farming and smaller businesses which offer services to the community. The village has seen a boom in offerings inside and outside the town ranging from top-notch eateries and an innovative Stanford Wine Route, to a plethora of antique shops, gift shops and art shops, as well as a line-up of walking trails, rock art, river cruises, a unique orchid nursery and thriving Big Cat Sanctuary. All of this makes Stanford a popular weekend destination including wedding destination as there are ample activities to keep guests busy.

## C) KEY ECONOMIC ACTIVITIES

The main economic drivers in the municipal area are:

Key Economic Activities	Description
Tourism	Tourism is the New Gold. This was the message shared by Derek Hanekom, Former Minister of Tourism, at the 2019 Africa Travel Indaba. This statement is true for South Africa and also true for the Overstrand. Tourism has yet to reach its potential to attract

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Key Economic Activities	Description
	<p>investment and help small, medium and micro enterprises to participate in this growing sector of our economy. Yet, we have seen a growth in new tourism products establishing themselves and there have been positive developments as more and more businesses participate in the tourism space. Cape Whale Coast Tourism extends beyond pleasure and also embraces health, conservation, business, science and education as a basis for travelling to our region.</p> <p>The Overstrand Municipality is host to major international tourism products due to the proximity to the City of Cape Town (only 120km) and the natural surroundings which lends itself as a scenic backdrop to the many adventure and arts events hosted here. The region is accessible and offers many roads to day trippers, holidaymakers, professionals doing business here and group tours.</p> <p>The sector has experienced significant growth making the Overstrand a preferred destination of choice and we continue to focus on promoting the diverse arrangement of experiences available to grow bed nights. Our flagship offerings includes whale watching – land and boat based as well as an aerial view from an aeroplane – shark cage diving, scenic drives and wine tasting at three different wine routes. Then there is the landscapes with abundant flora set against dramatic mountains dropping into the Atlantic Ocean. There is truly No Where Better.</p>
Aquaculture / Agriculture	<p>The Aquaculture industry is one of the fastest growing industries in the area with well-established farms with the major players extending their farms to increase tonnage. The Overstrand is host to an Aqua hub with huge potential for established export market and one of the largest employers in the municipality. Significant focus has been given to the sector to ensure that jobs are maintained and that Overstrand remains the leader in exporting and growing the product. The Southern coastal line of the Overstrand produces the best quality product in the world and boosting export value and expansion of manufacturing which is key to employment creation. The thriving agriculture sector includes the ever growing wine industry and with the decline in the sector, the sector shed a significant number of jobs over the years.</p> <p>Overstrand municipality is host to the most vibrant aqua-hub, producing quality products that compete with the best in the world. Aquaculture is by large the biggest employment creator and plays an important role in the management of the industry. An important role in the light of declining agricultural activities. Aquaculture developments have helped to mitigate job losses in the agriculture sector. Despite this, agriculture remains a strong sector in the District with the hedging and growing wine industry helping to shift the focus from a turbulent fishing industry that are struggling to cope with unconventional fishing quota allocations.</p>
Manufacturing	<p>Manufacturing activities have grown moderately in the past year, given the sector's ability to contribute to employment creation in the</p>

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Key Economic Activities	Description
	area. The Overstrand has a thriving (light) manufacturing industry which bodes well with its ability to create jobs. Potential exist in the beneficiation of commodities for export and alignment of sectors to ensure product offering.
Finance, real estate and business services	The growth enjoyed in this sector signifies the attractiveness of the area to retirement and jobs demonstrated by the demographics (ages 15 – 64) working age being the majority of the population. The sector continues to grow the fastest contributing positively in countering job losses felt in the Agricultural sector and to skills development. It is the largest contributor in the GCPR of the municipality.
Secondary service industry	The demand for services will increase in line with the population growth and more importantly the attractiveness of the municipality as among the top ten South African municipalities to live in. This sector has had significant growth over the years due to demand in services, support and information to deal with growing development demands in line with the increasing population.

**Table 6: Key economic activities**

### 1.4 SERVICE DELIVERY OVERVIEW

During the year under review the municipality made the following contributions to satisfy basic requirements:

#### A) LOCAL ECONOMIC DEVELOPMENT

During the 2018/19 financial year 1048 temporary job opportunities were created through the Expanded Public Works programme (EPWP). This actual performance exceeded the target of 1000.

The provision of work opportunities remains a priority for the municipality. The municipal participation in the EPWP demonstrates commitment to addressing the unemployment challenge. The municipality over-performed in this financial year, giving over 1000 people an opportunity to earn a living.

Enterprise development and the support of the informal sector are key to the promotion of entrepreneurship and remains a tool to addressing the source of unemployment.

#### B) INFRASTRUCTURE

##### **Housing**

During the 2018/19 financial year the following housing projects commenced:

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- Site C2 Top Structures, Zwelihle UISP - 132 BNG houses completed and handed over during September /October 2018.
- Admin Site Top Structures, Zwelihle UISP - 39 BNG houses completed and handed over during November 2018.
- Hawston IRDP Project - Civil services were completed at the end of June 2019 and top structure contractor established on site during February 2019.
- Masakhane IRDP Project, Gansbaai - Funding approval for installation of civil services were received at the end of November 2018 and contractor established on site during March 2019.
- Stanford IRDP Project - Funding approval for installation of civil services was received at the end of April 2019 and contractor established on site during June 2019.

### **Electricity**

The municipality provided electricity to all formal households in Kleinmond, Hermanus, Sandbaai, Hawston, Stanford, Greater Gansbaai and Pearly Beach. The rest of the municipal area is supplied by ESKOM. The municipality is also incrementally rolling out electricity to households in informal areas.

Emergency housing in the Overstrand area has taken off overnight and various areas have been identified to assist local communities. A number of streetlights and electricity connections have been provided to try and assist locals until the various housing projects are completed.

A set of Guidelines for Small Scale Embedded Generating within the Overstrand Distribution Area was approved and took effect on 1 July 2016. Overstrand has since received multiple enquiries with 20 applications currently completed with a combined installed capacity of 177kVA. These Guidelines give consumers the opportunity to have a grid tied connection and feed all excess energy back into the municipal grid for which they are compensated at an approved annual tariff.

### **Local planning and building control**

The municipality provides full town planning and building control functions in its area. During the year under review, 258 town planning applications and 1967 building plans were processed. This is a decrease from 273 town planning applications processed in 2017/18 and a decrease from the 2 320 building plans processed in 2017/18.

Building plans to the total value of R1, 427 860 926 were approved during 2018/19.

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## C) COMMUNITY SERVICES

### Water

A water demand management strategy is in place as part of the municipality's Turn Around Strategy, with the focus to keep water demand under control and to decrease water losses. Water losses increased to 24.25% in 2018/19, compared to 18.82% in 2017/18. Grey water excluded from water sold for 2018/2019. In addition the increase in water losses is ascribed to the increase in burst pipes (427 pipe bursts in 2018/19 compared to 246 in 2017/18) notable increase in burst pipes were experienced in Betty's Bay, Pringle Bay, Voëlklip and Stanford. During the past 3 years funding for the replacement of water pipes has decreased dramatically, with the corresponding increase in pipe bursts being experienced.

### Roads

112 982 m<sup>2</sup> of roads were patched and resealed during the 2018/19 financial year. This actual performance exceeds the target of 100 000 m<sup>2</sup>.

### Beaches

Three bathing beaches were once more awarded International Blue Flag beach status, namely Kleinmond, Hawston, Grotto and Castle Beach in Pearly Beach was awarded Blue Flag Pilot status. The respective statuses were maintained for the duration of the blue flag season, from 1 December 2018 until 31 March 2019 for Grotto and 15 December 2018 to 15 January 2019 for Kleinmond, Hawston and Gansbaai. Amenities were maintained to Blue Flag requirements.



Left to right: Official Launch of the 2018/19 Blue Flag Season in Hermanus, Kleinmond and Castle Beach, Pearly Beach

## 1.4.1 BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS

Highlight	Description
Electricity losses	The average electricity losses in the Overstrand Area are at 6.45% and include technical losses. The target of 7.5% was exceeded.
Green drop score	No Green Drop assessment was done by the Department of Water and Sanitation during 2018/19.

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Highlight	Description
Refuse removal	Overstrand Municipality has won the Waste Management Section of the Greenest Town Municipality for the 7 <sup>th</sup> time in 10 years. Provision of service to emergency housing.
Water Demand Management	Overstrand Municipality successfully continued with its Water Conservation and Demand Management program.
Reseal/rehabilitation programme	A number of 112 982 m <sup>2</sup> roads were patched and resealed for the year. The target was 100,000 m <sup>2</sup> . Dust proof of 7km of gravel roads.
Water and Sewer	Provision of communal services to emergency housing (toilets and taps).

**Table 7: Basic Services Delivery Highlights**

### 1.4.2 BASIC SERVICE DELIVERY CHALLENGES

Service Area	Challenge	Actions to address	Progress made in 2018/19 to address challenge
Water & sewerage	Aging infrastructure	Increased maintenance and replacement of network and water meters	An amount of R3 968 807.08 was spent on the replacement of domestic water meters. 1624 meters were replaced.
All basic services	Vandalism	Educational programmes, increased security measures	Brass water meters and taps are replaced with plastic ones.
Stormwater	Stormwater infiltration into sewer networks	Public awareness and law enforcement	Building inspectors inspect properties for illegal storm water connections onto the on-site sewer installations.
Sewerage systems	High number of blockages	Repair/replace sections of pipelines. Preventative maintenance	Camera inspections in Hermanus CBD and cleaning of pipelines in Zwelihle.
Water	High water losses/ Aging infrastructure	Pressure management, awareness programmes, water meter replacement, leak detection.	1624 domestic water meters replaced. Audit of municipal consumers completed. Municipal consumption monitored monthly. Leak detection on bulk pipelines in Hangklip area completed. Water distribution zones in Hermanus verified.
Refuse	Illegal dumping	Improved law enforcement	Law enforcement more visible.
Electricity	Theft of electricity (tampering), cables and vandalism	Theft and vandalism is a growing concern that amounts to great unforeseen expenses. It amounts to power outages and loss of income. Overstrand Municipality works with SAPS and local law enforcement agencies to address this problem. It is however a nationwide concern that is somewhat uncontrollable.	The average electricity losses in the Overstrand Area are at 6.45% and include technical losses. This is achievable with the on-going project of auditing of electricity meters in the Overstrand area. The electrification of houses in the Overstrand area also ensures a very low rate of tampering and illegal connections. Theft and vandalism still occur in the

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Service Area	Challenge	Actions to address	Progress made in 2018/19 to address challenge
			Overstrand area and is addressed by working together with the police and law enforcement agencies.
Roads	Lack of sufficient funding to reduce backlogs of the resealing of roads	Increase reseal operational funding	112 982m <sup>2</sup> of roads were maintained to the value of R23 370 266.  Breakdown below: ➤ Patching (23 092m <sup>2</sup> ), ➤ Reseal (84 702m <sup>2</sup> ) ➤ Rehabilitation (5 188m <sup>2</sup> )
	Inadequate storm water network in certain neighbourhoods	Increase in capital expenditure for storm water infrastructure	Storm water projects is identified as a priority in the IDP
	Deterioration of gravel roads	Additional funding for re-gravelling and dust proofing programme	Dustproofing of 7km of gravel roads in Overstrand with the breakdown below: ➤ Hermanus - 1.8km, ➤ Gansbaai - 3.4km, ➤ Kleinmond - 1.8km.

**Table 8: Basic Services Delivery Challenges**

### 1.4.3 PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

Proportion of Households with access to Basic Services				
Description	2015/16	2016/17	2017/18	2018/19
Electricity service connections	82%	90%	86%	82%
Water - available within 200 m from dwelling	100%	100%	100%	100%
Sanitation - Households with at least VIP service	100%	100%	100%	100%
Waste collection - kerbside collection once a week	100%	100%	100%	100%

**Table 9: Households with minimum level of Basic Services**

According to the Municipality's own records (financial directorate) **31 162** households had access to formal housing in Overstrand in **2018/19**. (Note: This is the number of houses on the valuation roll and includes residential rate payers as well as pensioner rate payers).

## 1.5 FINANCIAL HEALTH OVERVIEW

### 1.5.1 FINANCIAL VIABILITY HIGHLIGHTS

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Highlight	Description
Outstanding debtors recovered	Recovered 98.67%

**Table 10: Financial Viability Highlights**

### 1.5.2 FINANCIAL CHALLENGES

Challenge	Action to address	Progress made in 2018/19 to address challenge
<p>The main challenges for the municipality:</p> <ul style="list-style-type: none"> <li>○ The on-going difficulties in the national and local economy and the subsequent risk of an increase in outstanding debtors.</li> </ul> <p>To be noted that the decline of 1.42% in collection of outstanding debtors, can be ascribed to the following areas among others, currently impacting on amounts outstanding:</p> <ul style="list-style-type: none"> <li>▪ Fire Services accounts (Sundry), due to lengthy legal processes followed to collect amounts);</li> <li>▪ Insolvent Private Residential developments (Rates &amp; Taxes);</li> <li>▪ Outstanding Government Accounts (Rates &amp; Taxes).</li> </ul>	<p>Applying Strict credit control measures</p>	<p>Regression in outstanding debtors recovered: 0.97%</p> <p>2018/2019: 98.67% (2017/2018: 99.64%) (2016/2017: 99.44%)</p> <p>Procedures and mechanisms to collect all the monies due and payable to the Municipality arising out of the supply of services and annual levies, are enforced on a continuous basis</p>
<ul style="list-style-type: none"> <li>○ Ever aging water, roads, sewage and electricity infrastructure.</li> </ul>	<p>Prioritising of projects in terms of Revenue protection, Asset conservation and supply of basic services as a constitutional obligation.</p> <p>Regular and planned maintenance.</p>	<p>The capital budget is set aside for spending on infrastructure and services, such as roads, storm water, essential basic services and other utilities and services that Overstrand needs in order to function, grow and offer opportunities to its residents.</p> <p>Capital Spend on projects increased: 2018/2019: R175,1m (2017/2018: R105,2m) (2016/2017: R91,8m)</p> <p>Operational Budget spent on Repairs and Maintenance relates to an above inflation increase in spending: 2018/2019: R215m (2017/2018: R160m)</p>

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Challenge	Action to address	Progress made in 2018/19 to address challenge
		(2016/2017: R120,6m)
<ul style="list-style-type: none"> <li>○ Above inflation increases in salaries &amp; wages and other core expenditure such as fuel, chemicals etc. vs inflation related tariff increases.</li> </ul>	<p>Reviewing processes for operational efficiencies, reduction in non-core expenditure and monitor service level standards.</p>	<p>Increases in own controlled operational expenditures have been kept below inflation, except where contractual obligations exists.</p> <p>The outsourcing of the water and waste water treatment plants, in respect of operational efficiencies, has been implemented.</p> <p>Adhere to cost containment measures.</p>

**Table 11: Financial Challenges**

### 1.5.3 NATIONAL KEY PERFORMANCE INDICATORS- MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (RATIOS)

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

Description	Basis of calculation	2015/16	2016/17	2017/18	2018/19
		Audit outcome	Audit outcome	Audit outcome	Audit outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	3,83	5,18	9,36	9,15
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	10,43%	10,77%	10,76%	11,30%
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	17,71	18,99	20,72	22,32

**Table 12: National KPI's for financial viability and management**

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## 1.5.4 FINANCIAL OVERVIEW

	Original budget	Adjustment Budget	Actual
	R'000		
Details			
Income			
Grants	192 534 250	184 258 490	185 036 029
Taxes, levies and tariffs	848 716 500	859 716 500	881 474 336
Other	100 945 300	105 395 298	147 616 221
<b>Sub-total</b>	1 142 196 050	1 149 370 288	1 214 126 586
<i>Less expenditure</i>	1 134 244 712	1 154 476 388	1 108 571 630
<b>Nett surplus/ (deficit)</b>	7 951 338	-5 106 100	105 554 956

Table 13: Financial Overview

## 1.5.5 TOTAL CAPITAL EXPENDITURE

Detail	2015/16	2016/17	2017/18	2018/19
	R'000	R'000	R'000	R'000
Original Budget	103 914	88 356	97 647	194 237
Adjustment Budget	103 386	86 266	116 620	174 748
Actual	95 133	91 868	105 207	175 110

Table 14: Total Capital expenditure

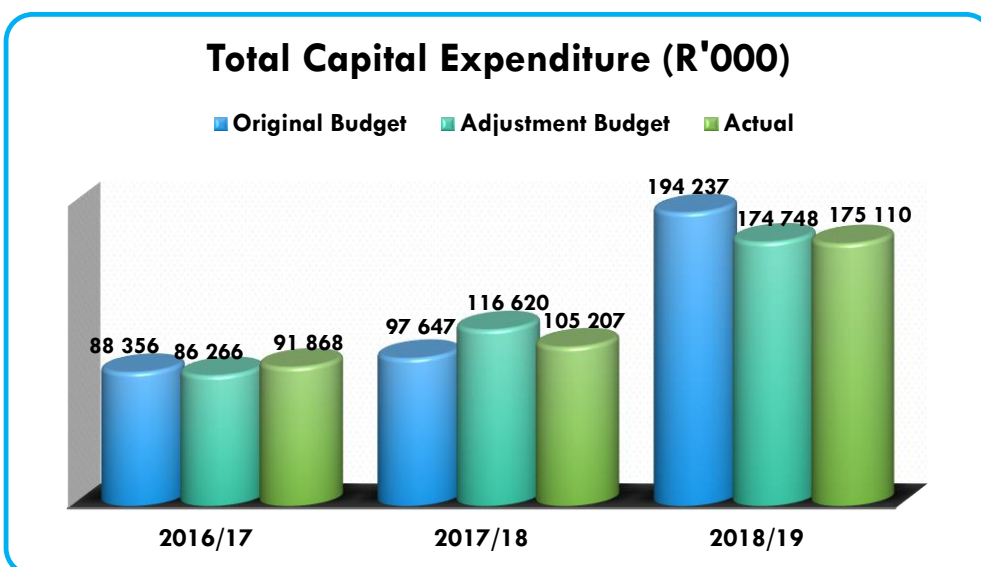


Figure 5: Total Capital Expenditure

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## 1.6 ORGANISATIONAL DEVELOPMENT OVERVIEW

### 1.6.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

Highlights	Description
Wellness days	<p>Wellness days were held over a period of 3 days starting from 11 to 13 October 2018. All 4 administrations were included and the following number of employees attended the different wellness stations:</p> <ul style="list-style-type: none"> <li>▪ Kleinmond: 91</li> <li>▪ Gansbaai &amp; Stanford: 49</li> <li>▪ Hermanus: 147</li> </ul> <p>In total 287 municipal employees attended the sessions.</p> <p>Services rendered at the Wellness days include the monitoring of:</p> <ul style="list-style-type: none"> <li>• Blood pressure, Blood sugar, Cholesterol, Body Mass Index (BMI), waist measurements and diet plans.</li> <li>• HIV tests and no new reporting's.</li> <li>• Different dietician gave talks on salt intake and a healthy diet.</li> <li>• CANSA also attended all the Wellness Days and they gave a talk on the different types of cancer.</li> <li>• Pro Active a local gym gave a motivational speech on the effect of exercise and how it positively influences your moods and goals.</li> <li>• Counselling was given with respect of diets, exercise, alcohol intake, smoking and the usage of chronic medicine.</li> </ul> <p>HIV test Done:</p> <ul style="list-style-type: none"> <li>▪ Kleinmond: 63</li> <li>▪ Gansbaai &amp; Stanford: 41</li> <li>▪ Hermanus: 94</li> </ul> <p>No new reporting of positive infections.</p> <p>Overall the Wellness days were a success.</p>
Performance Management	<p>Provide monthly performance management training to new recruits and other staff members upon their request for training.</p>

**Table 15: Municipal Transformation and Organisational Development Highlights**

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### 1.6.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

Description	Actions to address
<p>Hosting of Employee Wellness days:</p>	<p>The attendances of Gansbaai staff were extremely low. The impression that you get is that staff members are not really interested in their own well-being. Managers/Supervisors must emphasize the importance of attending the Wellness days.</p>
<p>Performance Management:</p> <ul style="list-style-type: none"> <li>• Communication break-down between Managers and subordinates regarding performance appraisal. Also lack of feedback from managers to subordinates when evaluations are finalized.</li> <li>• Lack of responsibility of relevant managers to ensure that the evaluation documents are submitted by their subordinates.</li> <li>• Compliance rate is poor in certain directorates.</li> <li>• Certain employees are reluctant to change their attitude towards performance management assessment, resulting in them scoring themselves irrelevant assessment scores.</li> </ul>	<p>One-on-One discussions need to take place between managers and subordinates.</p> <p>Managers must ensure that the required performance management documentation is submitted timeously by familiarizing themselves with the due dates of the Performance Management Calendar.</p> <p>Managers must familiarize and keep to submission dates of the Performance Management Calendar in order to be compliant. Managers need to attend to communication from Human Resources regarding outstanding performance management documentation.</p> <p>Employees and managers need to acquaint themselves with the content of the Performance Management Framework Policy of the municipality in order to be compliant with the mentioned policy. Furthermore employees and managers must enquire from the Human Resources department in the event of uncertainties of queries regarding Performance Management.</p>

**Table 16: Municipal Transformation and Organisational Development Challenges**

### 1.7 AUDITOR GENERAL REPORT

In 2005/06 Overstrand Municipality received an adverse opinion from the Auditor-General due to non-compliance with the Standards of Generally Recognised Accounting Practice (GRAP). The opinion received from the Auditor-General has been unqualified for the last thirteen financial years, from 2006/07 to 2018/19 with the municipality receiving a clean audit for the last seven consecutive financial years.

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In order to maintain and improve on these outcomes, the municipality implemented the following measures:

1. Developed an audit action plan in order to identify, implement and actively monitor the root causes of all audit findings reported by the Auditor-General at the management report level.
2. Identified and appointed an audit champion in order to ensure that all audit related communication was directed to the appropriate responsible officials.
3. Developed and maintain a transparent, professional working relationship with the Auditor-General in order to ensure that the municipality's objectives are achieved.
4. Developed and implemented measures in collaboration with the Auditor-General in order to identify, implement and actively monitor inefficiencies in the audit process.
5. Developed and implemented measures in collaboration with the Auditor-General in order to identify, implement and actively monitor the audit cost.

These measures were implemented with the goal of achieving effective corporate governance through accountability. The objective of these controls is to ensure that the Overstrand Municipality maintains and progressively improves its control environment in order to ensure that the strategic objectives assigned in terms of S217 of The Constitution, 1996 is achieved with the view of maintaining a clean administration and further enhancing service delivery through implementing the principles of Batho Pele and making a positive contribution to ensuring that the National Strategic Objectives are achieved.

Chapter 6 provides details of the audit findings for the 2017/18 and 2018/19 financial years.

### 1.7.1 AUDITED OUTCOMES

Year	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Status	Unqualified	Unqualified (Clean Audit)	Unqualified (Clean Audit)	Unqualified (Clean Audit)	Unqualified (Clean Audit)	Unqualified (Clean Audit)	Unqualified (Clean Audit)	Unqualified (Clean Audit)

**Table 17: Audit Outcomes**

A **clean audit** is an **unqualified audit** and a "clean audit" relates to three aspects; the financial statements are free from material misstatements, there are no material findings on the annual performance report (i.e. reporting on performance objectives) and lastly, there are no material findings on non-compliance with key legislation.

### 1.8 2018/19 IDP REVIEW/BUDGET PROCESS -

The table below provides details of the key deadlines for the 2018/19 IDP review (1<sup>st</sup> review of the 5 year IDP Cycle) / Budget process:

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**TIME SCHEDULE FOR THE 2018/19 IDP REVIEW AND BUDGET PROCESS OF OVERSTRAND MUNICIPALITY**

**(1<sup>ST</sup> REVIEW OF THE 5 YEAR IDP – 2017/2022)**

Approved 30 August 2017

TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
<b>JUNE-OCTOBER 2017</b>				
<b>PREPARATION PHASE</b>				
District IDP Managers Forum (time schedule activity alignment) (Coordinated by ODM- IDP Manager)	Strategic Office			<b>8-Aug-17</b>
Table in Council a budget and IDP time schedule of key deadlines (Every year- at least 10 months before the start of the budget year)	Strategic Office			<b>30-Aug-17</b>
Provincial IDP Managers Forum	Local/ Provincial alignment- 2 <sup>nd</sup> Quarter Provincial engagement – Strategic Office			<b>31 Aug- 1 Sept 17</b>
Submission of the time schedule to ODM, the Provincial Government and National Government	Strategic Office/ Budget Office			<b>7 Sept-17</b>
Place public notice on the IDP review/Budget time schedule approval	Strategic Office			<b>7 Sept-17</b>
<b>ANALYSIS, STRATEGY AND PROJECT PHASES</b>				
Discussion with Area Management and Ward Councillors- Methodology for review of community needs for the 2018/19 IDP review	Area Managers/ Directors Community Services & Management Services/ Ward Councillors/Strategic Office			<b>27-July-17</b>
Budget Office to submit Current 3 year capital budget to Strategic Office				<b>27-July-17</b>

**CHAPTER 1:**  
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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
	Budget Office			
Snr Managers for the respective administrations receive prioritised Wish list from Strategic Office of previous project requests for Ward Committees to review (including the Current 3 year capital budget from Budget Office)	Strategic Office/ Budget Office			<b>28-July-17</b>
Ward committees meet to review current needs on the wish list	Snr Managers for the respective administrations			<b>14-18-Aug-17</b>
Public ward feedback meetings- Ward committees obtain public input for draft Ward requests (ward specific projects) and draft reviewed prioritised ward wish list for the 2018/19 financial year	Ward Committees/ Snr Managers for the respective administrations			<b>11-15-Sept-17</b>
Snr Managers for the respective administrations submit draft Ward requests to the Budget Office and draft reviewed prioritised wish list to the Strategic Office	Snr Managers for the respective administrations			<b>19-Sept-17</b>
Review status of Samras Budget Portal functionality and MTREF budget information	Samras/Budget Office			<b>22 Sept-17</b>
Mayoral Strategic session with Management and Councillors (Determine strategic direction for the 2018/19 IDP review)	Strategic Office			<b>11-28-Sept-17</b>
Top Management Meeting with MM (Directors & Budget Office) to discuss budget proposals and budget affordability	TMT/Budget Office			<b>2-3-Oct-17</b>
<b>Budget Steering Committee Meeting</b> - Direction on proposed Tariff increases & increases in Revenue , Expenditure and Capital & Ward Specific Allocations	Budget Steering Committee			<b>3-6-Oct-17</b>
Senior Managers for the respective administrations receives directive from Budget Steering Committee (BSC) on draft ward requests <b>(After BSC meeting)</b>	TMT/Budget Office			<b>6-Oct-17</b>
Based on BSC directive, Ward Committees meet for finalisation of their ward projects and reviewed prioritised wish list	Snr Managers of the respective administrations			<b>9-13-Oct-17</b>
Budget Office distributes current approved three year capital budget to directors and project managers to review existing projects on the two outer years and prioritise projects for the third outer year (2020/2021)	Budget Office			<b>09-Oct-17</b>
Snr Manager Revenue sends Tariff Lists to Directors for review	Snr Manager Revenue			<b>09-Oct-17</b>
Snr Managers of the respective administrations submit final ward projects to Budget Office and final reviewed prioritised wish list to Strategic Office	Snr Managers of the respective administrations			<b>16-Oct-17</b>

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
Strategic office distribute final reviewed prioritised ward wish list to Directorates for their response by 2 <sup>nd</sup> November 2017	Strategic Office			<b>19-Oct-17</b>
Final review Samras Budget Portal for readiness	Samras/Budget Office			<b>20-Oct-17</b>
Mayoral directional IDP/Budget Speech	Executive Mayor			<b>25-Oct-17</b>
Directors submit draft 3 year MTREF capital proposals of existing projects on the two outer years and prioritised projects for the third outer year (2020/2021)	Directors			<b>31-Oct-17</b>
<b>INTEGRATION PHASE</b>				
District IDP Rep/PP Comm Forum	Coordinated by ODM IDP Office			<b>Nov-17</b>
Budget office to issue directives to budget holders regarding the compilation of 2018/19 – 2020/21) OPEX Budget	Budget Office			<b>1-Nov-17</b>
Directors to submit Tariff proposals to Snr Manager Revenue	Directors			<b>1-Nov-17</b>
<b>Budget Steering Committee Meeting - To discuss &amp; review capital budget requests (ROUND1)</b>	Budget Steering Committee			<b>6-10-Nov-17</b>
Workshop on Tariffs and Tariff Related Policies	Budget Office			<b>6-10-Nov-17</b>
Samras Budget Portal update where necessary with new IDP Strategic objectives/Focus Areas/Programmes	Samras/Strategic Office/Budget Office			<b>10-Nov-17</b>
Additional Training if required for all Budget Holders on the new Samras Budget Portal for OPEX and CAPEX Budgets (Project Based Approach)	All Budget Holders/Budget Office			<b>13-17-Nov-17</b>
<b><u>Capturing of Opex &amp; Capex budgets on the Budget Portal</u></b>	<b>All budget Holders</b>			<b>13-Nov-17 to 1-Dec-17</b>
Directors to submit New Post requests to HR & Salary Office	Directors			<b>20-Nov-17</b>
Managers to submit Final List of Overtime, Essential etc. to Salary Department	Managers			<b>24-Nov-17</b>
HR/Salary Office to submit requests for new staff/posts to the Budget Office	HR			<b>24-Nov-17</b>
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Strategic Office			<b>27-Nov-17</b>
District IDP Rep/PPCom Forum (Coordinated by ODM- IDP Manager)	Strategic Office			<b>Nov-17 to be confirmed</b>

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
Budget Office to distribute Year-to-Date Opex & Capex performance for 2017-2018 for Mid-Year review proposals	Budget Office		<b>30-Nov-17</b>	
Provincial IDP Managers Forum	Local/ Provincial alignment- Quarter 3 Provincial engagement – Strategic Office			<b>30-Nov/1 Dec-17</b>
<b><u>Closing date for the capturing of Opex &amp; Capex budgets on the Budget Portal</u></b>	<b>All budget Holders</b>			<b>1-Dec-17</b>
Snr Manager Revenue to submit Draft Tariff list and proposed Revenue to Budget Office	Snr Manager Revenue			<b>1-Dec-17</b>
Salary Office to submit draft three year salary budget & WCA estimates to Budget Office (Current staff establishment)	Salary Section			<b>1-Dec-17</b>
Asset Management to submit draft three year depreciation budget (Asset register 2017) to Budget Office	Asset Management			<b>1-Dec-17</b>
Costing Section must provide Draft Recharges/ Departmental charges to Budget Office	Costing Section			<b>1-Dec-17</b>
Cash management to submit draft three year Interest & Redemption (Loan register 2017) to Budget Office	Cash Management			<b>1-Dec-17</b>
Fleet Management to submit Draft Vehicle Budget: Fuel & Maintenance to Budget Office	Fleet Management			<b>1-Dec-17</b>
Accounting Services to submit provisions and operating leases estimates to budget office	Accounting Services			<b>1-Dec-17</b>
Directors return Mid-Year review requests to Budget Office	Directors		<b>8-Dec-17</b>	
<b>Directors confirm budget position of information captured on the Budget Portal for their respective directorates</b>	<b>Directors</b>			<b>8-Dec-17</b>
<b>Budget Steering Committee Meeting</b> - Mid Year Review (2017/2018 Budget): Consider proposals for adjustments budget (Capex & Opex) and Review <b>Draft Capex &amp; Opex budget for 2018-2019 to 2020-2021</b> & finalisation of new posts	Budget Steering Committee		<b>11-13-Dec-17</b>	<b>11-13-Dec-17</b>
Budget Office distributes the <b>Mid-Year Review (Capex &amp; Opex) Changes</b> for final verification	Budget Office		<b>15-Dec-17</b>	

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
Budget Office distributes the status on the <b>Draft Capex &amp; Opex budget for 2018-2019 to 2020-2021</b>	Budget Office			<b>15-Dec-17</b>
Compilation of Mid-Year Review Report (2017/18)	Budget Office/ Strategic Office		<b>15-19 Jan-18</b>	<b>14-18 Jan-19</b>
Statistical Information reports for New Budget Formats distributed to applicable Directors & Managers for completion	Budget Office			<b>20-Jan-18</b>
<b>Submit Mid-Year Review (MYR) Report to Mayor</b>	Budget Office/ Strategic Office		<b>24-Jan-18</b>	<b>25-Jan-19</b>
<b>Table Mid-year Review (MYR) in Council</b>	Budget Office/ Strategic Office		<b>25-Jan-18</b>	<b>30-Jan-19</b>
<b>Budget Steering Committee Meeting</b> - Final discussion of Tariffs & Final Adjustment Budget Review (2017/2018 Budget)	Budget Steering Committee		<b>30/31 Jan-18</b>	<b>30/31 Jan-18</b>
Responsible officials confirm final salary, depreciation, departmental charges, interest & redemption, vehicle costs, provisions & op. leases budget information to the Budget Office	Salary Section Asset Management Costing Section Cash Management Fleet Management Accounting Services			<b>2-Feb-18</b>
Budget Office distributes <b>Draft Capex &amp; Opex budget for 2018-2019 to 2020-2021</b> for BSC meeting	Budget Office			<b>9-Feb-18</b>
Snr Manager: Revenue submits Final revenue projections & Tariffs to Budget Office	Snr Manager Revenue			<b>9-Feb-18</b>
Review Budget Related Policies	Budget Committee/Councilors/ Directors/Managers			<b>1-9-Feb-18</b>
Compile Adjustment Budget (2017/2018 Budget): NT Reports and working papers	Budget Office		<b>6-16-Feb-18</b>	
Final Review of 2017/2018 Adjustment Budget documents	Budget Office		<b>19-20-Feb-18</b>	

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
<b>Budget Steering Committee Meeting</b> - To discuss final draft Opex, Capex and revenue projections	Budget Steering Committee			<b>12-15 Feb-18</b>
Provincial IDP Indaba 2 / MGRO 2 (Coordinated Dept. LG- IDP Directorate)	Strategic Office/ MM/ Directors			<b>Feb-18- Dept. LG to confirm</b>
District IDP Rep/PP Comm Forum	Coordinated by ODM IDP Office			<b>Feb-18 ODM to confirm</b>
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Strategic Office			<b>9-Feb-18</b>
Start with the compilation of Draft SDBIP (2018/19)	Strategic Office/ Directorates			<b>19-Feb-18</b>
Budget Office send Final list of new posts to Salary Department after discussion with BSC	Budget Office			<b>19-Feb-18</b>
Directors and Managers return final Statistical Information with final sign off by Directors to verify information submitted	Directors/Managers			<b>19-Feb-18</b>
Directors and Managers confirm final operational and capital budget proposals to Budget Office	Directors/Managers			<b>20-Feb-18</b>
Managers confirm final depreciation, salary budget and interest & redemption, Recharges/ Departmental charges to Budget Office	Relevant Managers			<b>20-Feb-18</b>
Snr Manager Revenue Dept. confirm Draft tariffs & Revenue Projections to Budget Office	Snr Manager: Revenue			<b>20-Feb-18</b>
Update & Balance Financial System with 3yr Budget Info	Budget Office			<b>19-23 Feb-18</b>
Review Draft I/E and Capital Budget status	Budget Office			<b>22-23 Feb-18</b>
Compile Draft Cash Flow	Budget Office			<b>27-28 Feb-18</b>
Managers to submit Final Policies to CFO	Managers			<b>28-Feb-18</b>
Submit Electricity Tariffs to NERSA	Snr. Manager: Revenue			<b>28 Feb -18</b>
Managers to submit Activity/ Business Plans for Grants to Budget Office	Budget Holders			<b>28 Feb -18</b>
<b>Budget Steering Committee Meeting</b> – Review of final draft Opex, Capex & revenue budgets	Budget Steering Committee			<b>28 Feb -18</b>
OMAF Meeting - 2018/19 IDP review focus areas & preliminary budget proposals for 2018/19	OMAF - Ward Com/Mayor/Councilors/ Directors /Managers			<b>21-28-Feb-18</b>

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
Provincial IDP Managers Forum	Local/ Provincial alignment- 4 <sup>th</sup> Quarter Provincial engagement – Strategic Office			<b>1-2-Mar-18</b>
Finalise the draft IDP review for 2018/19	Strategic Office			<b>1-20 Mar-18</b>
Finalisation of Draft Opex & Capex Budgets working papers	Budget Office			<b>01-09 Mar-18</b>
Update & Balance A Schedule and compile draft agenda item	Budget Office			<b>09-15 Mar-18</b>
Budget Office send financial information to Strategic Office for Draft IDP review & SDBIP	Budget Office			<b>16-Mar-18</b>
Budget Office compile Draft Budget Report & Schedules	Budget Office			<b>16-20 Mar-18</b>
Budget Office does Final Review of Draft Budget Report & Schedules	Budget Office			<b>22-23 Mar-18</b>
Printing & Binding of Draft Budget Report & Electronic Files	Budget Office			<b>23-26 Mar-18</b>
Budget Office distributes Draft Budget Report	Budget Office			<b>27 Mar-18</b>
Prepare advertisements for Draft IDP& Budgets for comments	Budget Office / Strategic Office			<b>26 Mar-18</b>
Budget Office distributes Draft Budget Report	Budget Office			<b>27 Mar-18</b>
<b>Draft IDP review/Budget tabled in Council</b>	Budget Office / Strategic Office			<b>28-Mar-18</b>
<b>Submit Draft IDP review/Budget files to Provincial Treasury after Council Meeting</b>	Budget Office / Strategic Office			<b>28-Mar-18</b>
<b>Place Draft Budget and IDP review on website</b>	Budget Office / Strategic Office			<b>28-Mar-18</b>
Submission of Annual Draft Budget, data strings and IDP for representation to National Treasury and any other prescribed organs of state.	Budget Office / Strategic Office			<b>29-Mar-18</b>
<b>Advertise Draft IDP review &amp; Budget for public comment</b>	Budget Office / Strategic Office			<b>29/30-Mar-18</b>
<b>APRIL – MAY 2018</b>				
<b>CONSULTATION &amp; APPROVAL PHASE</b>				
Public comment period	Community			<b>30-Mar-30 Apr-18</b>

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
Public Participation (road shows)	Community/ Councillors/ Top Management/ Area Managers			<b>April 2018</b>
LG MTEC3 Engagement	Provincial Treasury/ Municipal Delegation			<b>end April/ Mid-May-18</b>
Grant champions to submit Final Activity/ Business Plans for Grants to Budget Office	Grant Champions			<b>27-Apr-18</b>
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Strategic Office			<b>27-Apr-18</b>
Managers to submit Demand Management Plans to SCM	Budget Holders			<b>30-Apr-18</b>
Summarise all community feedback and distribute to the relevant stakeholders for consideration to be included in the Final Budget report	Budget Office			<b>3 May-18</b>
<b>Budget Steering Committee Meeting</b> - Consideration of Budget Comments (Review Budget comments to make decision on comments)	Budget Steering Committee			<b>4 May-18</b>
Budget Office updates final changes on financial system	Budget Office			<b>7-8 May -18</b>
Budget Office compile Final Budget Report and Schedules	Budget Office			<b>7-17 May-18</b>
Budget Office does Final Review of Budget Report & Schedules	Budget Office			<b>18 -21 May-18</b>
Printing , Binding and Electronic Media of Final Budget Report	Budget Office			<b>22-23 May -18</b>
Distribution of Final Budget Report and submit report to Council Support Services	Budget Office			<b>24-May -18</b>
<b>Approval of IDP review and Budget by Council</b>	Budget Office / Strategic Office			<b>30- May-18</b>
District IDP Rep/PP Comm Forum	Coordinated by ODM IDP Office			<b>May-18 ODM to confirm</b>
<b>IMPLEMENTATION PHASE</b>				
Provincial IDP Managers Forum	Local/ Provincial alignment- 1 <sup>st</sup> Quarter Provincial engagement – Strategic Office			<b>31-May-1 June-18</b>
Place Final Budget documents on the website	Budget Office			<b>4- June-18</b>
Advertise Final Budget and Tariffs in the media	Budget Office			<b>7-June-18</b>

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
<b>Submission of Final Budget and data strings and IDP review to National and Provincial Treasury</b>	Budget Office / Strategic Office			<b>8 June-18</b>
Municipal Manager submits SDBIP to Mayor	Municipal Manager			<b>11-June-18</b>
Submit Budget Related Appendix B reports to National and Provincial Treasury	Budget Office			<b>13 June-18</b>
Confirm/Capture Capital Budget on Financial System	Budget Office			<b>11-15 June-18</b>
Compile Electronic Internal Budget Book	Budget Office			<b>18-28 June-18</b>
Publish a summary of Budget in Bulletin	Manager: Communications			<b>15-June-18 TBC</b>
Approval of SDBIP by Executive Mayor	Mayor			<b>28-June-18</b>
Finalise and approval of the performance agreements of the S54A and S56 appointees	Strategic Office/EM/MM			<b>28-June-18</b>
Advertise Property Rates Tariffs in Provincial Gazette	Senior Manager: Revenue			<b>22 June-18</b>
Place Internal Budget Book on Intranet and inform budget holders	Budget Office			<b>29-June-18</b>
Submit Budget Locking Certificate to National Treasury	Budget Office			<b>30-June-18</b>
<b>REPORTING &amp; REVIEW</b>				
Monthly Budget Statement to Municipal Manager and Mayor	Budget Office		<b>Aug 17- Jul 18</b>	<b>Aug 18- Jul 19</b>
Quarterly reporting by Mayor to Council	Mayor		<b>Oct 17, Jan 18, Apr 18, Jul 18</b>	<b>Oct 18, Jan 19, Apr 19, Jul 19</b>
Table adjustments Budget	Budget Office		<b>28-Feb-18</b>	<b>28-Feb-19</b>
Finalise Roll over Projects (Final Amounts)	Budget Office		<b>5-Jul-18</b>	<b>4-Jul-19</b>
Table Adjustments Budget for approval of Roll over projects	Budget Office		<b>25-Jul-18</b>	<b>31-Jul-19</b>
Table in Council Draft unaudited Annual Report /AFS	Budget Office / Strategic Office	<b>31-Aug-17</b>	<b>30-Aug-18</b>	<b>29- Aug-19</b>
Submission of annual financial statements to AG	Accounting Services	<b>31-Aug-17</b>	<b>31-Aug-18</b>	<b>31-Aug-19</b>
Finalise the draft unaudited annual report for submission to AG	Strategic Office	<b>31-Aug-17</b>	<b>31-Aug18</b>	<b>31 Aug-19</b>
Submit Adjustments Budget (Overspending), if necessary	Budget Office	<b>19-Jan-18</b>	<b>26-Jan-19</b>	<b>30-Jan-20</b>

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TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
Submit Draft audited Annual Report to Council	Strategic Office	<b>25-Jan-18</b>	<b>26-Jan-19</b>	<b>30-Jan-20</b>
Finalise Annual Report Comments for Approval	Strategic Office	<b>Feb-March</b>	<b>Feb-March</b>	<b>Feb-March</b>
Approval of Annual Report	Strategic Office	<b>28-Mar-18</b>	<b>28-Mar-19</b>	<b>27-Mar-20</b>

**Table 18: 2018/19 IDP Review /Budget Process**

**Notes:**

Opex: Operational Expenditure

Capex: Capital Expenditure

# CHAPTER 2

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the communities are heard in decision-making. It is also responsive to the present and future needs of society.

### 2.1 NATIONAL KEY PERFORMANCE INDICATORS- GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the municipality’s performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & Indicators	Municipal Achievement	Municipal Achievement	Municipal Achievement	Municipal Achievement
	2015/16	2016/17	2017/18	2018/19
	Audit outcome	Audit outcome	Audit outcome	Audit outcome
The percentage of a municipality’s capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality’s integrated development plan (After roll over projects)	92% (101% after roll over projects)	97.96%	90.13%	100.21%

Table 19: National KPI’s - Good Governance and Public Participation Performance

### 2.2 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Highlight	Description
Ward Committee functionality	Nine out of the thirteen Ward Committees held a number of 9 official Ward Committee meetings and the remaining Ward Committees held 8 official Ward Committee meetings due to the public unrest in the respective wards.
Ward Operational Plans	Submitted by November 2018.

## CHAPTER 2: GOOD GOVERNANCE

Highlight	Description
Ward Committee Summit	A Ward Committee Summit was held on 26 November 2018 with the theme "Consultation in Diversity"
Mini OMAF meetings in consultation with Ward Committees	Consultation meetings were held in all 13 wards regarding the Draft IDP review and Budget in April 2018.
High attendance of regularly held meetings in accordance with a predetermined meeting cycle	Ward Committee, Portfolio, Mayoral and Council meetings are scheduled for a year in advance and a high attendance figure is achieved.

**Table 20: Good Governance and Public Participation Performance Highlights**

### 2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Progress made in 2018/19 to address
Ward Committee report-back to respective constituencies.	Building capacity with ward committee members to manage and report-back to constituencies.

**Table 21: Good Governance and Public Participation Challenges**

### 2.4 GOVERNANCE STRUCTURES

#### 2.4.1 POLITICAL GOVERNANCE STRUCTURE

The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor. Council's primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, Councillors are also actively involved in community work and the various social programmes in the municipal area.



**Figure 6: Overstrand Municipality Council, 30.6.2019**



Cllr Nutt replaced Ald. Nicolette Botha Guthrie who retired in March'19

\* Ald. Michelle Sapepa and Cllr Benet Molefe absent from picture.

## CHAPTER 2: GOOD GOVERNANCE

### A) COUNCIL

Below is a table that categorised the councillors within their specific political parties and wards for the **2018/19** financial year:

Council Members	Capacity	Political Party	Ward representing or proportional	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Anton Coetsee	Speaker	DA	4	100	-
Dudley Coetzee	Executive Mayor	DA	11	100	-
Frederick Africa	Councillor	DA	Proportional	100	-
David Botha	Councillor	DA	7	92	100
Nicolette Botha-Guthrie	Councillor (Resigned March 2019)	DA	Proportional	100	-
Kari Brice	Ward Councillor	DA	3	100	-
Grant Cohen	Ward Councillor	DA	9	100	-
Riana de Coning	Ward Councillor	DA	2	100	-
Elnora Gillion	Ward Councillor	DA	8	92	100
Siphiwo Kalolo	Councillor	ANC	Proportional	92	100
Jean Orban	Ward Councillor	DA	13	100	-
Andrew Komani	Councillor	DA	Proportional	100	-
Fanie Krige	Ward Councillor	DA	10	100	-
Nomaxesibe Nqinata	Councillor	ANC	Proportional	100	-
Vuyani Macotha	Ward Councillor	ANC	12	92	100
Christine May	Councillor	DA	Proportional	92	100
Benet Molefe	Councillor	EFF	Proportional	92	100
Xolani Msweli	Ward Councillor	ANC	1	100	-
Lindile Ntsabo	Councillor	DA	Proportional	83	100
Ronald Nutt	Councillor (From 26 March 2019)	DA	Proportional	100	-
Moira Opperman	Councillor	DA	Proportional	92	100
Valerie Pungupungu	Ward Councillor	ANC	5	100	-
Charmaine Resandt	Councillor	DA	Proportional	100	-
Ntombizinee Sapepa	Ward Councillor	ANC	6	92	100
Constancy Tafu-Nwonko	Councillor	ANC	Proportional	80	100
Simphiwe Tebele	Councillor	ANC	Proportional	100	-
Anton Coetsee	Speaker	DA	4	100	-

**Table 22: Council Meetings**

## CHAPTER 2: GOOD GOVERNANCE

### B) MAYORAL COMMITTEE

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

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July 2018 to 30 June 2019:

Name of member	Capacity
Ald. D Coetzee	Executive Mayor
Cllr E Gillion	Deputy Executive Mayor Chairperson of Protection Services, Economic Development & Tourism (Until May 2019) Chairperson of Infrastructure & Planning (From Jun 2019)
Cllr K Brice	Chairperson of Infrastructure & Planning (Until May 2019) Chairperson of Economic Development & Tourism (From Jun 2019)
Cllr R de Coning	Chairperson of Finance
Cllr A Komani	Chairperson of Management Services
Cllr F Africa	Chairperson of Community Services (Until May 2019) Chairperson of Protection Services (From Jun 2019)
Cllr G Cohen	Chairperson of Community Services (From Jun 2019)
Ald. D Coetzee	Executive Mayor

Table 23: Mayoral Committee Members

### C) PORTFOLIO COMMITTEES

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the Executive Mayor on policy matters and make recommendations to Council. Section 79 committees are appointed by the Council. They are set up to investigate a particular issue and do not have any decision making powers. Just like Section 80 committees they can also make recommendations to Council. External experts, as well as Councillors can be included on Section 79 committees.

The portfolio committees for the 2016/21 Mayoral term and their Chairpersons are as follow:

## CHAPTER 2: GOOD GOVERNANCE

Committee	Chairperson	Section 79 or 80 Committee	Number of minutes submitted to council	Meeting Date
Portfolio Committee: Infrastructure and Planning	Kari Brice (Until May 2019) Elnora Gillion (From Jun 2019)	80	9	21/08/18 19/09/18 23/10/18 20/11/18 19/02/19 19/03/19 16/04/19 21/05/19 18/06/19
Portfolio Committee: Management Services	Andrew Komani	80	9	21/08/18 19/09/18 23/10/18 20/11/18 19/02/19 19/03/19 16/04/19 21/05/19 18/06/19
Portfolio Committee: Finance	Riana de Coning	80	9	21/08/18 19/09/18 23/10/18 20/11/18 19/02/19 19/03/19 16/04/19 21/05/19 18/06/19
Portfolio Committee: Protection Services, Economic Development & Tourism	Elnora Gillion (Until May 2019)	80	9	21/08/18 19/09/18 23/10/18 20/11/18 19/02/19 19/03/19 16/04/19 21/05/19
Portfolio Committee: Protection Services	Frederick Africa (From Jun 2019)	80	1	18/06/19
Portfolio Committee: Economic Development & Tourism	Kari Brice (From Jun 2019)	80	1	18/06/19
Portfolio Committee: Community Services	Frederick Africa (Until May 2019) Grant Cohen (From Jun 2019)	80	9	21/08/18 19/09/18 23/10/18 20/11/18 19/02/19 19/03/19 16/04/19 21/05/19 18/06/19
Oversight (MPAC)	Simphiwe Tebele	79	11	23/10/18

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Committee	Chairperson	Section 79 or 80 Committee	Number of minutes submitted to council	Meeting Date
				04/03/19 03/06/19
Disciplinary Committee	Nicolette Botha-Guthrie (From Feb 2019)  Elnora Gillion (From Mar 2019)	79	1	31/10/18

**Table 24: Portfolio Committees**

### 2.4.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The Municipal Manager is the Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team, whose structure is outlined in the table below:

Name of Official	Directorate	Performance agreement signed
		Yes/No
Coenie Groenewald	Municipal Manager	Yes
Desiree Arrison	Management Services	Yes
Santie Reyneke -Naude	Finance	Yes
Solomzi Madikane	Economic and Social Development & Tourism	Yes
Neville Michaels	Protection Services	Yes
Roderick Williams	Community Services	Yes
Stephen Muller	Infrastructure & Planning	Yes

**Table 25: Administrative Governance Structure**

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

Explain the various contributions to service delivery offered by those involved.

### 2.5 INTERGOVERNMENTAL RELATIONS

#### 2.5.1 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

Municipal staff participated at the following forums:

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- Association of Municipal Electricity Utilities of South Africa (AMEU)
- Baboon Management Task Team
- Biodiversity Planning Forum
- Bot River Estuary Forum
- Chief Audit Executive (CAE) Forum
- Chief Risk Officer (CRO) Forum
- Coastal Setback Line
- Economic Development Planning Working Group
- Estuaries
- Iaiia Conference For International Environmental Conservation
- ICT Managers Forum
- Klein River Estuary Forum
- Kogelberg Biosphere Reserve Company. Meetings concerning the co-ordination and development of sustainable conservation, social and economic programmes for the Kogelberg Biosphere Reserve;
- Legislative and Constitutional Task Team Forum
- LGSETA- Local Government Sector Education Training Authority
- Library Conditional Grant Forum/Seminar
- LUPA- Land Use Planning Ordinance
- MinMay (Provincial MEC for Local Government and Mayors)
- MinMay Tech (Municipal Managers)
- mSCOA Integrated Consultative (ICF) Forum
- OICG (Overberg Integrated Conservation Group)
- Onrus Estuary Forum
- Overberg Housing Forum
- Planning
- Premier's Coordinating Forum (PCF)
- Provincial Air Quality Forums
- Provincial District Forum for Community Development Workers
- Provincial IDP Managers Forum
- Provincial MIG Manager/Municipality
- Provincial Public Participation Forum and Communication Forum
- Provincial Shared Service Forum
- Provincial Social Housing Forum
- Provincial Spatial Development Framework Consultation Forum with respect to integrated provincial spatial development programmes;
- Provincial Strategic Objective 7 (Green Energy Forum)
- PSO 7 Land Use Planning WG
- Quarterly Local Government Supply Chain Management Forum – Western Cape Provincial Treasury
- SALGA (Working groups)

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- SALGA: Human Resources Practitioners Forum
- SAMRAS User Group
- South African Local Government Association (SALGA)
- South African Revenue Protection Association (SARPA)
- SPLUMB- Spatial Planning and Land Use Management Bill
- The interaction between the Overstrand Municipality, the Department of Environmental Affairs and the appointment of an implementing agent to the Working for the Coast (WFTC) project is regarded as an example of effective intergovernmental relations.
- Thusong Service Centre Management
- Uilenkraalsmond Estuary Forum
- WC Kelp Harvesting Forum with respect to the future management of the kelp harvesting industry in the coastal zone of the Overstrand Municipality;
- WC Provincial Off-road Vehicle Task Team (ORV) with respect to the management of boat launching sites and the passage of vehicles in the coastal zone;
- Western Cape Municipal Managers Forum
- Western Cape Planning Heads Forum
- Western Cape Recycling Action Group
- Western Cape: Waste Management Officer's Forum
- Western Cape: Chief Financial Officers (CFO) Forum
- Western Cape: Local Government Medium Term Expenditure Committee (LG MTEC) 1
- Western Cape: Local Government Medium Term Expenditure Committee (LG MTEC) 2
- Western Cape: Local Government Medium Term Expenditure Committee (LG MTEC) 3
- Western Cape: mSCOA Technical Committee
- Western Cape: Municipal Accountants (MAF) Forum
- Western Cape: Municipal Accounting Working Committee
- Western Cape: Municipal Governance Review & Outlook (MGRO) 1
- Western Cape: Municipal Governance Review & Outlook (MGRO) 2
- Western Cape: Municipal Property Rates Act (MPRA) Focus Group
- Western Cape: Supply Chain Management (SCM) Forum

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### 2.5.2 DISTRICT INTERGOVERNMENTAL STRUCTURES

Municipal staff participates at the following forums:

- Biosphere Reserve Forum
- District Air Quality Forum
- District Coordinating Forum (DCF), Mayors and Municipal Managers in District
- District Coordinating Forum Tech (DCF Tech), Municipal Managers in the District
- District ICT Managers Forum
- District Technical Committee (DTEC)

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- District: LGSETA Forum
- Estuarine Management Forums
- Integrated Fire Management Forum (Kogelberg) with respect to the development of an Integrated Fire Management Plan for the Overstrand region
- Legislative and Constitutional Task Team Forum
- Municipal Coastal Committees
- Overberg Coastal Setback Line Forum
- Overberg District IDP Managers Forum
- Overberg District IDP/ Public Participation and Communication Forum
- Overberg District Planning Forum
- Overberg Integrated Conservation Group (OICG)
- Overberg Working for the Coast Project Advisory Committee
- Regional forum for waste managers
- SALGA e-Participation Initiative
- TASK District Coordinating Committee
- Western Cape Municipal Planning Heads Forum.

### COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

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

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

The Municipality approved a Public Participation Policy in September 2016.

#### 2.6.1 PUBLIC MEETINGS

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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
Overstrand Municipal Advisory Forum (OMAF)	28 February 2019	16	12	49	Ward Committees
Ward Committees Wards 3, 4 5, 6, 7, 8, 12 & 13 Wards 1, 2 & 11	5 committee meetings held in each ward	1 - 2 per ward	2 – 4 per ward	2 - 10	Ward Committees
Public Ward Meetings Wards 3, 4 5, 6, 7, 8, 12 & 13 Wards 1, 2 & 11	4 meetings held in each ward – one per quarter	1 - 4 per ward	2 - 4 per ward	Varies between ±3 - 130	Important issues as well as consultation regarding the IDP and Budget
Hawston Special Ward Committee meeting held: Agenda: <ul style="list-style-type: none"> <li>• Housing</li> <li>• Sports Centre</li> <li>• Lake Marina Yacht Club</li> <li>• Ward Specific Projects</li> </ul>	3 June 2019	2	7	186	Delegation of Municipal Officials, the Ward Councilor and Ward Committee members
Social Compact (Housing)	Arranged as per request/need	2-3	2 -3 Housing Officials	8-12	Weekdays (after Hours)
Ward Committees Wards 9 & 10	Monthly meetings held in each ward (except during council recess)	2	3	Varies from 1-5	14/08/2018 16/08/2018 11/09/2018 13/09/2018 16/10/2018 18/10/2018 13/11/2018 15/11/2018 12/02/2019 14/02/2019 12/03/2019 14/03/2019 09/04/2019 11/04/2019 14/05/2019 16/05/2019 11/06/2019 13/06/2019 Feedback given via ordinary scheduled

## CHAPTER 2: GOOD GOVERNANCE

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
					ward committee meetings
Public Ward Meetings Wards 9 & 10	4 meetings held in each ward – one per quarter	2	3	Varies from 8 - 30	11/09/2018 13/09/2018 13/11/2018 15/11/2018 12/02/2019 14/02/2019 09/04/2019 11/04/2019 Feedback given immediate after ordinary scheduled ward committee meetings
Quarterly/Monthly Feedback Meeting – Ward 3	12/09/2018	1	2	10	Ward Committees
	14/11/2018	1	4	35	Ward Committees
	13/02/2019	1	3	14	Ward Committees
	10/04/2019	1	3	6	Ward Committees
Quarterly/Monthly Feedback Meeting – Ward 4	10/09/2018	2	2	0	Ward Committees
	12/11/2018	2	2	150	Ward Committees
	11/02/2019	2	2	80	Ward Committees
	10/06/2019	2	2	70	Ward Committees
Quarterly/Monthly Feedback Meeting – Ward 5	No Meeting-public unrest	0	0	0	Ward Committees
	14/11/2018	6	2	110	Ward Committees
	13/02/2019	4	2	0	Ward Committees
	12/06/2019	3	2	0	Ward Committees
Quarterly/Monthly Feedback Meeting – Ward 6	No Meeting-public unrest	0	0	0	Ward Committees
	13/11/2018	5	2	150	Ward Committees
	12/02/2019	3	2	0	Ward Committees
	11/06/2019	3	2	0	Ward Committees

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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
Quarterly/Monthly Feedback Meeting – Ward 7	13/09/2018	1	2	0	Ward Committees
	15/11/2018	1	3	60	Ward Committees
	14/02/2019	1	3	15	Ward Committees
	11/04/2019	2	3	17	Ward Committees
Quarterly/Monthly Feedback Meeting – Ward 8	10/09/2018	2	5	45	Ward Committees
	12/11/2018	2	4	50	Ward Committees
	11/02/2019	1	9	15	Ward Committees
	08/04/2019	2	4	30	Ward Committees
Quarterly/Monthly Feedback Meeting – Ward 12	No Meeting- public unrest	0	0	0	
	15/11/2018	6	2	0	Ward Committees
	14/02/2019	3	2	0	Ward Committees
	13/06/2019	3	2	0	Ward Committees
Quarterly/Monthly Feedback Meeting – Ward 13	11/09/2018	1	2	35	Ward Committees
	13/11/2018	1	2	8	Ward Committees
	12/02/2019	1	7	3	Ward Committees
	09/04/2019	1	2	2	Ward Committees

**Table 26: Public Meetings**

### 2.6.2 WARD COMMITTEES

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community

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information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

During August 2016 the election of the new generation of ward committees were successfully concluded. The Ward Committee Rules for Overstrand Municipality were revised by Council in May 2016. In terms of the revised Rules, a Ward Committee consists of representatives from organisations, sectors/or geographical blocks (areas) in the ward.

### A) WARD 1: FRANSKRAAL AND MASAKHANE

Name of representative	Capacity representing	Dates of meetings held during the year
Zwelandile Duna (Secundi) Fundile Mzingeli	Masakhane Street Committee Association	15 August 2018 12 September 2018 11 October 2018 14 November 2018 13 February 2019 13 March 2019 10 April 2019 15 May 2019 12 June 2019
Edwin James De Kock (Secundi) Andre Mitchell	Franskraal Ratepayers Association	
Andre Wagener (Secundi) Willem Jacobus Van Der Merwe	Franskraal Buurtwag	
Archibald Chambers (Secundi) Jaco Swart	Franskraal Bowls Club	
Dorah Siduko (Secundi) Nondzaba Nkosinathi	Masakhane Residents Association	
Elias Zihalele Msopi (Secundi) Mlungiseleli Khelemba	CATA	
Mthuthuzeli Foto (Secundi) Andrea Mzingeli	Masakhane Council of Churches	
Khayaletu Nomathole (Secundi) Andronica Mneli	Masakhane Traditional Leaders	
Siyabonga Mjokweni (Secundi) Nomakawezi Khona	Masakhane Youth Organisation	
Phumla Margaret Yawa (Secundi) Tembile Gwele	Masakhane Business Forum	

**Table 27: Ward 1 Committee Meetings**

### B) WARD 2: GANSBAAI, DE KELDERS, KLEINBAAI AND BLOMPARK

Name of representative	Capacity representing	Dates of meetings held during the year
Francia Van Dyk	Kleinbaai See-en-Tee Kring	14 August 2018
Rodney Michael Du Plessis (Secundi) Eric William De Villiers	De Kelders Perlemoenbaai Ratepayers Association	

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Name of representative	Capacity representing	Dates of meetings held during the year
Samuel Norman Sauls	Gansbaai Day Care for Children	11 September 2018 16 October 2018 13 November 2018 12 February 2019 12 March 2019 9 April 2019 14 May 2019 11 June 2019
Marthinus Domenico Naude (Secundi) Ivy Van Huyssteen	Gansbaai Ratepayers Association	
Glenda Sharon Kitley (Secundi) Caron Lee	Gansbaai Tourism	
Jo-Anne Lewis (Secundi) Doulene Els	Gansbaai Community Police Forum	
Julia Lily Barlow (Secundi) Dirk Buchler	Gansbaai Business Chamber	
Melanie De Villiers (Secundi) George Lezer Otto	Overberg Lynvis Vereniging	
Hermanus Johannes Van Dyk (Secundi) Hendrik Johannes Josua Ritter	Gansbaai Marine Empowerment Trust	
Johan De Wet (Secundi) Marius Van Der Merwe	Kleinbaai Ratepayers Association	

**Table 28: Ward 2 Committee Meetings**

### C) WARD 3: HERMANUS AND A PORTION OF WESTCLIFF

Name of representative	Capacity representing	Dates of meetings held during the year
Linda Louise Griffiths (Secundi) Mary-Ann Verster	Hermanus Botanical Society (Botsoc)	29 August 2018 12 September 2018 17 October 2018 14 November 2018 13 February 2019 13 March 2019 10 April 2019 15 May 2019 12 June 2019
Anina Lee (Secundi) Peter Coxall	Cliff Path Management Group	
Brain Herbert Wridgway (Secundi) Robert Allen Stanway	Hermanus Ratepayers Association	
Derek William Duckitt (Secundi) Pierre De Villiers	Hermanus Astronomy Centre	
Quentin Frank Mitchell (Secundi) Pam Herd	Hermanus Tourism Bureau	
Seth Charles Anderson	Hermanus Business Chamber	
Machiel Adriaan De Klerk (Secundi) Anthony John O'hagen	Hermanus Sports Club	
Roger Vernon Faulkener Smith (Secundi) Hendrik Willem Niemand	Hermanus Public Protection (HPP)	
Gideon Serfontein (Secundi) Michele Serfontein	Village Square Tenants	
Gregory John Hassenkamp (Secundi) Jacobus Joeachim Theron	Hermanus High School	

**Table 29: Ward 3 Committee Meetings**

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### D) WARD 4: MOUNT PLEASANT, HEMEL-EN-AARDE VALLEY AND A PORTION OF WESTCLIFF

Name of representative	Capacity representing	Dates of meetings held during the year
Jan Daniel Cilliers (Secundi) Pamela Nel	Westcliff Residents Association	13 August 2018 17 September 2018 15 October 2018 12 November 2018 11 February 2019 11 March 2019 8 April 2019 13 May 2019 10 June 2019
Maria Magdalena Pieterse (Secundi) Neville Henn	Mount Pleasant Sea Harvesting Co-Op	
Willem Thompson (Secundi) Joeline Thompson	Mount Pleasant Buurtwag	
Florence Cupido (Secundi) William Simes	Community Gospel Outreach	
Patricia Charmaine Jacobs	Atlantics Rugby Club	
Lizette Sherene Spandiel (Secundi) Janice Faro	Mount Pleasant Dames Klub	
Trevor Titus (Secundi) Carment Titus	Health and Welfare Mount Pleasant	
D Wildschut	Mount Pleasant Business Centre	
Andre Viljoen	Huis Lettie Theron (Badisa)	
Vacant (Secundi) Anthony David Steneveld	Anointed Commission of Christ Ministries	

**Table 30: Ward 4 Committee Meetings**

### E) WARD 5: ZWELIHLE SOUTH

Name of representative	Capacity representing	Dates of meetings held during the year
Nolusindiso Portia Mjijwa (Secundi) Lucy Mbula	Asazani Informal Settlement	15 August 2018 September 2018 (Meeting was cancelled due to instability in community after public unrest) 17 October 2018 14 November 2018 13 February 2019 13 March 2019 10 April 2019 15 May 2019 12 June 2019
Nomnikelo Gasasapepa	Temporary Relocation Area Informal Settlement (Transit Camp)	
Benjamin Ndoko (Secundi) Mongezi Mbandcni	Overstrand Business Forum	
Morris Thukwayo (Secundi) Thulani Oscar Ntoyakhe	Overstrand Youth Development Forum	
Simphiwe Ngqoyiyana (Secundi) Bongani Viki	Qhayiya Senior Secondary School	
Vacant		
Vacant		
Vacant		
Vacant		
Vacant		

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**Table 31: Ward 5 Committee Meetings**

### F) WARD 6: ZWELIHLE NORTH

Name of representative	Capacity representing	Dates of meetings held during the year
Synthia Nokuzola Mcinjana (Secundi) Baba Pricilla Kamana	Siyazama Old Age Centre	14 August 2018 September 2018 (Meeting was cancelled due to instability in community after public unrest) 16 October 2018 13 November 2018 12 February 2019 12 March 2019 9 April 2019 14 May 2019 11 June 2019
Ntombekhayo Sinoko	Mandela Square Informal Settlement	
Vusumzi Kennedy Tshona (Secundi) Cylvia Mlanjana	Zwelihle Neighbourhood Watch	
Thelma Nondala (Secundi) Simon Gabela	Zwelihle Hostels	
Mzikayise Patrick Damesi (Secundi) Mgcineni Joel Martins	Overstrand Whale Boxing Club	
Xolile Sitshixo (Secundi) Landi Mkhwenkwe	Tsepe-Tsepe Informal Settlement	
Xolani Robert Gilikidla (Secundi) Nontlangabezo Mvenganya	White City (Martin Pike Street Committee)	
Fuzile Bhangazana (Secundi) Nolulhando Madini	Bhekela Informal Settlement	
Mawethu Mlombi (Secundi) Noluviwo Nkoqnyane	Association with People with Disabilities	
Sitembele Zwelifile	Thambo Square Informal Settlement	

**Table 32: Ward 6 Committee Meetings**

### G) WARD 7: SANDBAAI

Name of representative	Capacity representing	Dates of meetings held during the year
Willem Christian Gerber Marais (Secundi) Michiel Krynauw Du Toit	Groenberg Jukskei Klub	16 August 2018 13 September 2018 18 October 2018 15 November 2018 14 February 2019 14 March 2019 11 April 2019 16 May 2019 13 June 2019
Cecil John Frederik Hayman (Secundi) Ferdinand Kirsten	Sandbaai Ratepayers Association	
Nicolaas Johannes Hechter (Secundi) Sas Williams	Sandbaai Neighbourhood Watch	
Cornelis Lambertus Gerhardus Van De Coolwijk (Secundi) Mervyn Arthur Edwards	Ocean Breeze Estate	
Jacobus Albertus Vorster Le Roux (Secundi) Danie Nicholas Steenkamp	Inwonersvereniging Golden Harvest	

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Name of representative	Capacity representing	Dates of meetings held during the year
Rita Gerber (Secundi) Marlene Grous	Sandbaai Residential Complex (Vervraaiingskomitee)	
Hendrik Jacobus Johannes Lombard (Secundi) Barbara Lauren Westraandt	Leisure Park	
Pierre Louis Le Roux (Secundi) Hannes Coetzer	Sandbaai Coastal Path	
Ingrid Louise Green (Secundi) Elizabeth Ann Gravenor	Monte Maré Residential Complex	
Gideon Johannes Beukes (Secundi) Andre Kruger	Sandbaai Saal Bestuurskomitee	

**Table 33: Ward 7 Committee Meetings**

### H) WARD 8: HAWSTON, FISHERHAVEN AND HONINGKLIP

Name of representative	Capacity representing	Dates of meetings held during the year
Isai Benjamin Claasen (Secundi) Willem Runaties Gahl	Hawston Rugby Club	13 August 2018 10 September 2018 15 October 2018 12 November 2018 11 February 2019 11 March 2019 8 April 2019 13 May 2019 10 June 2019
Marelleen Hazel Matinka (Secundi) Franklin Davids	Hawston Health and Welfare Organisation	
Gilroy Alexander Van Der Ross (Secundi) Anton Berthold Meyer	Hawston Development Forum	
Johan Smit (Secundi) Robert Anton	Fisherhaven Ratepayers Association	
Magrieta Arries (Secundi) Thomas Swarts	Griqua National Conference	
Julius Jerome Booyesen (Secundi) Marco Dunsdon	Overstrand APD	
Martin Van Vreenen (Secundi) Fiona Jane Delpport	Fisherhaven Neighbourhood Watch	
Felicity Seljeur (Secundi) Evelyn Fisher	Pearly Shell Old Age	
Denvid Christy Adams (Secundi) Terrence Manuel	Efesiers Pentecostal	
Titius Howard Jefthas	Bot Friends	

**Table 34: Ward 8 Committee Meetings**

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### I) WARD 9: KLEINMOND, MOUNTAIN VIEW AND PALMIET

Name of representative	Capacity representing	Dates of meetings held during the year
Johannes Jacob De Clerk	Sea Views	16 August 2018 13 September 2018 18 October 2018 15 November 2018 14 February 2019 14 March 2019 11 April 2019 16 May 2019 13 June 2019
Hermanus Stephanus Van Der Merwe	Kleinmond Natuurbewaringsvereniging	
Hugo Amos Krijnauw (Secundi) Johannes Christiaan Carstens	Kleinmond Street Watch	
Cornette Hull (Secundi) Garth Heinrich Fredericks	Khoi-San	
Cornelius Philippus Hanekom (Secundi) Wilhelmina Jacoba Momberg	Palmiet	
Eleanor Barry	Kleinmond Primary School	
Thomas Saul Snibbe (Secundi) Philippus Jacobus Lodewicusbrink	Mountain Lanes	
Charles Cecil Swartz (Secundi) Christiaan Frans Harding	Integrated Fishing Forum	
Christiaan Frans Harding (Secundi) Steve Loder	Kleinmond Ratepayers Association	
Michael Coenraad Botha	Klein Berlyn	

**Table 35: Ward 9 Committee Meetings**

### J) WARD 10: BETTY'S BAY, PRINGLE BAY, ROOIELS, OVERHILLS AND PROTEADORP

Name of representative	Capacity representing	Dates of meetings held during the year
Andrew David Martin	Local Football Association	14 August 2018 11 September 2018 16 October 2018 13 November 2018 12 February 2019 12 March 2019 9 April 2019 14 May 2019 11 June 2019
Bangikhaya Mantshinga (Secundi) Thobekile Koti	Backyard Dwellers Association	
Hilgard Muller (Secundi) Veronica Jacobs	Rooiels Ratepayers Association	
Melvin Alfred Jooste	Mooiuitsig	
Willem Steyn (Secundi) Werner Zybrands	Betty's Bay Residents and Ratepayers' Association	
Mary Jean Hull	Proteadorp West	
Susanna Elizabeth Botha (Secundi) Wendy Tawse	Community Police Forum	
Ellsworth Bradley October (Secundi) Clement Wayne Makka	Kogelberg Biosphere Reserve	
Theresa Els (Secundi) Maretha Muller	Child Welfare SA Kleinmond	

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Name of representative	Capacity representing	Dates of meetings held during the year
Elmarie Strydom	Pringle bay Ratepayers' Association	

**Table 36: ward 10 Committee Meetings**

### K) WARD 11: STANFORD, BAARDSKEERDEBOS, PEARLY BEACH, VILJOENSHOF, WITHOOGTE AND BUFFELJAGSBAAI

Name of representative	Capacity representing	Dates of meetings held during the year
Jenny October (Secundi) Eben Cornelius	Blomtuin & Ou Skema	16 August 2018 13 September 2018 18 October 2018 12 November 2018 14 February 2019 14 March 2019 11 April 2019 16 May 2019 13 June 2019
Zodwa Zawula	Thembelihle & Die Kop	
Louis De Villiers Roodt (Secundi) Lynette Kay Pullen	Stanford Ratepayers Association	
Tobias Lochner Bester (Secundi) Elizabeth Gillman	Stanford Landbou Vereniging	
Dave Hagen (Secundi) Bea Whittaker	Stanford Conservation Trust	
Philippus Coenraad Groenewald (Secundi) Gideon Joubert	Strandveld Landbou Vereniging	
Vivian Elizabeth Burton-Moore (Secundi) Nelia Muller Hurter	Pearly Beach Ratepayers Association	
Helena Johanna Swart (Secundi) J De Wet Groenewald	Baardskeerdersbos Home Owners Association	
Henry Dyers (Secundi) Daniel Niemand	Buffeljagsbaai Gesondheid en Welsyn	
Hendrick Latola	Eluxolweni Gemeenskap / Inwoners Vereniging	

**Table 37: Ward 11 Committee Meetings**

### L) WARD 12: ZWELIHLE NORTH- WEST

Name of representative	Capacity representing	Dates of meetings held during the year
Nobelungu Mpemba	Siyakha Educare Centre	16 August 2018 September 2018 (Meeting was cancelled due to instability in community after public unrest) 18 October 2018
Noluviwo Nkoanyane	Overstrand People with Disabilities	
Zwelethemba Patrein (Secundi) Nceba Laphi	Zwelihle Primary School	
Nomthandazo Gcilitshane (Secundi) Ayanda Elliot Koti	Zwelihle Neighbourhood Watch	
Ntembiso Gladwin Bulawe Bulawa	Community Police Forum	

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Name of representative	Capacity representing	Dates of meetings held during the year
Akhona Jakuja	Local Football Association	15 November 2018
Vuyiswa Khuse	Women Action Group	14 February 2019
Siyabonga Luyanda Vonco	Hermanus Rainbow Trust	14 March 2019
Faniswa Shumane	Treatment Action Campaign	12 April 2019
		16 May 2019
		13 June 2019

**Table 38: Ward 12 Committee Meetings**

### M) WARD 13: ONRUS AND VERMONT

Name of representative	Capacity representing	Dates of meetings held during the year
Hendrik Johannes Greeff (Secundi) Cecilia Veronica Jacobs	Onrus Ratepayers Association	
Ann Brown (Secundi) Michelle Naylor	Vermont Conservation Trust	
Jacob Stolp Louw (Secundi) Ann Droomer	Onverwag Neighbourhood Watch	
Henry William (Duncan) Heard (Secundi) Paul Fister	Vermont Coastal Path Committee	14 August 2018
Michael Seymour Weekes (Secundi) Jan Roodbol	Vermont Ratepayers and Environmental Association	11 September 2018
Karin De Bruin (Secundi) Hanna De Jager	NG Kerk Onrus	16 October 2018
Mathys Pretorius Van As Sutherland (Secundi) James Henry Hattingh	Kalfiefee Committee	13 November 2018
Caroline Gabb (Secundi) Rob Fryer	Onrus Estuary Forum	13 February 2019
Tielman Nieuwoudt Agenbag (Secundi) Anette De Villiers	Onrus Trading Post	12 March 2019
Johan Robinson Prinsloo (Secundi) Christiaan De Villiers	Onrus Retirement Villages	9 April 2019
		14 May 2019
		11 June 2019

**Table 39: Ward 13 Committee Meetings**

### 2.6.3 FUNCTIONALITY OF WARD COMMITTEES

A ward committee enhances participatory democracy at local government in the following ways:  
It will be the official consultative body in that ward for:

- ➔ Ward Committees together with the Overstrand Municipal Advisory Forum (OMAF) will act as the official liaison mechanism on all strategic municipal matters affecting the community.

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- Ward Committees will be the official body with which the Ward Councillors will liaise regarding any matter affecting their respective wards and more specifically items on the agenda of the Municipality affecting the particular ward.
- The Ward Councillor must give regular feedback at ward committee meetings on Council matters as required in the Code of Conduct for Councillors.
- Ward Committees must annually compile their respective ward operational plans which include a range of activities to be executed during the following financial year.
- Ward Committee Members must attend official meetings scheduled in terms of Council's meeting cycle or upon special request by the municipal Council or Speaker.
- Members of the Ward Committee must submit items for discussion to the Administration at least fourteen (14) days before the official ward committee meeting.
- Ward Committee Members must report back to their respective constituencies (organisations/sector/ geographical blocks) at least on a quarterly basis.
- Formal minutes of quarterly report back meeting of constituencies (referred to in 6.7 of the Ward Committee Rules) must be submitted to the municipal administration via the Ward Councillor within 21 days after the aforementioned meeting.
- Ward Committee Members must report issues pertaining to maintenance of infrastructure to the respective municipal customer care help desks or emergency control room located in or closest to their particular ward, using their allocated unique reference numbers.
- A Ward Committee may establish task team(s) to perform specific task(s) on behalf of the committee, e.g. monitoring projects within the ward.
- It is required of ward committee members to attend training / capacity building sessions scheduled by the local municipality or other sphere (provincial / national) of government.
- It is the responsibility of all Ward Committee Members to attend the Overstrand Municipal Advisory Forum (OMAF) or forums outside the Municipality upon formal request by the Speaker / Municipality administration.
- Geographical blocks must conduct their business in accordance with standardised rules of order (regulating documents) to be provided by the municipal administration.
- Ward Committees must sign a Code of Conduct to be administered by the respective Ward Councillors and the Speaker of the Council.
- Ward Committees for ward 1, 5, 6 and 12 were unable to hold their respective meetings for September 2018 meeting cycle, due to civil unrest in the community.

The table below provides information on the establishment of Ward Committees and their functionality:

Ward Number	Committee established Yes / No	Number of reports submitted to the Speakers Office	Number meetings held during the year	Number of monthly Committee meetings held during the year	Number of quarterly public ward meetings held during the year
1	Yes	9	9	5	4
2	Yes	9	9	5	4
3	Yes	9	9	5	4
4	Yes	9	9	5	4
5	Yes	8	8	5	3
6	Yes	8	8	5	3
7	Yes	9	9	5	4
8	Yes	9	9	5	4

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Ward Number	Committee established Yes / No	Number of reports submitted to the Speakers Office	Number meetings held during the year	Number of monthly Committee meetings held during the year	Number of quarterly public ward meetings held during the year
9	Yes	9	9	5	4
10	Yes	9	9	5	4
11	Yes	9	9	5	4
12	Yes	8	8	5	3
13	Yes	9	9	5	4

**Table 40: Functionality of Ward Committees**

### 2.6.4 REPRESENTATIVE FORUMS

#### A) LABOUR FORUM

The table below specifies the members of the Labour Forum for the 2018/19 financial year:

Name of representative	Capacity	Meeting dates
Ald. D. Coetzee	Council	14 August 2018 11 September 2018 16 October 2018 13 November 2018 12 February 2019 12 March 2019 09 April 2019 14 May 2019 11 June 2019
Cllr. A. Africa	Council	
Cllr. A. Komani	Council	
Cllr. S Tebele	Council	
Cllr. X. Msweli	Council	
Mrs. D Arrison	Management	
Mr. R Williams	Management	
Mrs. S Reyneke-Naude	Management	
Mr. N Michaels	Management	
Mr. S Muller	Management	
Mrs. L Bucchianeri	Management	
Mr. S Vana	Trade Union – Samwu	
Mr. S Nkohla	Trade Union – Samwu	
Mr. L Gaika	Trade Union – Samwu	
Mrs. G Erasmus	Trade Union – Samwu	
Mr. L Sikhephe	Trade Union – Samwu	
Ms. A. Choma	Trade Union – Imatu	
Mr. L. Mqini	Trade Union – Imatu	
Mrs. S. Montagu	Trade Union – Imatu	
Mrs. E van der Linde	Trade Union – Imatu	
Mr. L Hendricks	Trade Union – Imatu	
Mrs. R. Matthews	Trade Union – Imatu	
Mrs. K. Vorster	Trade Union – Imatu	

**Table 41: Labour Forum**

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### B) OVERSTRAND MUNICIPAL ADVISORY FORUM (OMAF)

The OMAF functions as the IDP representative forum and is structured as follows and serves as advisory body to the Executive Mayor.

- Chairperson – Executive Mayor
- All elected Ward Councillors
- Management
- Ward committee members from all 13 wards
- Specialists in specific matters who can make useful contributions.

#### TERMS OF REFERENCE OF THE OMAF

- A body representing civic society and interest groups serving the entire Overstrand must provide a mechanism for discussion and decision making between all relevant parties
- Ensure communication between all interest representatives.

#### GOALS AND OBJECTIVES OF THE OMAF IN THE IDP PROCESS

- Inform interest groups about planning activities and the objectives thereof
- Analyse matters of interest, and provide input in order to determine priorities
- Discuss and comment on concept IDP
- Monitor implementation of the IDP.

During the 2018/19 financial year an OMAF was held on 28 February 2019.

## COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

### 2.7 RISK MANAGEMENT

The direction and mandate of risk management for Overstrand Municipality is clearly set out in Section 62(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) that stipulates that the "Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control" accompanied by the crucial motto of the public sector: "that the resources of the municipality are used effectively, efficiently and economically".

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The Risk Management Unit (RMU) came into ideal development in the previous financial year (2015-2016) with the appointment of the Chief Risk Officer (CRO) on a Shared Service Business Model between the municipalities within the district, which ultimately meant getting the same service under a shared cost model. In June 2016 a new Risk Officer Intern was appointed by Overstrand Municipality in order to maintain an onsite presence of the RMU. Unfortunately both the CRO and the Risk Officer Intern resigned midyear (2018-2019), which resulted in significant continuity challenges for activities listed in the Risk Management Implementation Plan.

The initiatives and actions performed by the RMU during 2018/19 include:

- Comprehensive annual departmental risk assessments, involving the heads of department and line managers, which contributed to the compilation of the most detailed risk register to date;
- Strategic risk assessment with the Top Management Team (TMT);
- Continuous emphasis on fraud and corruption risks and the related risk action plans;
- Monitoring of a district risk management implementation plan;
- Monthly updates on risk action plans by managers and monitoring by the Risk Management Unit.
- Quarterly compilation of the Combined Assurance Model based on the Combined Assurance Policy Framework adopted by Council;
- Participation in the Overberg District Internal Audit and Risk Management Forum;
- Improved co-operation between the RMU and Internal Audit Services (IAS), reducing duplication, increasing the sharing of risk information and improving assurance coverage, while respecting IAS's independence;
- Risk Management Committee performance evaluation through individual assessments by the members in the form of a questionnaire;
- Adding value of "best practice" developments to the Risk Management Committee. Review of the risk register, incident and emerging risks and corrupt, fraudulent and unethical incidents are now standard agenda items for Risk Management Committee meetings.
- Regular communication and daily updates from the Institute of Risk Management South Africa;
- Risk management is a now a standing agenda item for Joint Audit and Performance Audit Committee meetings.
- Risk management progress reports are submitted to every Executive Management Team (EMT) meeting.

Strategic Risks 2018/19					
Risk Level	Risk Description	Current Controls	Residual Risk	Financial Year	Risk Actions
Strategic	Limited specialised emergency vehicles (fire, rescue and disaster management)	<ul style="list-style-type: none"> <li>• Standard operational procedures during the execution of duties.</li> <li>• Training of officials on health and safety standards.</li> <li>• Vehicle maintenance</li> <li>• Fleet budget</li> </ul>	High	2018/2019	<ul style="list-style-type: none"> <li>• Procurement of additional vehicles (support from Western Cape Government in terms of funding).</li> <li>• Develop a priority plan on Repairs and Maintenance.</li> <li>• Explore opportunities for Lease Agreements and MOU's for the acquisition of additional vehicles.</li> </ul>

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<b>Strategic Risks 2018/19</b>					
<b>Risk Level</b>	<b>Risk Description</b>	<b>Current Controls</b>	<b>Residual Risk</b>	<b>Financial Year</b>	<b>Risk Actions</b>
Strategic	Municipal buildings used as partial care facilities do not comply with the norms and standards for such facilities.	<ul style="list-style-type: none"> <li>• Interdepartmental communications between the relevant directorates</li> </ul>	High	2018/2019	<ul style="list-style-type: none"> <li>• Workshop with all stakeholder departments to formulate a plan of action to address the issues.</li> </ul>
Strategic	Ageing and deterioration of fleet and small plant.	<ul style="list-style-type: none"> <li>• Vehicle monitoring system in place to prevent abuse/misuse of vehicles.</li> <li>• R7,480 million available in 2017/2018 for placement/purchase of vehicles.</li> </ul>	High	2018/2019	<ul style="list-style-type: none"> <li>• Review 2017/2018 Capital Replacement Plan for 2018/2019.</li> <li>• Submit 2018/2019 Capital Replacement Plan to Budget Steering Committee.</li> </ul>
Strategic	Inability to fully execute mandated functions. (Social Development)	<ul style="list-style-type: none"> <li>• Interdepartmental relations</li> <li>• As of June 2015 the Department has two signed Memorandum Of Understandings in place with the following organisations:                             <ul style="list-style-type: none"> <li>◦ Western Cape Department of Social Development (various aspects of Social Development)</li> <li>◦ Enlighten Education Trust (Junior Town Council)</li> </ul> </li> </ul>	High	2018/2019	<ul style="list-style-type: none"> <li>• Communications with departments involved with social development activities / projects to solve problems and/or execute their functions.</li> <li>• Formulate a Social Development Policy and submit to Council for adoption.</li> </ul>
Strategic	Infrastructure capacity not able to serve growing needs.	<ul style="list-style-type: none"> <li>• Forward planning of needs for new infrastructure is done continuously (e.g. master plans).</li> <li>• Sources of grant funding for capital projects are tapped as far as possible.</li> <li>• Development contributions are levied on large developers to upgrade infrastructure.</li> <li>• Municipal funding (self-funding and borrowings) for infrastructure projects.</li> </ul>	Medium	2018/2019	<ul style="list-style-type: none"> <li>• Develop, together with Engineering Planning, Operational Services, Engineering Services, Property Administration and Town Planning, a process plan for the Municipality to follow when considering new developments.</li> </ul>
Strategic	Lack of water resources.	<ul style="list-style-type: none"> <li>• Water Resource Master plan</li> <li>• Water conservation bylaw</li> <li>• Clearing of alien vegetation.</li> </ul>	Low	2018/2019	<ul style="list-style-type: none"> <li>• Continuous monitoring of growth in population and water demand.</li> <li>• Calculation of demand projections.</li> <li>• Review long term planning based on projections and budgets.</li> </ul>

**Table 42: Strategic Risks and Risk actions to mitigate these risks**

In terms of section 62 (1)(c)(i) "the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to

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*ensure- that the municipality has and maintains effective, efficient and transparent systems – of financial and risk management and internal control;”...*

### RISK FORUM

#### Dates of Risk Management Committee (RMC) meetings:

Committee	Date	Quorum	Risk Management Feedback
Fraud and Risk Management Committee	25 September 2018	Yes	Yes
Fraud and Risk Management Committee	12 December 2018	Yes	Yes

**Table 43: Risk Management Committee meetings held during the 2018/19 financial year**

## 2.8 ANTI-CORRUPTION AND ANTI-FRAUD

Section 6(2)(c) of the Municipal Systems Act (MSA) states that the municipality must take measures to prevent corruption, section 83(1)(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1)(m)(i) obligates the municipality to institute supply chain measures to combat fraud and corruption, favouritism and unfair and irregular practices. The Prevention and Combating of Corrupt Activities Act defines corruption and specific corrupt activities and imposes a reporting obligation on the Accounting Officer.

The Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings regulates the reporting, investigation and disciplinary proceedings regarding allegations of financial misconduct, including fraud and corruption.

### A) DEVELOPED STRATEGIES UPDATE

Name of strategy	Developed Yes/No	Date Adopted
Fraud Prevention and Anti-Corruption Strategy	Yes	31 October 2018

**Table 44: Strategies**

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### B) IMPLEMENTATION OF STRATEGIES

Key Risk Areas	Key measures to curb corruption and fraud
Irregularities of offering of business courtesies and gifts.	The gift policy of the Municipality must ensure that both the acceptance and offering of business courtesies, including gifts, by all councillors and employees of Overstrand municipality occur only within the ethical standards as prescribed by Overstrand municipality.
Non – Compliance with laws and regulations	Overstrand municipality has a number of systems, policies and procedures designed to ensure compliance with specific laws and regulations and basic internal control.
Conflict of interest	Employees who perform private work will in accordance with Schedule 2 of the Systems Act be obliged to declare the full description and nature, hours of work, name of company for whom they work or name of own business, and that there is no conflict of interest with their job content as officials and that the nature of the work does not compromise their judgement and integrity as an official.

**Table 45: Implementation of the Strategies**

## 2.9 JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE

During May 2016, a Joint Audit and Performance Audit Committee (JAPAC) was established, after the abolishment of the Audit Committee and Performance Audit Committee, which were chaired by separate chairpersons, while the membership remained the same.

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control and internal audits;
- risk management;
- accounting policies;
- the adequacy, reliability and accuracy of financial reporting and information;
- performance management;
- effective governance;
- compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
- performance evaluation; and
- any other issues referred to it by the municipality.

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### A) FUNCTIONS OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE

The Joint Audit and Performance Audit Committee have the following main functions as prescribed in section 166 of the Municipal Finance Management Act, 2003 and the Local Government Municipal and Performance Management Regulations:

- To advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality on matters relating to compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation and effective governance.
- To review the annual financial statements to provide council with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- To carry out such investigations into the financial affairs of the municipality as the council of the municipality may request.

### B) MEMBERS OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE

During the period 1 July 2018 – 30 June 2019 the Joint Audit and Performance Audit Committee held five (5) meetings and consisted of the members listed in the table below. During the above-mentioned period one (1) member (Mr T Lesihla) resigned as member of the Joint Audit and Performance Audit Committee with effect from 14 September 2018. Two new members (Mr G Serfontein & Ms M Koekemoer) were appointed on the Joint Audit and Performance Audit Committee with effect from 3 June 2019.

Name of representative	Capacity	Meeting dates
Mr. B Van Staaden	Chairperson	22 August 2018
Mr. RI Kingwill	Member	
Mr. M Mdludlu	Member	
Mr. T Lesihla	Member (resigned with effect from 14 September 2018)	18 September 2018
		21 November 2018
Mr. G Serfontein	New member (date of appointment 3 June 2019)	26 February 2019
Ms. M Koekemoer	New member (date of appointment 3 June 2019)	25 June 2019

**Table 46: Members of the JAPAC re Audit Committee (01 July 2018 – 30 June 2019)**

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### 2.10 JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE RE PERFORMANCE MEASUREMENTS

The Regulations require that the performance audit committee comprised of a minimum of three members, the majority of whom are external (neither a councillor nor an employee) of the municipality. Regulation 14(2)(b) further stipulates that the performance audit committee must include at least one person who has expertise in performance management. It is also a requirement in terms of regulation 14(2)(d) that the Council of a municipality designate a member of the performance audit committee who is not a councillor or an employee of the municipality as the chairperson of the committee.

#### A) FUNCTIONS OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE RE PERFORMANCE MEASUREMENTS

In terms of Section 14(4) (a) of the Regulations the performance audit committee has the responsibility to -

- i) review the quarterly reports produced and submitted by the internal audit process;
- ii) review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and
- iii) at least twice during each financial year submit a performance audit report to the council of the municipality.

#### B) MEMBERS OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE RE PERFORMANCE MEASUREMENTS

During the period 1 July 2018 – 30 June 2019 the Joint Audit and Performance Audit Committee held five (5) meetings and consisted of the members listed in the table below. During the above-mentioned period one (1) member (Mr T Lesihla) resigned as member of the Joint Audit and Performance Audit Committee with effect from 14 September 2018. Two new members (Mr G Serfontein & Ms M Koekemoer) were appointed on the Joint Audit and Performance Audit Committee with effect from 3 June 2019.

Name of representative	Capacity	Meeting dates
Mr. B Van Staaden	Chairperson	
Mr. RI Kingwill	Member	22 August 2018
Mr. M Mdludlu	Member	18 September 2018
Mr. T Lesihla	Member (resigned with effect from 14 September 2018)	21 November 2018
Mr. G Serfontein	New member (date of appointment 3 June 2019)	26 February 2019 25 June 2019
Ms. M Koekemoer	New member (date of appointment 3 June 2019)	

Table 47: Members of the JAPAC re Performance Audit (01 July 2018 – 30 June 2019)

2.11 INTERNAL AUDITING

Section 165 (2) (a), (b)(iv) of the MFMA requires that:

The internal audit unit of a municipality must –

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
  - (i) internal audit;
  - (ii) internal controls;
  - (iii) accounting procedures and practices;
  - (iv) risk and risk management;
  - (iv) performance management;
  - (v) loss control; and
  - (vi) compliance with this Act, the annual Division of Revenue Act and any other applicable legislation
- (c) perform other duties as may be assigned to it by the accounting officer.

The Municipality has an in-house Internal Audit function consisting of:

- ➔ Chief Audit Executive
- ➔ Three (3) Internal Auditors
- ➔ One (1) Internal Audit Intern (Resigned June 2019)
- ➔ One (1) Finance Intern.

**Annual Audit Plan:**

**94.4%** of the Risk Based Audit Plan for 2018/19 was executed with the available resources. The table below provides detail on audits completed:

Description		No of Hours	Date completed	
<b>Phase 1</b>				
Revisiting current risk profile and priorities		100	On-going on a quarterly basis	
<b>Phase 2</b>				
Compiled and Approved Risk Based Audit Plan 2018/2019		100	27 June 2018	
<b>Phase 3</b>				
Audit Engagement	Departmental System	Detail	No of Hours	Date completed
Office of the MM	Internal Audit	Updating audit coverage plan	40	June 2019
Directorate: Finance	Deputy Director: Finance	1 <sup>st</sup> Bi-annual Key Control Assessment	120	August 2018
	Deputy Director: Finance	2 <sup>nd</sup> Bi-annual Key Control Assessment	120	May 2019
	Deputy Director: Finance	mSCOA (implementation/ Review)	150	June 2019

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Description			No of Hours	Date completed
	Deputy Director: Finance	Supply Chain Management (Contract Management)	200	Ongoing
	Financial Services Finance	Division of Revenue Act (DORA) Audit 2017/18 & 2018/19	180	December 2018
Directorate: Management Services	Management Services	Pre-determined objectives (4 <sup>th</sup> Quarter: 2017/2018)	100	August 2018
	Management Services	Pre-determined objectives (1 <sup>st</sup> Quarter: 2018/2019)	100	October 2018
	Management Services	Pre-determined objectives (2 <sup>nd</sup> Quarter: 2018/2019)	100	February 2019
	Management Services	Pre-determined objectives (3 <sup>rd</sup> Quarter: 2018/2019)	100	April 2019
	Management Services	Risk Management Process	100	May 2019
	Management Services	Combined Assurance (Bi-Annual) 1	120	May 2019
	Management Services	Combined Assurance (Bi-Annual) 2	120	May 2019
Directorate: Community Services	Operational Services	Housing Administration/ Management <i>re</i> allocation of low cost housing	300	December 2018
Infrastructure and planning	Infrastructure and planning	Theft and vandalism (Infrastructure and Planning)	200	May 2019
	Infrastructure and planning	Management of solid waste (Waste Management)	200	June 2019
Directorate: Protection Services	Traffic and law enforcement	Armed robberies (susceptibility of armed robberies at municipal buildings)	200	May 2019
Municipal Manager/ Council	JAPAC	1 <sup>st</sup> Audit Report of the Joint Audit and Performance Audit Committee (JAPAC) to the Overstrand Municipal Council period 2018/19	60	December 2018
Follow-up reports	Community Services	Ageing and deterioration of fleet and small plant	200	May 2019
	Economic Development & Tourism	Not all Municipal Buildings used as partial care facilities comply with the norms and standards for such facilities	200	February 2019
Joint Audit & Performance Audit Committee			80	On-going
Audit Steering Committee			40	On-going
<b>Total hours</b>			<b>3230</b>	

**Table 48: Internal Audit Coverage Plan**

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Below are the functions of the Internal Audit Unit that was performed during the financial year under review:

Function	Date/Number
Monthly update of the Eunomia System – Compliance Assist System	Monthly
Risk-Based Audit Plan approved for 2018/19 financial year	27 June 2018
Number of audits conducted and reported on	18
<b>Audit reports included the following key focus areas:</b>	
Key Control Assessments	2
Internal Controls	12
Predetermined Audit Objectives & Compliance Audits	4

**Table 49: Internal Audit Functions**

### 2.12 BY-LAWS AND POLICIES

Section 11 of the MSA gives a Council the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the by-laws developed and reviewed during the financial year:

By-laws developed/revised	Date adopted	Public Participation Conducted Prior to adoption of By-Laws Yes/No	Date of Publication
The Special Rating Area – By – law	20/09/2016	Yes	21/10/2016
Problem Building By – law	20/09/2016	Yes	21/10/2016
Electricity Supply By – law	20/09/2016	Yes	21/10/2016
The Events By – Law	31/10/2018	Yes	30/11/2018
Fire Safety By – law	To be determined	No	To be determined
By – law on public areas	To be determined	No	To be determined
Amendment to Rules of Order	26/09/2019	Yes	26/10/2018
Amendment to Municipal Land Use Planning By – law	To be determined	Yes	To be determined
Amendment to Water Supply and Sanitation by – law	To be determined	No	To be determined
Amendment to Parking Management by – law	28/11/2018	Yes	07/12/2018
Tree by law	27/03/2019	Yes	To be determined

**Table 50: By-laws**

Below is a list of the policies – existing, developed and reviewed during the financial year:

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Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Events Policy (Revision comments)	31/10/2018	Yes
Telecommunication Policy	To be determined	To be determined
External Bursary Policy	26/06/2019	No
Fraud Prevent and Anti-Corruption Policy	31/10/2018	No
Land Invasion Policy	To be determined	To be determined
Internal Study Aid Policy	To be determined	No
Informal Trading Policy	To be determined	To be determined
Policy on Councillors becoming Commissioners of Oaths	To be determined	No
Delegation of Powers and Duties (Revised comments)	To be determined	No
Revised Special Rating Area Policy	To be determined	To be determined
Substance Abuse Policy (Revised comments)	To be determined	No
Fraud Prevention and Anti-Corruption Plan	31/10/2018	No
Study Aid Policy	29 May 2019	No

**Table 51: Policies**

### 2.13 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the abovementioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of ***Batho Pele*** and this, in simple terms, means that those we elect to represent us (councillors at the municipal level) and those who are employed to serve us (the municipal officials at the municipal level) must always put people first in what they do.

South Africa has adopted a system of developmental local government, which addresses the inequalities, and backlogs of the past while ensuring that everyone has access to basic services, to opportunities and an improved quality of life.

To be successful, communications must focus on the issues that are shown to impact on the residents' perceptions, quality of service, value for money and efficiencies. They should ideally look to close the

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communication-consultation loop, i.e. tell people how they can have a say and demonstrate how those who have given their views have had a real impact.

Communication activities	Yes/No
Communication unit	Yes
Communication strategy	Yes
Communication Policy	Yes, approved 29 March 2017
Customer satisfaction surveys	A survey was planned to be conducted in 2017/18, all processes were followed and it was going to start in March 2018, but due to civil unrest in Zwelihle it was postponed to September in the 2018/19 financial year. Communities were monitored to gauge if the survey could take place, but it was discovered that there is still no stability and at times still unrest in the Overstrand. A date to conduct the survey has not yet been determined.
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes, monthly

**Table 52: Communication Activities**

### 2.14 WEBSITE

A municipal website [www.overstrand.gov.za](http://www.overstrand.gov.za) is a key communication mechanism in terms of service offering, information sharing and public participation and should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipal website	Date Published
Annual budget and all budget-related documents	3 June 2019 ( Final)
Adjustment budget for 2018/19	1 <sup>st</sup> Adjustment Budget – 27 Aug 2018 2 <sup>nd</sup> Adjustment Budget – 3 Dec 2018
Monthly Budget Statement	Monthly
Budget implementation policy: Tariff policy	Council Meeting 29/5/2019

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Documents published on the Municipal website	Date Published
Budget implementation policy: Credit control policy	Council Meeting 21/06/2019
Budget implementation policy: Valuation By-Law	Council Meeting 30/5/2018
Budget implementation policy: Rates policy	Council Meeting 30/5/2018
Budget implementation policy: SCM policy	Council Meeting 21/6/2019
Annual report for 2016/17	Audited Final Annual Report – 1 April 2019 Final Draft Annual Report 2016/17 – 22 Jan 2019
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2018/2019	13 March 2019
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2018/19	Quarterly Budget Report published on 31 July 2018 (June Report) 07 November 2018 (September Report) 28 January 2019 (December Report)  SDBIP Quarterly Reports published on 01 November 2018 (1 <sup>st</sup> ) 22 Jan 2019 (2 <sup>nd</sup> ) 28 April 2019 (3 <sup>rd</sup> )

**Table 53: Website Checklist**

### 2.14.1 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Overstrand Municipality conducted a customer satisfaction survey in the 2012/13 financial year to measure the satisfaction of residents with core municipal services as well as with overall service delivery. Most household respondents reported that they were satisfied with the services rendered. The survey was done amongst households and business. The planned survey for 2017/18 could not be executed due to civil unrest. A date to conduct the survey has not yet been determined.

Satisfaction Surveys undertaken during: Year 2012/13				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:				
a) Municipality				Not asked
b) Municipal service delivery	Structured questionnaire	Apr/May 2013	1134	78%

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<b>Satisfaction Surveys undertaken during: Year 2012/13</b>				
<b>Subject matter of survey</b>	<b>Survey method</b>	<b>Survey date</b>	<b>No. of people included in survey</b>	<b>Survey results indicating satisfaction or better (%)*</b>
c) Mayor				Not asked
Satisfaction with:				
a) Refuse removal	Structured questionnaire	Apr/May 2013	1134	77%
b) Road maintenance	Structured questionnaire	Apr/May 2013	1134	70%
c) Electricity supply	Structured questionnaire	Apr/May 2013	1134	75%
d) Water supply	Structured questionnaire	Apr/May 2013	1134	84%
e) Information supplied by the municipality to the public	Structured questionnaire	Apr/May 2013	1134	64%
f) Opportunities for consultation on municipal affairs	Structured questionnaire	Apr/May 2013	1134	58%
*the percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				

**Table 54: Satisfaction Surveys 2012/2013**

<b>Satisfaction Surveys undertaken during: Year 2011/12</b>				
<b>Subject matter of survey</b>	<b>Survey method</b>	<b>Survey date</b>	<b>No. of people included in survey</b>	<b>Survey results indicating satisfaction or better (%)*</b>
Overall satisfaction with:				
d) Municipality				Not asked
e) Municipal service delivery	Structured questionnaire	Feb/Mar 2012	3005	91%
f) Mayor				Not asked
Satisfaction with:				
g) Refuse removal	Structured questionnaire	Feb/Mar 2012	3005	89%
h) Road maintenance	Structured questionnaire	Feb/Mar 2012	3005	63%
i) Electricity supply	Structured questionnaire	Feb/Mar 2012	3005	75%
j) Water supply	Structured questionnaire	Feb/Mar 2012	3005	84%
k) Information supplied by the municipality to the public	Structured questionnaire	Feb/Mar 2012	3005	66%
l) Opportunities for consultation on municipal affairs	Structured questionnaire	Feb/Mar 2012	3005	66%
*the percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				

**Table 55: Satisfaction surveys 2011/2012**

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Municipal comments on the satisfaction levels:

Satisfaction levels with the major municipal services – water and electricity – stayed the same from 2011/12 to 2012/13

- Satisfaction levels with the maintenance of roads improved markedly, from 63 per cent in 2012 to 70 per cent in 2013. During the past year a number of road construction projects took place, which can be the main cause of this positive perception.
- Satisfaction levels with refuse removal dropped with 12 percent, which can be attributed to the municipality's decision to reduce the number of removals in the Greater Hermanus area from twice a week to once a week.
- The 8 percent drop in perceptions regarding opportunities for consultation (which was asked as how accessible municipal officials and other resources are) can be attributed to a great number of major issues which were highlighted in the local media lately, varying from the R43 construction to the Geysers Control Project to the resistance against the budget proposals in certain communities.
- The previous factors mentioned also had an effect on the public's perception of the information supplied to the public, which dropped with two percentage points.

### 2.15 SUPPLY CHAIN MANAGEMENT

The Supply Chain Management Policy of the Overstrand Municipality is deemed to be fair, equitable, transparent, competitive and cost-effective as required by Section 217 of the Constitution.

The Supply Chain Management Policy complies duly with the requirements of Section 112 of the MFMA as well as the Supply Chain Management Regulations. The Policy was drafted based on the SCM Model Policy issued by the National Treasury and amended to suit the local circumstances within the ambit of the regulatory framework and sometimes even stricter than the legal requirements.

#### 2.15.1 COMPETITIVE BIDS IN EXCESS OF R200 000

##### A) BID COMMITTEE MEETINGS

The following table details the number of bid committee meetings held for the 2018/19 financial year:

<b>Bid Specification Committee</b>	<b>Bid Evaluation Committee</b>	<b>Bid Adjudication Committee</b>
66	65	33

**Table 56: Bid Committee Meetings**

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

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Member	Percentage attendance
In terms of Paragraph 27 of Council’s Supply Chain Management Policy, the Bid Specification Committee must consist of a Supply Chain Management Official, the budget holder from the Directorate for whom the bid is called. No Bid Specification Committee meeting will continue without the attendance of either of these members.	100%

**Table 57: Attendance of members of bid specification committee**

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

Member	Percentage attendance
In terms of Paragraph 28 of Council’s Supply Chain Management Policy, the two standing members of the Bid Evaluation Committee are a Supply Chain Management practitioner as the chairperson and the budget holder from the Directorate for whom the bid is called for. No Bid Evaluation Committee meeting will continue without the attendance of either of these members.	100%

**Table 58: Attendance of members of the bid evaluation committee**

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

Member	Percentage attendance
Director: Finance- Chairperson	100%
Director: Community Services	91%
Director: Management Services	97%
Director: Protection Services	91%
Director: Infrastructure & Planning Services	97%
Director: Economic and Social Development & Tourism	70%
Deputy Director Finance & SCM	100%

**Table 59: Attendance of members of the bid adjudication committee**

The percentages as indicated above include the attendance of those officials acting in the position of a bid committee member.

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### B) AWARDS MADE BY THE BID ADJUDICATION COMMITTEE (BAC)

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

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Bid number	Date of award	Title of bid	Successful Bidder	Value of bid awarded
<b>SC1898/2018</b>	2019/01/25	Electrification of Housing in Hawston	Adenco Construction (Pty) Ltd	R 9 824 636.97
<b>SC1916/2018</b>	2019/02/08	Installation of Sewer Reticulation at Gansbaai, Stanford and Hermanus	Benver Civils and Plant Hire CC	R 8 498 408.52
<b>SC1915/2018</b>	2019/02/08	Installation of Sewer Reticulation in Kleinmond – Phase 1	Venleo Group (Pty) Ltd	R 8 256 945.95
<b>SC1859/2018</b>	2018/07/17	Supply & Delivery of Tissue Paper Products and Cleaning Materials for a contract period ending 30 June 2021	Startune (Pty) Ltd	R 7 815 180.91
			Caprichem SACCS (Pty) Ltd	
			TSCH International Holdings (Pty) Ltd	
			Nikolia Projects (Pty) Ltd	
			Heroes of Favor (Pty) Ltd	
			Daleth Energy (Pty) Ltd	
			Sunga Group (Pty) Ltd	
Mega Ndira Resources CC				
<b>SC1900/2018</b>	2018/11/06	Gansbaai and Stanford Area: MV/LV and RMU Upgrade	Adenco Construction (Pty) Ltd	R 6 662 123.68
<b>SC1857/2018</b>	2018/07/13	Supply & Delivery of Protective Clothing to Overstrand Municipality for a contract period ending 30 June 2021	TR Sport CC	R 6 577 101.72
			Startune (Pty) Ltd	
			Tosas (Pty) Ltd	
			Dense Seal (Pty) Ltd	
			Much Asphalt (Pty) Ltd	
AJ Van Huffel Plant hire CC				
<b>SC1948/2018</b>	2019/05/17	Hawston Sport Grounds: New Netball & Tennis Courts - Phase 1	Cape Asphalt CC	R 4 600 000.00
<b>SC1860/2018</b>	2018/07/18	Supply & Delivery of Tissue Paper Products and Cleaning Materials for a contract period ending 30 June 2021	Startune (Pty) Ltd	R4 472 759.76
			TSCH International Holdings (Pty) Ltd	
			PTA Agencies (Pty) Ltd	
			Memotek Trading CC	
Piston Power Chemicals CC				

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Bid number	Date of award	Title of bid	Successful Bidder	Value of bid awarded
SC1858/2018	2018/07/13	Supply & Delivery of Electrical Items for a contract period ending 30 June 2020	Startune (Pty) Ltd	R3 606 264.84
			PH Marketing (Pty) Ltd	
			Industrial Poles and Masts (Pty) Ltd	
			M and T Power (Pty) Ltd	
SC1905/2018	2018/12/13	Construction of Bulk Water Reticulation Upgrades in Blompark, Gansbaai	AMS Civils (Pty) Ltd	R2 433 689.23

**Table 60: Ten highest bids awarded by bid adjudication committee**

### C) AWARDS MADE BY THE ACCOUNTING OFFICER

Bids awarded by the Accounting Officer are as follows:

Bid number	Title of bid	Directorate and section	Value of bid awarded
SC1869/2018	The Reseal and Rehabilitation of Roads in the Overstrand Area for contract period ending 30 June 2020	Community Services	R49 554 744.88
SC1874/2018	Provision of Small Works and Maintenance as and when required for a contract period ending 30 June 2021	Community Services	R24 955 872.85
SC1907/2018	Transversal Contract - RT57-2016: Supply and Delivery of Sedan Vehicles, Light and Heavy Commercial Vehicles, Busses and Motor Cycles to the State, for the period 1 July 2016 to 30 September 2018	Community Services	R17 647 057.05
SC1890/2018	Water and Wastewater Bulk Works Operations and Maintenance	Infrastructure and Planning	R1 267 350 264.20
SC1901/2018	Provision of Security Guards in the Overstrand Area for a contract period ending 30 June 2021	Protection Services	R12 676 949.33
SC1892/2018	Operation of Gansbaai Landfill Site, Stanford Public Drop-Off Facility and Pearly Beach Public Drop-Off Facility for a contract period ending 30 November 2032	Infrastructure and Planning	R116 766 901.40
SC1899/2018	MV and LV Upgrade and Replacement in Hermanus, Hawston and Kleinmond Areas	Infrastructure and Planning	R10 370 314.70

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Bid number	Title of bid	Directorate and section	Value of bid awarded
SC1919/2018	Replacement of Water Pipes, Rooi-Els to Hermanus, and Construction of Sewer Pipelines	Infrastructure and Planning	R 29 900 000.00
SC1938/2018	Transversal Term Contract: S37/2018: Western Cape: All Regions: TMG Drilling Framework Agreement 2018-2021	Infrastructure and Planning	R8 050 000.00
SC1752A/2017	Extension of Transversal Term Contract: RT46-2016: Appointment of a Service Provider for the Provision of Vehicle Fleet Management Services to the State for the period 1 April 2019 to 31 March 2020	Community Services	R 37 520 318.66
SC1933/2018	Provision of Banking Services for a contract period ending 30 June 2024	Finance	R8 522 043.11
SC1907A/2018	Transversal Contract: RT 57-2016: Supply and Delivery of Sedan Vehicles, Light and Heavy Commercial Vehicles, Busses and Motor Cycles to the State, for the Period 1 July 2016 to 31 May 2019	Community Services	R1 225 198.43
SC1961/2019	Provision & Administration of Electricity Prepayment Vending System for a contract period ending 30 June 2022	Finance	R16 343 328.50

**Table 61: Awards made by the Accounting Officer**

### D) APPEALS LODGED BY AGGRIEVED BIDDERS

Tender No	Description	Awarded to	Complainant	Date received	Outcome	Outcome Date
<b>SC1857/2018</b>	Supply & Delivery of Protective Clothing for a contract period ending 30 June 2021	Startune (Pty) Ltd	TR Supply CC t/a TRF Sport	2018/08/03	Resolved - Award upheld	2018/09/13
<b>SC1890/2018</b>	Water and wastewater bulk works operations and maintenance	Veolia Water Solutions & Technologies South Africa (Pty) Ltd	Veolia Water Solutions & Technologies South Africa (Pty) Ltd	2018/09/25	Resolved - Award Moot with regard to the provisions of Section 62(3) of the Local Government:	2019/03/18

## CHAPTER 2: GOOD GOVERNANCE

Tender No	Description	Awarded to	Complainant	Date received	Outcome	Outcome Date
					Systems Act, 2000 (32 of 2000)	
<b>SC1919/2018</b>	Replacement of water pipes, Rooi Els to Hermanus	Trenchless-Technologies CC	WBHO Construction (Pty) Ltd	2019/02/27	Resolved - Award upheld	2019/04/01
<b>SC1948/2019</b>	Hawston Sport Grounds: New Netball & Tennis Courts - Phase 1	Cape Asphalt CC	Amiz Management (Pty) Ltd t/a Milestone Construction and Civils	2019/05/30	Appeal dismissed	2019/06/10

**Table 62: Appeals lodged by aggrieved bidders**

### 2.1.5.2 DEVIATION FROM NORMAL PROCUREMENT PROCESSES

The following table provides a summary of deviations approved on an annual and monthly basis respectively:

Type of deviation	Number of deviations	%	Value of deviations	Percentage of total deviations value
Clause 36(1)(a)(i)-Emergency	69	11.75%	R 6 377 747.01	30.43%
Clause 36(1)(a)(ii)-Sole Supplier	18	3.07%	R 2 126 384.66	10.14%
Clause 36(1)(a)(iii)- Unique arts	0	0%	R0	0%
Clause 36(1)(a)(v)- Impractical / impossible	500	85.18%	R 12 456 573.28	59.43%
<b>Total</b>	<b>587</b>	<b>100%</b>	<b>R 20 960 704.96</b>	<b>100%</b>

**Table 63: Summary of deviations**

Clause 36(1)(a)(v)- Deviations- Impractical and or Impossible

Type of deviation	Number of deviations	%	Value of deviations	Percentage of total deviations value
Clause 36(1)(a)(i)-Emergency	69	11.75%	R 6 377 747.01	30.43%

## CHAPTER 2: GOOD GOVERNANCE

Type of deviation	Number of deviations	%	Value of deviations	Percentage of total deviations value
Clause 36(1)(a)(ii)- Sole Supplier	18	3.07%	R 2 126 384.66	10.14%
Clause 36(1)(a)(iii)- Unique arts	0	0%	R0	0%
Clause 36(1)(a)(v)- Impractical / impossible	500	85.18%	R 12 456 573.28	59.43%
<b>Total</b>	<b>587</b>	<b>100%</b>	<b>R 20 960 704.96</b>	<b>100%</b>

Table 64: Clause 36 (1)(a)(v) - Deviations - Impractical and or Impossible

### 2.1.5.3 LOGISTICS MANAGEMENT

The system of logistics management must ensure the following:

- the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
- the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- the placing of manual or electronic orders for all acquisitions other than those from petty cash;
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

Each stock item at the municipal stores is coded and listed on the financial system. Monthly monitoring of patterns of issues and receipts are performed by the Storekeeper.

Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information should be communicated timely to the Stores section in order for them to gear them to order stock in excess of the normal levels.

Internal controls are in place to ensure that goods and services that are received are certified by the responsible person which is in line with the general conditions of contract. Regular checking of the condition of stock is performed. Annual stock counts are performed at which surpluses, deficits, damaged and redundant stock items are identified and reported to Council.

As at 30 June 2019, the value of stock at the municipal stores amounted to **R9, 591, 980.25 (R7, 322,423.16 in 2017/2018)**.

## CHAPTER 3



This chapter provides an overview of the key service achievements of the municipality that came to fruition during 2018/19 in terms of the deliverables achieved compared to the key performance objectives and indicators in the IDP. It furthermore, includes an overview on achievement in 2018/19 compared to actual performance in 2017/18.

### 3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of South Africa (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration
- to be transparent by providing information,
- to be responsive to the needs of the community,
- and to facilitate a culture of public service and accountability amongst staff.

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The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to inform the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities. This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

### 3.1.1 LEGISLATIVE REQUIREMENTS

In terms of section 46(1)(a) a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

### 3.1.2 ORGANISATIONAL PERFORMANCE

Strategic performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlight the strategic performance in terms of the municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the National Key Performance Areas, performance on the National Key Performance Indicators prescribed in terms of section 43 of the Municipal Systems Act, 2000 and an overall summary of performance on a functional level and municipal services.

### 3.1.3 THE PERFORMANCE SYSTEM FOLLOWED FOR 2018/19

#### A) ADOPTION OF A PERFORMANCE MANAGEMENT FRAMEWORK

The municipality adopted a performance management framework (PMF) that was approved by Council on 25 June 2014. The PMF was reviewed in the 2017/18 financial year and adopted by Council on 30 May 2018.

#### B) THE IDP AND THE BUDGET

The 1<sup>st</sup> review of the 5 year IDP (2018/19) and the budget for 2018/19 were approved by Council on 30 May 2018. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

The strategy map below illustrates the strategic link of the focus areas of the municipality with the National Key Performance Areas. The National Key Performance Areas is aligned with the strategic objectives that were identified in the 2017/2021 IDP.

During the 2018/19 IDP Review the Vision, Mission and Strategic goals of the Municipality remained unchanged.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Figure 7: 2017/2021 IDP strategic direction (retained in 2018/19 IDP review)

### C) THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned
- The budget must address the strategic priorities
- The SDBIP should indicate what the municipality is going to do during next 12 months
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP was prepared as described in the paragraphs below and the Top Layer SDBIP was approved by the Executive Mayor on 13 June 2018.

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### D) THE MUNICIPAL SCORECARD (TOP LAYER SDBIP)

The municipal scorecard (Top Layer SDBIP) consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- **One-year** detailed plan, but should include a **three-year capital plan**

The 5 necessary components include:

- Monthly projections of revenue to be collected for each source
- Expected revenue to be collected NOT billed
- Monthly projections of expenditure (operating and capital) and revenue for each vote
- Section 71 format (Monthly budget statements)
- Quarterly projections of service delivery targets and performance indicators for each vote
- Non-financial measurable performance objectives in the form of targets and indicators
- Output NOT input / internal management objectives
- Level and standard of service being provided to the community
- Ward information for expenditure and service delivery
- Detailed capital project plan broken down by ward over three years.

The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):

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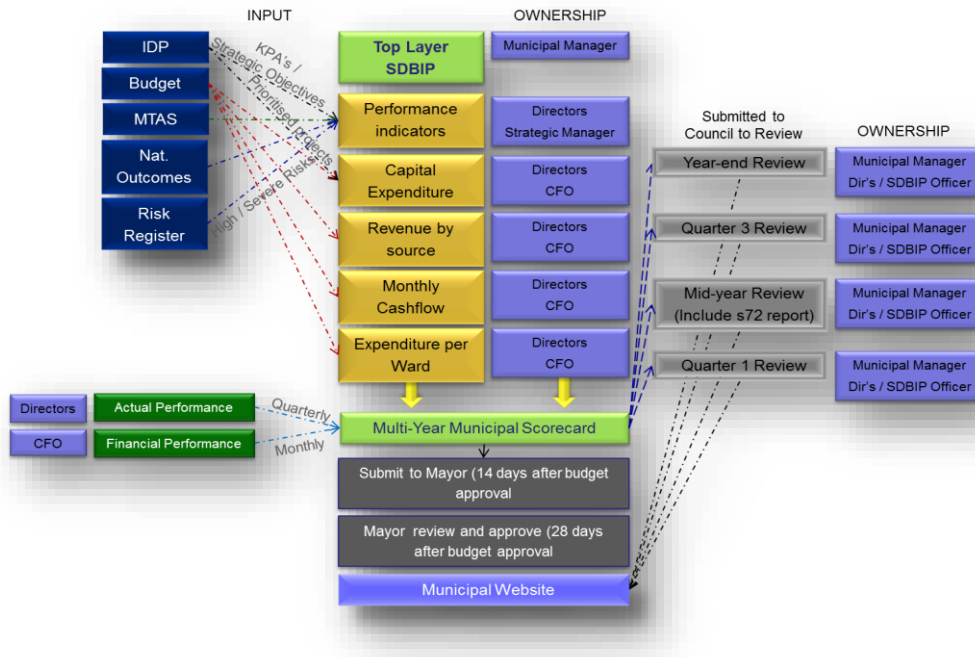


Figure 8: Establishment, components and review of the Top layer SDBIP

Top Layer KPI's were prepared based on the following:

- Key performance indicators (KPI's) for the programmes / activities identified to address the strategic objectives as documented in the IDP.
- KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders.
- KPI's to address the required National Agenda Outcomes, priorities and minimum reporting requirements.

It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the Portfolio of Evidences (POE's) for reporting and auditing purposes.

### E) DIRECTORATE/DEPARTMENTAL SCORECARDS

The directorate and departmental scorecards (detail SDBIP) capture the performance of each defined directorate or department. Unlike the municipal scorecard, which reflects on the strategic performance of the municipality, the departmental SDBIP provide detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate. It was compiled by **senior managers** for their **directorate** and consists of objectives, indicators and targets derived from the approved Top Layer SDBIP, the approved budget and measurable service delivery indicators related to each functional area.

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The following diagram illustrates the establishment, components and review of the departmental SDBIP:

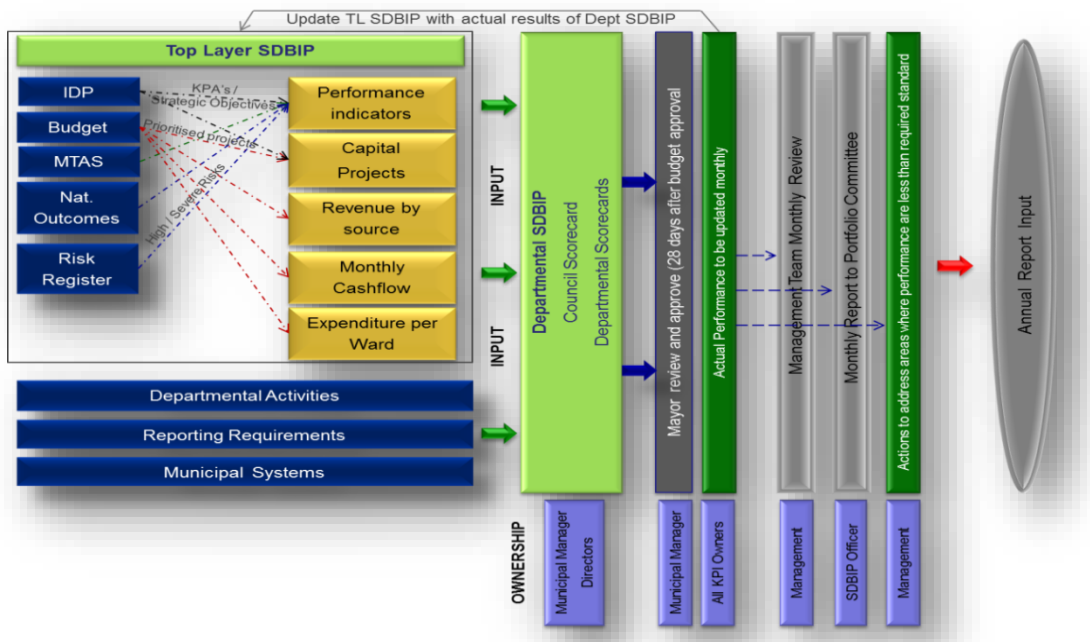


Figure 9: Establishment, components and review of Departmental SDBIP

KPI's were developed for Council, the Office of the Municipal Manager and for each Directorate. The KPI's:

- Address the TL KPI's by means of KPI's for the relevant section responsible for the KPI.
- Include the capital projects KPI's for projects. The targets are aligned with the projected monthly budget and project plans.
- Address the key departmental activities.
- Each KPI have clear monthly targets and are assigned to the person responsible for the KPI's.

### F) ACTUAL PERFORMANCE

The municipality utilizes an electronic web based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set.
- The output/outcome of achieving the KPI.
- The calculation of the actual performance reported. (If %)
- A performance comment.
- Actions to improve the performance against the target set, if the target was not achieved.

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It is the responsibility of every KPI owner to maintain a portfolio of evidence (POE) to support actual performance results updated.

### 3.1.4 PERFORMANCE MANAGEMENT

Performance management is prescribed by Chapter 6 of the Municipal Systems Act, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a performance management framework (PMF) that was approved by Council on 25 June 2014. The PMF was reviewed in the 2017/18 financial year and adopted by Council on 30 May 2018.

#### A) ORGANISATIONAL PERFORMANCE

The organisational performance is monitored and evaluated via the SDBIP and the performance process can be summarised as follows:

- The Top Layer SDBIP was approved by the Mayor on 13 June 2018 and the information was loaded on an electronic web based system.
- The web based system sent automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets by the 10<sup>th</sup> of every month for the previous month's performance.
- Additionally, the performance system administrator reminded all departments on a monthly basis to update their actual performance on the web based system.
- The first quarterly report was submitted to Council on the 31st of October 2018 (Agenda item 5.13) and the second quarterly report submitted on the 22nd of January 2019 (Agenda item 4.8). The third quarter report was submitted to Council on the 24<sup>th</sup> of April 2019 (Agenda item 5.8) and the 4<sup>th</sup> quarter report was submitted on the 31st of July 2019 (Agenda item 4.9).
- The Quarterly SDBIP performance reports are also submitted to the Joint Audit and Performance Audit Committee (JAPAC). The quarterly reports were submitted to the Joint Audit and Performance Audit Committee on the 18<sup>th</sup> of September 2018, 21<sup>st</sup> of November 2018, 26<sup>th</sup> of February 2019 and the 25<sup>th</sup> of June 2019.
- Internal Audit performed a statutory compliance review which included revision of the information contained in the budget / SDBIP and reviewed IDP and reported thereon. In addition, a compliance review was performed on the submission of the budget / SDBIP and performance

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

agreements of managers reporting directly to the Municipal Manager to ensure compliance to the relevant legislative requirements.

### B) INDIVIDUAL PERFORMANCE MANAGEMENT

#### MUNICIPAL MANAGER AND MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER

The Municipal Systems Act, 2000 (Act 32 of 2000) prescribes that the municipality must enter into performance based agreements with the all s57-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the 2018/19 financial year were signed on 29 June 2018 as prescribed.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. Period ending 30 June 2018: Formal evaluations took place on 24 October 2018. Period ending 31 December 2018: Formal evaluations took place 20 February 2019.

The appraisals was done by an evaluation panel as indicated in the signed performance agreements and in terms of Regulation 805 and consisted of the following people:

- Executive Mayor
- Portfolio Chairperson
- Municipal Manager
- Chairperson of the Audit Committee
- Municipal manager from other municipality.

#### Other municipal personnel:

Individual Performance Management has been roll-out to all staff members. Performance Management refresher training will be provided on a continued basis to ensure that the staff members are well informed of performance processes.

The performance evaluations occurred on a quarterly basis, and thereafter submission of the performance appraisals (paper-version) should be submitted to Human Resource department as per the Performance Management Calendar.

## 3.2 INTRODUCTION TO STRATEGIC AND MUNICIPAL PERFORMANCE FOR 2018/19

### 3.2.1 STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER)

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements)

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to the Strategic Objectives linked to the Municipal KPA's.

The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (kpi's) of the SDBIP is measured:

Category	Color	Explanation
KPI's Not Yet Measured	Grey	KPIs with no targets or actuals in the selected period.
KPI's Not Met	Red	0% $\geq$ Actual/Target < 75%
KPI's Almost Met	Orange	75% $\geq$ Actual/Target < 100%
KPI's Met	Green	Actual/Target = 100%
KPI's Well Met	Dark Green	100% > Actual/Target < 150%
KPI's Extremely Well Met	Dark Blue	Actual/Target $\geq$ 150%

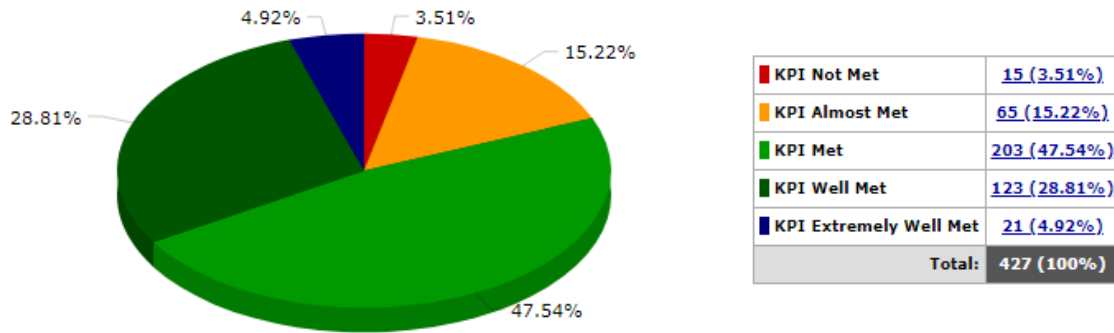
Figure 10: SDBIP Measurement Categories

*Note: The system descriptions for the Top layer (TL) kpi's is available at the Strategic Services department for clarity on the process followed to reach the KPI's that were set for the financial year.*

**The graph below displays the overall performance per Strategic objective for 2018/19**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Overstrand Municipality



### Strategic Objective

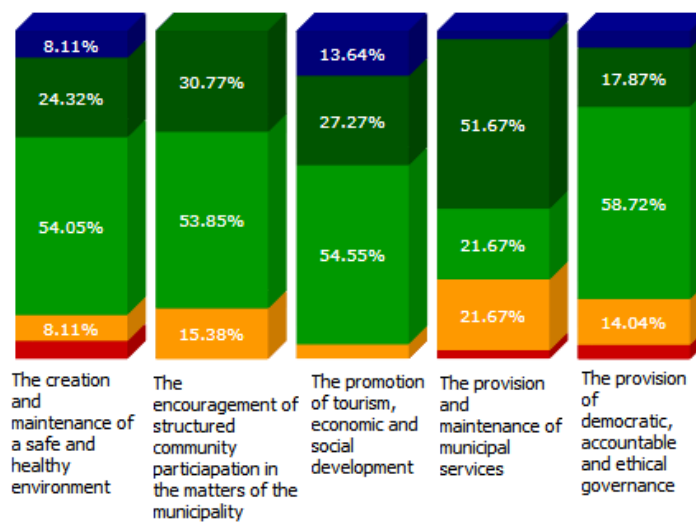


Figure 11: Overall performance per Strategic Objective

### A) TOP LAYER SDBIP – THE PROVISION OF DEMOCRATIC, ACCOUNTABLE AND ETHICAL GOVERNANCE

The IDP Strategic objective “*The provision of democratic, accountable and ethical governance*” is linked to the Municipal Key Performance Areas namely “*Good Governance*” and “*Optimisation of financial resources*”.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall performance for 2018/2019							Actual	Corrective Measures
						Target					Annual Target			
						Q1	Q2	Q3	Q4	Annual Target				
TL1	The provision of democratic, accountable and ethical governance	98% of the operational conditional grant (Libraries) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries)	All	93%	20%	50%	75%	98%	98%	100%		Target well met	
TL7	The provision of democratic, accountable and ethical governance	Submit progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	All	4	1	1	1	1	4	3		No EMT held in December, Council in recess. Meeting held in March 2019.	
TL15	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg. 10 (g))	Ratio achieved	All	6.56	0	0	0	3	3	9.15		Target extremely well met	
TL16	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue- operating grants received)/debt service payments due within the year)	Ratio achieved	All	19.79%	0%	0%	0%	12%	12%	22.32%		Target extremely well met	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall performance for 2018/2019							
						Target					Actual	Corrective Measures	
						Q1	Q2	Q3	Q4	Annual Target			
		(%) (MPPMR Reg. 10 (g))											
TL17	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPMR Reg. 10 (g))	% achieved	All	10.55%	0%	0%	0%	12.20%	12.20%	11.30%		Target extremely well met
TL18	The provision of democratic, accountable and ethical governance	Financial statements submitted to the Auditor-General by 31 August 2018	Financial statements submitted	All	1	1	0	0	0	1	0		<p>The annual financial statements (AFS) was submitted for auditing to the Auditor-General on 01 September 2018 at 03h44, 3 hours and 44 minutes after 30 June 2018, thus it was not submitted within two months after the end of the financial year (31 August 2018) as required by section 126(1)(a) of the MFMA.</p> <p>The Office of the Auditor-General has however considered the matter and the</p>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
												outcome in the Audit Report confirmed that the Overstrand Municipality has sustained a clean audit outcome for the 2017/2018 financial year.	
TL19	The provision of democratic, accountable and ethical governance	Submit a reviewed long term financial plan by end of October 2018	Submission of long term financial plan	All	1	0	1	0	0	1	1	Target met	
TL22	The provision of democratic, accountable and ethical governance	The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan (Actual expenditure divided by the budget allocated) (MPPMR Reg. 10 (f))	% of the training budget spent on implementation of the WSP	All	99.87%	20%	40%	60%	100%	100%	100%	Target met	
TL23	The provision of democratic, accountable and ethical governance	Review the Municipal Organisational Staff Structure by the end of June 2019	Structure reviewed	All	1	0	0	0	1	1	1	Target met	
TL24	The provision of democratic, accountable and ethical governance	Revise the Section 14 Access to Information Manual by the end of June 2019 to ensure	Manual revised	All	1	0	0	0	1	1	1	Target met	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall performance for 2018/2019							Actual	Corrective Measures
						Target					Actual			
						Q1	Q2	Q3	Q4	Annual Target				
		compliant and up to date policies												
TL25	The provision of democratic, accountable and ethical governance	92% of the approved and funded organogram filled {(actual number of posts filled divided by the funded posts budgeted) x100}	% filled	All	93.40%	92%	92%	92%	92%	92%	92.30%		Target well met	
TL26	The provision of democratic, accountable and ethical governance	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (MPPMR Reg. 10 (e))	The number of people from EE target groups employed	All	70	66	66	66	66	66	68		Target well met	
TL40	The provision of democratic, accountable and ethical governance	Achieve a debt recovery rate not less than 96% (Receipts/total billed for the 12 month period x 100)	% Recovered	All	99.64%	96%	96%	96%	96%	96%	98.67%		Target well met	
TL42	The provision of democratic, accountable and ethical governance	Sign section 56 performance agreements with all directors by the end of July 2018	Number of agreements signed	All	6	6	0	0	0	6	6		Target met	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
TL43	The provision of democratic, accountable and ethical governance	Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit quarterly progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	All	5	1	1	1	1	4	6	Target extremely well met	
TL44	The provision of democratic, accountable and ethical governance	Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2018 to be completed by Sept 2018 and the current period October to December 2018 to be completed by February 2019.	Number of appraisals	All	12	6	0	6	0	12	12	Target met	
TL45	The provision of democratic, accountable and ethical governance	Submit the final Annual report and oversight report of Council before 31 March 2019	Final Annual report and oversight report completed	All	1	0	0	1	0	1	1	Target met	
TL46	The provision of democratic, accountable and ethical governance	Prepare the final IDP for submission to Council by the end of May 2019	Final IDP submitted	All	1	0	0	0	1	1	1	Target met	
TL47	The provision of democratic, accountable	Draft the annual report and submit to the Auditor-General by the	Draft Annual report completed	All	1	1	0	0	0	1	1	Target met	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall performance for 2018/2019						
						Target					Actual	Corrective Measures
						Q1	Q2	Q3	Q4	Annual Target		
	and ethical governance	end of August 2018										
TL48	The provision of democratic, accountable and ethical governance	Submit the Final MTREF budget by the end of May 2019	Budget submitted	All	1	0	0	0	1	1	1	Target met

**Table 65: Top Layer SDBIP- Provision of democratic, accountable and ethical governance**

### B) TOP LAYER SDBIP- THE ENCOURAGEMENT OF STRUCTURED COMMUNITY PARTICIPATION IN THE MATTERS OF THE MUNICIPALITY

The IDP Strategic objective "The Encouragement of structured community participation in the matters of the municipality" is linked to the Municipal Key Performance Area namely "Good Governance".

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						
						Target					Actual	Corrective Measures
						Q1	Q2	Q3	Q4	Annual Target		
TL6	The encouragement of structured community participation in the matters of the municipality	Ward committee meetings held to facilitate consistent and regular communication with residents	Number of ward committee meetings per annum	All	8	26	26	26	39	117	114	No meetings in Quarter 1 for wards, 5, 6, and 12 due to conflict situation in community. Normal meeting cycle continued in Quarter 2, 3 and 4.

**Table 66: Top Layer SDBIP - The encouragement of structured community participation in the matters of the municipality**

### C) TOP LAYER SDBIP- THE CREATION OF A SAFE AND HEALTHY ENVIRONMENT

The IDP strategic objective "The creation and maintenance of a safe and healthy environment" is linked to the Municipal Key Performance Area namely "Safe and Healthy Environment".

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						
						Target					Actual	Corrective Measures
						Q1	Q2	Q3	Q4	Annual Target		
TL27	The creation and maintenance of a safe and healthy environment	Annually review and submit Disaster Management Plan to the District by the end of October 2018	Reviewed plan submitted	All	0	0	1	0	0	1	1	Target met
TL28	The creation and maintenance of a safe and healthy environment	Arrange public awareness sessions on Protection Services	Number of sessions held	All	84	10	17	32	31	90	118	Target well met
TL29	The creation and maintenance of a safe and healthy environment	Collect R15,000,000 Public Safety Income by 30 June 2019 (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income	All	R 20,167,776	R 3,750,000	R 3,750,000	R 3,750,000	R 3,750,000	R 15,000,000	R 15,493,008.04	Target well met

**Table 67: Top Layer SDBIP - Creation and Maintenance of a safe and healthy environment**

### D) TOP LAYER SDBIP – THE PROMOTION OF TOURISM, ECONOMIC AND SOCIAL DEVELOPMENT

The IDP strategic objective "*The promotion of tourism, economic and social development*" is linked to the Municipal Key Performance Area namely "*Social upliftment and Economic development*".

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						
						Target					Actual	Corrective Measures
						Q1	Q2	Q3	Q4	Annual Target		
TL8	The promotion of tourism, economic and social development	Provide three reports on LED, Social Development and Tourism initiatives to Council by end June 2019	Number of reports on LED, Social Development & Tourism initiatives	All	3	0	1	1	1	3	3	Target met

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019							Actual	Corrective Measures
						Target					Annual Target			
						Q1	Q2	Q3	Q4					
TL9	The promotion of tourism, economic and social development	Report to Executive Mayor on Grants to festival organisers through Service Level Agreements (SLA) by end July 2018	Number of reports submitted	All	1	1	0	0	0	1	1	Target met		
TL10	The promotion of tourism, economic and social development	Support 120 SMME's in terms of the SMME Development Programme by 30 June 2019	Number of SMME's supported	All	92	30	30	30	30	120	120	Target met		
TL11	The promotion of tourism, economic and social development	Solicit support of financial and non-financial assistance for economic development initiatives	Number of applications submitted	All	3	0	5	5	0	10	14	Target well met		
TL12	The promotion of tourism, economic and social development	Manager LED to report quarterly to Director LED, Social Development & Tourism on linkages established with other spheres of government, agencies, donors, SALGA and other relevant bodies for benefit of local area/Stakeholder engagement and creation of partnerships to broaden economic benefit for local communities	Quarterly report on linkages established	All	4	1	1	1	1	4	4	Target met		

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						
						Target					Actual	Corrective Measures
						Q1	Q2	Q3	Q4	Annual Target		
TL13	The promotion of tourism, economic and social development	The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1000 work opportunities) (MPPMR Reg. 10 (d))	Number of temporary jobs created	All	994	0	580	210	210	1,000	1,048	Target well met
TL14	The promotion of tourism, economic and social development	Monthly monitor the statistics on the usage of the LED Walk-in Centre (outreach & referral purposes) through the attendance registers	Monthly registers on LED outreach statistics (walk in centre)	All	12	3	3	3	3	12	12	Target met
TL41	The promotion of tourism, economic and social development	Support 50 SMME's in terms of the Emerging Contractor Development Programme by 30 June 2019	Number of Emerging Contractors supported	All	43	0	25	0	25	50	52	Target well met

**Table 68: Top Layer SDBIP - The promotion of Tourism, Economic and Social Development**

### F) TOP LAYER SDBIP – BASIC SERVICE DELIVERY

The IDP strategic objective "*The provision and maintenance of municipal services*" is linked to the Municipal Key Performance Area namely "*Basic Service Delivery*".

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
TL2	The provision and maintenance of municipal services	m <sup>2</sup> of roads patched and resealed according to Pavement Management System within available budget	m <sup>2</sup> of roads patched and resealed	All	112,932	0	15,000	65,000	100,000	100,000	112,982	Target well met	
TL3	The provision and maintenance of municipal services	Quality of effluent comply 90% with licence and/ or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	All	93.50%	90%	90%	90%	90%	90%	95.77%	Target well met	
TL4	The provision and maintenance of municipal services	Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	All	98%	95%	95%	95%	95%	95%	98.90%	Target well met	
TL5	The provision and maintenance of municipal services	Limit unaccounted water to less than 20% {(Number of kilolitre water purified - Number of kilolitre water sold)/Number of kilolitre purified x 100}}	% of water unaccounted for	All	18.82%	0%	0%	0%	19%	19%	24.25%	Grey water excluded from water sold for 2018/2019. The increase in burst pipes may also be partly as a result of no budget allocation for water pipe replacement programme in 2017/18 and 2016/17.  Approved budget for 2019/20 is R16 million.	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
TL20	The provision and maintenance of municipal services	Limit electricity losses to 7.5% or less {(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated} × 100}	% of electricity unaccounted for	All	5.12%	0%	0%	0%	7.50%	7.50%	6.45%	Target extremely well met	
TL21	The provision and maintenance of municipal services	Report on the implementation of the Water Service Development plan annually by the end of October.	Report submitted	All	1	0	1	0	0	1	1	Target met	
TL30	The provision and maintenance of municipal services	Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg. 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded land unsuitable for housing and private land).	All	253	0	0	0	239	239	284	Target well met	
TL31	The provision and maintenance of municipal services	Provision of cleaned piped water to all formal households within 200 m from	No of formal households that meet agreed service	All	29,174	0	0	0	30,209	30,209	29,800	Service rendered to all households.  Contributing factors for	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
		households (MPPMR Reg. 10 (a))	standards for piped water									target not met: Less residential development as anticipated (e.g. government funded housing projects delayed). General re-development of properties on initiative of property owners (e.g. consolidation of properties)  Target to be reviewed during mid-year review of 2019/20.	
TL32	The provision and maintenance of municipal services	Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS)) (MPPMR Reg. 10 (a))	Number of formal households for which refuse is removed at least once a week	All	32,695	0	0	0	32,990	32,990	33,105	Target well met	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						
						Target					Actual	Corrective Measures
						Q1	Q2	Q3	Q4	Annual Target		
TL33	The provision and maintenance of municipal services	Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg. 10 (a))	Number of weekly removal of refuse in informal households (Once per week = 52 weeks per annum)	All	52	0	0	0	52	52	52	Target met
TL34	The provision and maintenance of municipal services	Provision of Electricity: Number of metered electrical connections in formal areas (Eskom Areas excluded) (Definition: Refers to residential households (RE) and pensioners (PR) as per Finance departments billed households) (MPPMR Reg. 10 (a))	Number of formal households that meet agreed service standards	All	21,048	0	0	0	20,700	20,700	21,332	Target well met
TL35	The provision and maintenance of municipal services	Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements (MPPMR Reg. 10 (b))	Number of Indigent households	All	7,385	7,400	7,400	7,400	7,400	7,400	7,630	Target well met

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
TL36	The provision and maintenance of municipal services	Percentage of a municipality's capital budget actually spent on capital projects identified for 2018/19 in terms of the municipality's IDP {(Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100} (MPPMR Reg. 10 (c))	% of the capital budget spent	All	90.13%	5%	20%	55%	95%	95%	100.21%	Target well met	
TL37	The provision and maintenance of municipal services	The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilet to 5 households (MPPMR Reg. 10 (a))	The number of toilet structures provided in relation to the number of informal households (excluding invaded land unsuitable for housing and private land)	All	794	0	0	0	790	790	881	Target well met	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
TL38	The provision and maintenance of municipal services	Provision of sanitation services to formal residential households (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS) (MPPMR Reg. 10 (a))	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	All	29,165	0	0	0	29,841	29,841	29,631	<p>Service rendered to all households.</p> <p>Contributing factors for target not met: Less residential development as anticipated (e.g. government funded housing projects delayed). General re-development of properties on initiative of property owners (e.g. consolidation of properties).</p> <p>Target to be reviewed during mid-year review of 2019/20.</p>	
TL39	The provision and maintenance of municipal services	100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2019 (Actual MIG expenditure/ Allocation received)	% expenditure of allocated MIG funds	All	79.70%	5%	40%	62.40%	100%	100%	100%	Target met	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance for 2018/2019						Actual	Corrective Measures
						Target							
						Q1	Q2	Q3	Q4	Annual Target			
TL49	The provision and maintenance of municipal services	Provision of water to informal households on invaded land with available funding. (Land Invasion, refers to the illegal occupation of land, with the intention of establishing dwellings /a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of taps installed for informal households on invaded land with available funding.	All	New KPI	0	0	0	84	84	88	Target well met	
TL50	The provision and maintenance of municipal services	Provision of sanitation services to informal households on invaded land with available funding. (Land Invasion refers to the illegal occupation of land, with the intention of establishing dwellings /a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of toilets provided for informal households on invaded land with available funding	All	New KPI	0	0	0	120	120	120	Target met	

**Table 69: Top Layer SDBIP- Basic Service Delivery**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.2.2 EXTERNAL SERVICE PROVIDER PERFORMANCE

The table below indicates the performance of the external service providers utilised for the past two financial years:

<b>External service provider/s performing an external mechanism function (Sect 76(b)(iv/v)) and comparison to previous financial year (sect 46(b) of the Systems Act 2000 (2018/2019))</b>								
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating (2017/2018)	Comment and/or corrective action when under performed	Average rating (2018/2019)	Comment and/or corrective action when under performed
<b>INFRASTRUCTURE &amp; PLANNING</b>								
Operation of the Gansbaai landfill and public drop-offs in Greater Gansbaai and Stanford	Enviro Serv Waste Management (Pty) Ltd.	Operation of the Gansbaai landfill	13	Positive effect on public's perception of municipal service delivery	3	Satisfactory	3	None
				Compliance with environmental "duty of care" principle	3	Satisfactory	3	None
				Compliance with specified response times	3	Satisfactory	3	None
				Compliance with rendering specified service	3	Satisfactory	3	None
				Compliance with OHS act regulations	3	Satisfactory	3.42	None
Water and waste water treatment operations management contract	Veolia Water Solutions & Technologies South Africa	Operation and maintenance	15.0	Completion within budget	3	Satisfactory	3	None
				Compliance with health & safety	3	Satisfactory	3	None
				Compliance with technical specifications	3	Satisfactory	3	None
				Compliance within programme	3	Satisfactory	3	None

**Table 70: External Service Provider performance**

### 3.2.3 SERVICE PROVIDERS STRATEGIC PERFORMANCE

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

Service provider means a person or institution or any combination of persons and institutions which provide a Municipal service

- External service provider means an external mechanism referred to in section 76(b) which provides a Municipal service for a Municipality
- Service delivery agreement means an agreement between a Municipality and an institution or person mentioned in section 76(b) in terms of which a Municipal service is provided by that institution or person, either for its own account or on behalf of the Municipality

Section 121(b) of the MFMA and Section 46 of the MSA further state that a Municipality should include the following related to service providers in its annual report:

- The performance of each service provider
- a Comparison of the performance with targets set for and performances in the previous financial year; and
- measures taken to improve performance.

Section 116(2) of the MFMA further states:

The accounting officer of a Municipality must:

- take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the Municipality or Municipal entity is properly enforced;
- monitor on a monthly basis the performance of the contractor under the contract or agreement;

The purpose of this section is to provide information related to the performance of external service providers. Only services rendered for an amount more than **R 200 000** are listed.

The table below indicates service providers utilised according to functional areas:

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#### I. OFFICE OF THE MUNICIPAL MANAGER

None

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### II. ECONOMIC & SOCIAL DEVELOPMENT AND TOURISM

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>LED</b>						
"Office accommodation: 3 Myrtle street, Hermanus "	Arvesco 100 (Pty) Ltd	Leasing of office accommodation	2.7	Access	<b>3</b>	Satisfactory
Provision of a parking management system for Hermanus central business district (CBD) for a contract period ending 30 June 2020	Afrilandscapes	Provision of parking management services for CBD	2.4	Back end (office) platform	1.42	
				Communication	1.42	
				Health and safety	1.42	
				Information signs	1.42	
				Job creation	1.42	
				Management	1	
				Management reports	1.5	
				Parking bays	1.42	
				Record keeping	1.42	
				The 'park, pay and display' printed receipt	1.42	
The system	1.42					

**Table 71: Service Provider Performance- Economic & Social Development and Tourism Services**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### III. FINANCIAL SERVICES

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Payment collection system	Easypay (Pty) Ltd	Collection of 3rd party monies	15.4	Timeous deposits	3	Satisfactory
Provision of loan finance to Overstrand municipality	Absa Corporate and Business bank	External loan finance	15	Interest rate	3	As per interest rate agreed
Core financial business system.	Bytes Universal Systems, a division of Alton TMT (Pty) Ltd	Financial system	3	Deliver financial system services within agreed time, cost and quality	1	Not all issues on production system have been solved in time. Bi-weekly meetings were held with supplier. CIMS reports distributed weekly for attention. The seeding of the budget were not ready in time for the year end. We could not process any transactions for almost a week at the start of the financial year due to problems with the seeding of the budget.
Software to manage the debt collection from residents whose payments of municipal rates and taxes are in areas.	Geodebt Solutions CC	Software to manage debt collection	3	Manage debt collection	3	Fair
Human resources management and payroll business system	Payday Software Systems (Pty) Ltd	Human resources management and payroll business system	3	Human resources management and payroll business system	2.75	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Supply and delivery of protection clothing, safety boots & shoes to Overstrand municipality for a contract period ending 31 October 2018.(transversal contract r0814-15 Eden district municipality)	TRF sport	Supply and delivery of protection clothing, safety	2.2	Supply and delivery of protection clothing, safety boots & shoes to Overstrand municipality for a contract period ending 31 October 2018	1.75	Goods was delivered
"Supply and delivery of protection clothing, safety boots & shoes to Overstrand municipality for a contract period ending 31 October 2018.	Startune (Pty) Ltd	Supply and delivery of protection clothing, ,safety	2.2	Supply and delivery of protection clothing, safety boots & shoes to Overstrand municipality for a contract period ending 31 October 2018	1.75	Goods received as set out in tender condition as per required time, cost, quality and quantity
Supply and delivery of printing paper, ink toners, cartridges and ribbons to Overstrand municipality for contract period ending 30 June 2020	Palmerton Cartridges	Delivery of printing paper, ink toners, cartridges	3	Time, cost & quality	3	Reviewed
				Time, cost, quality	3	Reviewed
Supply and delivery of printing paper, ink toners, cartridges and ribbons to Overstrand municipality for contract period ending 30 June 2020	Complete Printer Solutions (Pty) Ltd	Delivery of printing paper, ink toners, cartridges	3	Time, cost & quality	3	Complied
Supply and delivery of printing paper, ink toners, cartridges and ribbons to Overstrand municipality for contract period ending 30 June 2020	Chm Yuwani Computer Solutions (Western Cape) (Pty) Ltd	Supply and delivery of printing paper, ink toners,	3	Time, cost & quality	3	Complied
Disconnection & reconnection of electricity supply and installation & removal of water flow restrictions for a contract period ending 30 June 2020	Red Ant Security Relocation & Eviction Services (Pty) Ltd	Disconnection and reconnection of services	3	Disconnection and reconnection of services	3	Fair
Printing and distribution of municipal accounts and newsletters for a contract period ending 30 June 2020	Cab Holdings (Pty) Ltd	Printing and distribution of municipal accounts & newsletters	3	Printing and distribution of municipal accounts and newsletters	2.92	Satisfy

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	Universal Trading	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	3	Complied
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	IKAPA Reticulation & Flow	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	3	Reviewed
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	Startune (Pty) Ltd	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	2.92	Reviewed
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	Elster Kent Metering (Pty) Ltd	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	3	Reviewed
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	Flo-rite Irrigation	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	3	Reviewed
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	JOAT Sales and Services (Pty) Ltd	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	3	Reviewed
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	Elite Investhold (Pty) Ltd	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	3	Reviewed

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Supply and delivery of plumbing material, plumbing tools and irrigation items for a contract period ending 30 June 2020	AFG Fluid Control (Pty) Ltd	Supply and delivery of plumbing material, plumbing	2.85	Time, cost & quality	3	Reviewed
Supply and delivery of electrical inventory items for a contract period ending 30 June 2020	Supreme Electrical Supplies	Supply and delivery of electrical inventory items	2.84	Time, cost & quality	3	Reviewed
Supply and delivery of electrical inventory items for a contract period ending 30 June 2020	Progressive Energy CC	Supply and delivery of electrical inventory items	2.84	Time, cost & quality	3	Reviewed
Supply and delivery of electrical inventory items for a contract period ending 30 June 2020	WCC Cables (Pty) Ltd - bank change	Supply and delivery of electrical inventory items	2.84	Time, cost & quality	3	Reviewed
Supply and delivery of electrical inventory items for a contract period ending 30 June 2020	Lesedi Reticulation (Pty) Ltd	Supply and delivery of electrical inventory items	2.84	Time, cost & quality	3	Reviewed
Supply and delivery of electrical inventory items for a contract period ending 30 June 2020	Whale Rock Industries CC	Supply and delivery of electrical inventory items	2.84	Time, cost & quality	3	Reviewed
Supply and delivery of electrical inventory items for a contract period ending 30 June 2020	Landis and Gyr (Pty) Ltd	Supply and delivery of electrical inventory items	2.84	Time, cost & quality	3	Reviewed

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Management of the short-term insurance portfolio of the Overstrand municipality for a contract period ending 30 June 2021	Aon South Africa	Management of short-term insurance portfolio	3	Annual renewal & placement of the municipality's insurance portfolio, effective from 01/07/2019 & 01/01/2020 respectively.	2.75	Reviewed
				Capacity building - training of municipal staff and active skills transfer.	2.75	Reviewed
				Claims administration - submit monthly updated reports in respect of insurance claims submitted, indicating the status of each claim.	2.75	Reviewed
				Placement of municipality's insurance portfolio with effect from 01/07/2018	2.75	Reviewed
Proposed amendment: provision and administration of electricity prepayment vending system for a contract period ending 30 June 2018	Syntell (Pty) Ltd	Vending system	1	Provision and administration of electricity prepayment vending	3	Fair
Provision of transit of monies for a contract period ending 30 June 2021	Fidelity Cash Solutions (Pty) Ltd	Transit of monies	3	Transit of monies	3	Reviewed
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Daleth Energy (Pty) Ltd	Supply and delivery of tissue paper products and cleaning materials	3	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Nikolai projects (Pty) Ltd	Supply and delivery of tissue paper products and cleaning materials	3	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Startune (Pty) Ltd	To procure the services from suppliers for the supply and delivery of tissue paper products and cleaning materials	3	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	PTA Agencies (Pty) Ltd	To procure the services from suppliers for the supply and delivery of tissue paper products and cleaning materials	3	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Agma Trading - use h97130	To procure the services from suppliers for the supply and delivery of tissue paper products and cleaning materials	3	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Mega Ndira Resources cc	To procure the services from suppliers for the supply and delivery of tissue paper products and cleaning materials	3	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Caprichem Saccs (Pty) Ltd	To procure the services from suppliers for the supply and delivery of tissue paper products and cleaning materials	3	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Heroes of Favor Trading (Pty) Ltd	To procure the services from suppliers for the supply and delivery of tissue paper products and cleaning materials	1	Supply and delivery of tissue paper products and cleaning materials	2.50	Contract was terminated
Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	Tsch International Holdings (Pty) Ltd	To procure the services from suppliers for the supply and delivery of tissue paper products and cleaning materials	2	Supply and delivery of tissue paper products and cleaning materials	2.75	Reviewed
Supply and delivery of electrical items for a contract period ending 30 June 2021	Industrial Poles and Masts (Pty) Ltd	To procure the services from suppliers for the supply and delivery of electrical items	2	Supply and delivery of electrical items	2.75	Reviewed
Supply and delivery of electrical items for a contract period ending 30 June 2021	M and T Power (Pty) Ltd	To procure the services from suppliers for the supply and delivery of electrical items	2	Supply and delivery of electrical items	2.75	Reviewed
Supply and delivery of electrical items for a contract period ending 30 June 2021	Startune (Pty) Ltd	To procure the services from suppliers for the supply and delivery of electrical items	2	Supply and delivery of electrical items	2.75	Reviewed
Supply and delivery of electrical items for a contract period ending 30 June 2021	P H Marketing (Pty) Ltd	To procure the services from suppliers for the supply and delivery of electrical items	3	Supply and delivery of electrical items	2.75	Reviewed

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

<b>Service providers utilized according to functional areas per Directorate (2018/19)</b>						
<b>Contract name</b>	<b>Supplier name</b>	<b>Type of services rendered</b>	<b>Term of contract (in Years)</b>	<b>Performance area</b>	<b>Average rating</b>	<b>Comment and/or corrective action when under performed</b>
<b>Finance</b>						
Supply and delivery of wheelie bins, hardware products and lubricant products for a contract period ending 30 June 2021	Startune (Pty) Ltd	To procure the services from suppliers for the supply and delivery of wheelie bins	2.9	Supply and delivery of wheelie bins, hardware products	2.75	Reviewed
Supply and delivery of wheelie bins, hardware products and lubricant products for a contract period ending 30 June 2021	Piston Power Chemicals CC	To procure the services from suppliers for the supply and delivery of wheelie bins	2.9	Supply and delivery of wheelie bins, hardware products	2.75	Reviewed
Supply and delivery of wheelie bins, hardware products and lubricant products for a contract period ending 30 June 2021	PTA agencies (Pty) Ltd	To procure the services from suppliers for the supply and delivery of wheelie bins	2.9	Supply and delivery of wheelie bins, hardware products	2.75	Reviewed
Supply and delivery of wheelie bins, hardware products and lubricant products for a contract period ending 30 June 2021	Memotek Trading CC	To procure the services from suppliers for the supply and delivery of wheelie bins	2.9	Supply and delivery of wheelie bins, hardware products	2.75	Reviewed
Supply and delivery of wheelie bins, hardware products and lubricant products for a contract period ending 30 June 2021	TRF Sport	To procure the services from suppliers for the supply and delivery of wheelie bins	2.8	Supply and delivery of wheelie bins, hardware products	2.08	Reviewed
Supply and delivery of wheelie bins, hardware products and lubricant products for a contract period ending 30 June 2021	Startune (Pty) Ltd	To procure the services from suppliers for the supply and delivery of wheelie bins	2.8	Supply and delivery of wheelie bins, hardware products	2.50	Reviewed
Provision of water & electricity meter reading services for Gansbaai and	Fuze Geomatics CC	Meter readings for Gansbaai & Hangklip estates	2.9	Monthly meter readings	2.00	Fair

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Finance</b>						
Hangklip estates for a contract period ending 30 June 2021						
Supply and delivery of electrical items for a contract period ending 30 June 2020	Electrical Products a Division of Actom (Pty) Ltd	Electrical goods	3	Supply and delivery of electrical products	1.50	Fair

**Table 72: Service Provider Performance - Financial Services**

### IV. MANAGEMENT SERVICES

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Management Services</b>						
Document archiving and automated process and workflow business system.	Business Engineering (Pty) Ltd	Provision of on-site-support	3	Administration	3	Compliant
				Pro-active support	3	Compliant
				Site health management	3	Compliant
				Technical support	3	Compliant

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Management Services</b>						
				Technical support Training	3	Compliant
				Workflow optimisation	3	Compliant
Software used to manage time and attendance of employees.	Bytes Systems Integration a division of Altron TMT (Pty) Ltd	Software used to manage time and attendance of employees	3	Quality to support services of software	3	Satisfactory
Software used to manage the integrated development plan, the service development and budget implementation plan and individual performance management.	Ignite Advisory Services	Electronic performance management system	3	Ignite supplier performance	3.75	Complied as per SLA
				Service Delivery Budget Implementation Plan	3.75	Complied as per SLA
Maintenance of the official website/s of the municipality.	Maxitec	Provision of service to host website & maintenance	3	Maxitec	1.25	Work done according to job specification.
				Supplier to perform in agreed time, cost and quality	2	Performed/complied according to KPI
Provision and maintenance of an email archiving solution for the existing Novell GroupWise email implementation from the existing Novell and GroupWise service provider	Lateral Dynamics (Pty) Ltd	Maintenance of an e-mail archiving solution	3	Maintenance of Gwava retain e-mail unified archiving solution	3	Satisfied with maintenance
Installation and maintenance on ICT network cabling infrastructure for a period ending 30 June 2019	EOH Intelligent Infrastructure (Pty) Ltd	Installation & maintenance network cabling infrastructure	3	Acceptable quality of work performed/goods delivered	3	Satisfied with quality of work
				Work performed/goods delivered within financial framework specified	3	Satisfied with financial framework
				Work performed/goods delivered within timeframes specified	3	Satisfied with timeframes

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Management Services</b>						
The acquisition of a capped ELA licensing fee for the GIS system for a contract period ending 30 June 2020	ESRI (Environmental Systems Research Institute SA (Pty) Ltd	Yearly licences	3	Availability of licences	4.08	The services was excellent
Lease agreement for the Hawston/Onrus radio mast site for hosting 7 antennae for a contact period ending 30 June 2020	RFG Electronics CC	Lease agreement - 7 x antennae on mast	3	Hosting of 7 x antennae on mast	3	Satisfied with hosting of antennae on mast
Subscription for online access to legal information for a contract period ending 30 November 2019	Lexis Nexis (Pty) Ltd - 460160	Online access to legal information	2	Subscription for online access to legal information for a contract period ending 30 November 2019	3	Kpi completed
Upgrade, maintenance and support of Overstrand municipality's radio frequency network for a contract period ending 30 June 2018	COMSOL Networks (Pty) Ltd (Communication solutions)	Upgrade, maintenance & support of RF network	3	Upgrade, maintenance & support of RF network	3	Satisfied with upgrade, maintenance and support of RF network
Provision of multi-functional office machines for a contract period ending 30 June 2021	Evolution Technology Group (Pty) Ltd	Provision of MF office machines	3	Supply & maintenance of MF office machines	2.17	Satisfied with supply of machines
Provision of multi-functional office machines for a contract period ending 30 June 2021	Konica Minolta SA a division of Bidvest office (Pty) Ltd	Provision of MF office machines	3	Supply & maintenance of MF office machines	2.25	Satisfied with supply of machines
Provision of multi-functional office machines for a contract period ending 30 June 2021	Motswako Office Solutions (Pty) Ltd	Provision of mf office machines	3	Supply & maintenance of mf office machines	2.25	Satisfied with supply of machines

**Table 73: Service Provider Performance - Management Services**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### V. INFRASTRUCTURE AND PLANNING SERVICES

#### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Operation of the Gansbaai landfill and public drop-offs in greater Gansbaai and Stanford	Enviro Serve Waste Management (Pty) Ltd	Operation of the Gansbaai landfill	13	Compliance with rendering specified service	3	Satisfactory
				Compliance with environmental "duty of care" principle	3	Satisfactory
				Compliance with OHS Act Regulations	3	Satisfactory
				Compliance with specified response times	3	Satisfactory
				Positive effect on public's perception of Municipal Service	3	Satisfactory
Leasing for the operation of illuminated street signs in the Overstrand municipal area	Directosign North (Pty) Ltd		9.9	Comply with the conditions of the lease agreement.	3	Satisfactory
Implementing agent for the housing projects in the Overstrand municipal area	Motlekar Overstrand (m5 Overstrand)	Implementing of housing	11.2	Cost of project	3	Satisfactory
				Quality control	3	Satisfactory
				Timeframe	3	Satisfactory
Amendment of contract sc867b/2010: for the operation of the mechanised material recovery facility at the Hermanus solid waste transfer station	Walker Bay Recycling	Professional services	5	Complain with health & safety specifications	3	Satisfactory
				Completion within budget	3	Satisfactory
				Completion within programme	3	Satisfactory
				Compliance with technical specifications	3	Satisfactory
	VWS - doc's in safe		3	Completion within budget	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Water and waste water treatment operations management contract.		Operation and maintenance		Compliance with health & safety	3	Satisfactory
				Compliance with technical specifications	3	Satisfactory
				Compliance within programme	3	Satisfactory
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	AECOM	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	AVDM Consulting Engineers	Engineering consultant	2.9	Completion within budget	3	Satisfactory work
				Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Bergstan South Africa	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Bigen Africa Services (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Daveng Consulting Engineers	Engineering consultant	2.9	Completion within budget	3	Satisfactory work
				Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	EFG Engineers (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Gibb (Pty) Ltd. (Arcus Gibb)	Engineering consultant	2.9	Completion within budget	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done
				Compliance within programme	3	Satisfactory work done
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Hatch Goba (Pty) Ltd (Goba (Pty) Ltd)	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Jeffares & Green (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Motla Consulting Engineers (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Royal Haskoningdhv (SSI Engineers & Environmental consultant)	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within program	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	SMEC South Africa (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	SRK Consulting South Africa (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Satisfactory work
				Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	UWP Consulting (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	WEC Consult (TCC expired)	Engineering consultants	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	WSP Group Africa (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with technical specifications	3	Not used yet
				Compliance within programme	3	Not used yet
	GLS Consulting (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Satisfactory
				Compliance with programme	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019				Compliance with technical specifications	3	Satisfactory
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	JPCE (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Satisfactory work
				Compliance with programme	3	Satisfactory work
				Compliance with technical specifications	4	Good work
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	UMVOTO AFRICA (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Satisfactory work
				Compliance with technical specifications	4	Good work
				Compliance within programme	3	Satisfactory
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	V & V Consulting Engineers (Pty) Ltd	Engineering consultant	2.9	Completion within budget	3	Satisfactory work
				Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Worley Parsons Incorporating KV3 Engineers	Engineering consultant	2.9	Completion within budget	3	Satisfactory work done
				Compliance with programme	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019	Aurecon South Africa (PTY) LTD (oorgeneem by netgroup150313)	Engineering consultant	2.9	Completion with budget	3	Satisfactory
				Compliance with technical specifications	4	Good
				Compliance within programme	3	Satisfactory
			2.9	Completion within budget	3	Satisfactory work

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/2019)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019.	Element Consulting Engineers (Pty) Ltd	Engineering consultant		Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019.	Neil Lyners and Associates CC	Engineering consultant	2.9	Completion within budget	3	Satisfactory
				Compliance with technical specifications	3	Satisfactory
				Compliance within programme	3	Satisfactory
Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area for a contract period ending 30 June 2019.	UDS AFRICA Professional Services Provider & Project Managers	Engineering consultant	2.9	Completion within budget	3	Not used yet
				Compliance with programme	3	Not used yet
				Compliance with technical specifications	3	Not used yet
Operation of cell 3 of the Karwyderskraal landfill site for Overstrand municipality	Wasteman Holdings (Pty) Ltd	Operation of cell 3 of the Karwyderskraal landfill	2.2	Completion within budget	3	Satisfactory work done
				Compliance with environmental "duty of care" principle	3	Good work done
				Compliance with health & safety specifications	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done
				Compliance within programme	3	Satisfactory work done
Amendment of sc1634/2015: provision of geographic information systems (GIS) services in the Overstrand municipality area ending 30 June 2020	ESRI (Environmental Systems Research Institute SA (Pty) Ltd	GIS services	3.0	GIS services automated programing and cadastral maintenance	4	Service was received

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Provision of laboratory services for the monitoring of water quality in the Overstrand municipal area for a contract period ending 30 June 2020	Al Abbott and Associates (Pty) Ltd	Sampling & testing of water & effluent	3.0	Compliance with technical specifications	3.92	Satisfactory work done
				Compliance within programme	3.92	Satisfactory work done
Upgrading of the Bientang sewer pump station and rising main, Hermanus	A2 Loodgieters CC	Civil works for the upgrade of Bientang sewerage pump station	1.35	Completion within budget	3	Satisfactory work
				Compliance with health & safety specifications	3	Satisfactory work
				Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Refurbishment and upgrade of sewage pump stations in the Hermanus area - phase 3: mechanical and electrical works	Hidro Tech Systems	Mechanical and electrical installations for Bientang sewerage pump station upgrade	1.6	Completion within budget	3	Satisfactory work
				Compliance with health & safety specifications	3	Satisfactory work
				Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Labour tender for medium voltage and low voltage electrical reticulation in the Overstrand municipal area for a contract period ending 30 June 2020	Cayuga	Labour for MV & LV electrical reticulation	2.4	Labour	3	No work was done.
				Site meetings	3	No meetings were held.
				Tax invoices	3	We received no invoice
Labour tender for medium voltage and low voltage electrical reticulation in the Overstrand area for a contract period ending 30 June 2020	POWERREC (Pty) Ltd	Labour for MV and LV electrical reticulation	2.4	Labour	3	No work was done.
				Site meetings	3	No meetings were held.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/2019)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
				Tax invoices	3	We received no invoice
Re-electrification of Mandela Square, Zwelihle, Hermanus	VE Reticulation (Pty) Ltd	Re-electrification of Mandela square in Zwelihle	0.6	Local labour & emerging contractors	3	No work was done.
				Site meetings	3	No meetings were held.
				Tax invoices	3	We received no invoice
Medium voltage and low voltage upgrade and replacement in the Overstrand area	JT Maritz Electrical CC	Medium voltage and low voltage upgrade and replace	0.5	Labour	2.17	Handling snag list.
				Site meetings	2	No meeting was held for February 2019
				Tax invoices	2	Busy with snag list. No invoice received
Transport of containerised municipal solid waste and chipping of garden waste for a contract period ending 30 June 2021	Enviroserv Waste Management	Haulage of waste and chipping of garden waste	3	Compliance with health & safety specifications	3	Satisfactory work done
				Completion within budget	3	Satisfactory work done
				Compliance with technical specifications	2.92	Satisfactory work done

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/2019)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
				Compliance within programme	3	Satisfactory work done
Upgrade of Stanford waste water treatment works: Civil works	INYANGA Projects CC	Construction of WWTW upgrades civil work	1.2	Completion within budget	3	Satisfactory work done
				Compliance with health & safety specifications	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done
				Compliance within programme	3	Satisfactory work done
Upgrade of Stanford waste water treatment works: mechanical/electrical	INENZO Water (Pty) Ltd	Professional services	0.9	Completion within budget	3	Satisfactory work done
				Compliance with health & safety specifications	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done
				Compliance within programme	3	Satisfactory work done

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Review of Overstrand municipality Spatial Development Framework	Urban Dynamics South Cape (Pty) Ltd	Professional services	0.9	Overstrand SDF review	3	Satisfactory
Gansbaai and Stanford supply area: MV/LV and RMU upgrade	Adenco Construction (Pty) Ltd	Electrical engineering	0.7	Acceptable level of contract administration and quality of work.	3	Good.
				Adherence to occupational health and safety act.	3	Satisfactory.
				Keeping deadlines as per approved program.	3	Satisfactory.
				Monthly claims strictly in accordance with the tendered cash flow program.	3	Satisfactory.
				Number local jobs created and money retained in community.	3	Satisfactory
				Regular updating and final submission of as-built information.	3	Not applicable this month.
				Response time to queries.	3	Good.
				Submission at each site meeting of photo's of site taken on continuous basis.	3	Good.
				Submission of accurate claims on time.	3	Good.
				Training provided for local residents employed.	3	Satisfactory.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
Operation of Gansbaai landfill, Stanford public drop-off and pearly beach drop-off for a contract period ending 30 November 2032	Enviroserv Waste Management	Operation of Gansbaai landfill, Stanford public drop off	14	Completion within budget	3	Satisfactory work done
				Compliance with health and safety specifications	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done
				Compliance within programme	3	Satisfactory work done
Auditing of electricity meters, connections and automatic geyser control devices in the Overstrand municipal area for a contract period ending 30 June 2021	ONTEC Systems (Pty) Ltd	Auditing of electrical meters & ACD units	2.4	Site meetings	3	ONTEC electricians come in on a daily basis now to discuss progress and problems
				Tax invoices	3	We received tax invoice 91012830, 91012831, 91012863 on 30.06.2019
Electrification of housing in Hawston	Adenco Construction (Pty) Ltd	Electrification of houses	0.34	Payment certificates	3	No payments yet.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
				Site meetings	3	Meeting 4 was held on 21.05.2019
MV and LV upgrade and replacement in Hermanus, Hawston and Kleinmond areas	Adenco Construction (Pty) Ltd	Upgrade of MV and LV	0.5	Payment certificates	3	Invoice 14009192 dated 13.06.2019 was received.
				Site meetings	3	Meeting 5 held on 15.06.2019
Installation of sewer reticulation at Gansbaai, Stanford and Hermanus	Benver Civils and Plant Hire CC	Construction of sewer pipelines	1.3	Completion within budget	3	Satisfactory work
				Compliance with health & safety specifications	3	Satisfactory work
				Compliance with technical specifications	3	Satisfactory work
				Compliance within programme	3	Satisfactory work
Installation of sewer reticulation in Kleinmond Phase 1	Venleo Group (Pty) Ltd	Construction of sewer pipelines	1.3	Completion within budget	3	Satisfactory
				Compliance with health & safety specifications	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/2019)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
				Compliance with technical specifications	3	Satisfactory
				Compliance within programme	3	Satisfactory
Water and wastewater bulk works operations and maintenance	Veolia Water Solutions & Technologies South Africa	Operation and maintenance	15	Completion within budget	3	Satisfactory work done
				Compliance with health & safety specifications	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done
				Compliance within programme	3	Satisfactory work done
Replacement of water pipes, Rooi Els to Hermanus and construction of sewer pipelines	Trenchless Technologies CC	Construction of pipelines	1.2	Completion within budget	3	Satisfactory work done
				Compliance with health & safety specifications	3	Satisfactory work done
				Compliance with technical specifications	3	Satisfactory work done

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/2019)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Infrastructure &amp; Planning</b>						
				Compliance within programme	3	Satisfactory work done
Hawston Sports Grounds: new tennis- and netball courts, Phase 1	Cape Asphalt CC	Construction	0.6	Cost	3	Within budget
				Quality	3	Under construction
				Time	3	On track

Table 74: Service Provider Performance- Infrastructure and Planning Services

## VI. COMMUNITY SERVICES

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Cleaning of storm water and sewage pipelines "as and when" required for a contract period ending 30 June 2019	Juno Corp (Pty) Ltd (prev. Jetvac South Africa (Pty) Ltd)	Cleaning of storm water and sewage pipelines	2.98	Cost	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
	ALTECH NETSTAR (Pty) Ltd		3	Cost (price)	3	Satisfactory work done

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Fleet management system for vehicle tracking, operations monitoring management information system		Fleet management system for vehicle tracking		Quality	2.58	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
Business system through which the maintenance of all property and infrastructure assets in the municipality is done.	Water Management Services cc	Operational systems	3	Cost	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Gardiner N (the business zone 2144 cc)	Cleaning of Hermanus area	3	Rendering of weekly cleaning services timeously as set out on the tender specification to the satisfactory of the municipality	3	Contractor performed as set out on the tender specification
Provision of cleaning services in Hermanus area for a contract period ending 30 June 2019	ELCO Tuindienste	Cleaning	3	Rendering of weekly cleaning services timeously as set out on the tender specification to the satisfactory of the municipality	2.75	Contractors performed as per tender sc1684/2018
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Nicky's Cleaning Services	Cleaning	3	Rendering of weekly cleaning services timeously as set out on the tender specification to the satisfactory of the municipality	3	Contractor performed according to the tender specification
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	IPHUPHA Clearing and Cleaning services (Pty) Ltd	Cleaning	3	Rendering of weekly cleaning services timeously as set out on the tender specification to the satisfactory of the municipality	3	Contractor performed according to the tender specification
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	2014/15757007 South Africa (Pty) Ltd	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	2.5	Performed according to the tender specification
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Mbeshi's Cleaning services (Pty) Ltd	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	3	Performed according to the tender specification

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Afrilandscapes	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	3	Performed according to the tender specification
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Louw D	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	2.75	Performed according to the tender specification
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Oberholzer S	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	2.25	Performed according to the tender specification
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Van Rooyen Tuindienste	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	2.75	Contractor was appointed as standby if the successful bidder fails to perform.
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Zuki Garden and Forestry Service	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	2.75	Contractor was appointed as standby if the successful bidder fails to perform.
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Rhangana Civil and Construction	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	3	Contractor was appointed as standby if the successful bidder fails to perform.
Provision of cleaning services in Hermanus area for contract period ending 30 June 2019.	Autumn Skies Trading 491 CC	Cleaning	3	Services timeously as set out on the tender specification to the satisfactory of the municipality	3	Contractor was appointed as standby if the successful bidder fails to perform.
Supply and delivery of new/retread tyres & tubes and collection of casing, for a contract period ending 30 June 2019	Supa Quick Kleinmond	Supply and delivery of new/retread tyres and tub	3	Cost (price)	3	Satisfactory
				Quality	3	Satisfactory
				Time (delivery)	3	Satisfactory
	Startune (Pty) Ltd		3	Cost (price)	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Supply and delivery of new/retread tyres & tubes and collection of casing, for a contract period ending 30 June 2019		Supply and delivery of new/retread tyres and tub		Quality	3	Satisfactory
				Time (delivery)	3	Satisfactory
Supply and delivery of new/retread tyres & tubes and collection of casing, for a contract period ending 30 June 2019	AJ tyres	Supply and delivery of new/retread tyres and tub	3	Cost (price)	3	Satisfactory
				Quality	3	Satisfactory
				Time (delivery)	3	Satisfactory
Provision and maintenance of small bore sewage connections in Hermanus for a contract period ending 30 June 2019	Du Plessis SW	Sewer connections	3	Complete work orders within 30 days	4.5	Complied very good
Garden maintenance services for Hermanus, Overstrand, for a contract period ending 30 June 2019	Afriserve (Pty) Ltd	Garden maintenance	3	Budget	3	Satisfied
				Quality of work	3	Satisfied
				Time frames	3	Satisfied
Garden maintenance services for Hermanus, Overstrand, for a contract period ending 30 June 2019	JL LEPPAN t/a Garden Affair	Garden maintenance	3	Invoices	3	Satisfied
				Quality of work	3	Satisfied
				Time	3	Satisfied
Replacement of water meters in the overstrand area, phase 3, for a contract period ending 30 June 2019	Ikapa Reticulation and Flow CC	Replacement of water meters phase 3	3	Cost (price)	3	Satisfactory
				Quality	3	Satisfactory
				Time (delivery)	3	Satisfactory
Lifesaving services for the Overstrand area with a contract period ending 30 June 2019	Nasionale See en Sand Instituut	Lifesaving services	3	Nasionale See en Sand Instituut	3	Satisfactory
Lifesaving services for the Overstrand area with a contract period ending 30 June 2019	Overstrand Community Lifeguards CC	Lifesaving services	3	Overstrand community life guards - blue flag	3	Satisfactory
				Overstrand community lifeguards - swimming pools	3	Satisfactory
Garden affairs (all seasons)		Garden maintenance	2	Cost	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Garden maintenance services for the cliff top area in Hermanus, Overstrand, for the period ending 30 June 2019				Quality & time	3	Satisfactory
Supply and erecting of fences on a "as and when" basis in Overstrand area	Securitem (Pty) Ltd	Erecting of fencing	3	Cost (completion of project within budget)	3	Satisfactory
				Quality(completion of project as per tender specs)	3	Completed within budget
				Time (completion of project within timeframe specified)	3	Quality good
Supply and erecting of fences on a "as and when" basis in Overstrand area	Fortuin AE	Erecting of fencing	3	Complete project in time	2.92	Satisfactory
				Complete project within budget	2.92	Satisfactory
				Project quality as per tender specs	2.92	Satisfactory
Supply and erecting of fences on a "as and when" basis in Overstrand area	Mr Spike Overberg CC	Erecting of fencing	3	Complete project in time	2.92	Satisfactory
				Complete project within budget	2.92	Satisfactory
				Project quality as per tender specs	2.92	Satisfactory
Supply and erecting of fences on a "as and when" basis in Overstrand area	Jonty Engineering and Trading SA CC	Erecting of fencing	3	Complete project in time	3	Satisfactory
				Complete project within budget	3	Satisfactory
				Project quality as per tender specs	3	Satisfactory
Transversal agreement: contract rt-46.2014: appointment of a service provider for the provision of vehicle fleet management services for a contract period ending 31 march 2019	Transit Solutions (Pty) Ltd	Provision of fleet management services	2	Cost (price)	3	Satisfactory
				Quality	3	Satisfactory
				Time (delivery)	3	Satisfactory
Amendment of sc1701/2016: software and website for caravan park/camping reservations for a contract period ending 30 June 2020	CIMSO Business Solutions AFCIMSO Business Solutions Africa (Pty) Ltd [PSD distributionrica (Pty) Ltd [PSD distribution]	Software website for caravan parks	3	Website and software of bookings of Palmiet campsite services	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Application of road markings on the Overstrand municipal road network for contract period ending 30 June 2020	Coalition Trading 606 CC	Road markings on the Overstrand road network	3	Cost (price)	3	Satisfactory work
				Quality		Satisfactory work
				Time (delivery)	3	Satisfactory work
Supply and delivery of plastic doors for concrete toilet structures for Overstrand municipality	Startune (Pty) Ltd	Supply and delivery of plastic doors for concrete	3	Supply and deliver doors as per specifications	2.75	Satisfactory
				Supply and deliver doors as per tender price	3	Satisfactory
				Supply and deliver doors in time	2.75	Satisfactory
Supply and delivery of bitumen products for a contract period ending 30 June 2020	AJ van Huffel Plant hire CC	Supply and delivery of bitumen products	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Supply and delivery of bitumen products for a contract period ending 30 June 2020	Much Asphalt (Pty) Ltd	Supply and delivery of bitumen products	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Supply and delivery of bitumen products for a contract period ending 30 June 2020	Dense Seal (Pty) Ltd	Supply and delivery of bitumen products	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Supply and delivery of bitumen products for a contract period ending 30 June 2020	Tosas (Pty) Ltd	Supply and delivery of bitumen products	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Supply and delivery of bitumen products for a contract period ending 30 June 2020	Asphalt King	Supply and delivery of bitumen products	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
	Mukoni Software CC		3	Effective communication	3.67	System fully functioning

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Supply and installation of web based / online bulk SMS sending software service		Web based bulk SMS service		Effective emergency communication	2.67	System fully working, first bundle of credits successfully purchased
Hire of plant and equipment for a contract period ending 30 June 2020	Salandra Ondernemings BK	Hire of plant and equipment	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Hire of plant and equipment for a contract period ending 30 June 2020	Moreson Grondverskuiwers BK	Hire of plant and equipment	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Hire of plant and equipment for a contract period ending 30 June 2020	Need Compost CC	Hire of plant and equipment	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Hire of plant and equipment for a contract period ending 30 June 2020	FG Jacobs Transport CC	Hire of plant and equipment	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Hire of plant and equipment for a contract period ending 30 June 2020	Mpeke Plant Hire (Pty) Ltd	Hire of plant and equipment	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Hire of plant and equipment for a contract period ending 30 June 2020	Globalem (Pty) Ltd	Hire of plant and equipment	3	Cost (price)	3	Satisfactory work
				Quality	3	Satisfactory work
				Time (delivery)	3	Satisfactory work
Supply and delivery of galvanised metal roof sheets for a contract period ending 30 June 2020	Aquaduct Trading	Supply and delivery of roof sheets	3	The delivery of metal roof sheets on time.	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Provision of cleaning services: Gansbaai/Stanford area for a contract period ending 30 June 2020	Henry Moses Spandiel projects	Cleaning services	3	Cleanliness of area	2.92	Good
Management of informal settlements within the Overstrand area for a contract period ending 30 June 2020	Red Ant Security Relocation & Eviction Services (Pty) Ltd	Management of informal settlements	3	The accurate, daily numbering and mapping of all housing units, per informal settlement.	3	Satisfactory
				The execution of at least one daily preventative patrol by vehicle and foot patrol	3	Satisfactory
				The immediate demolition of newly built/erected illegal informal housing units/structures.	3	Satisfactory
				The immediate removal of newly built/erected informal housing units/structures where additional security is required	3	Satisfactory
				The relocation and reconstruction of informal housing units for the affected residents within seven days after a disaster, i.e. fire, flooding or other, if required by the municipality	3	Satisfactory
				The removal of the demolished building material to a place of safekeeping provided by the municipality	3	Satisfactory
Supply and delivery of construction materials for a contract period ending 30 June 2020	AJ van Huffel Plant Hire CC	Supply and delivery of construction materials	3	Cost (price)	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Service providers utilized according to functional areas per Directorate (2018/19)

Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
Supply and delivery of construction materials for a contract period ending 30 June 2020	Tee Gee Building Suppliers cc	Supply and delivery of construction materials	3	Cost (price)	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
Supply and delivery of construction materials for a contract period ending 30 June 2020	Afrimat Aggregates Operations (Pty) Ltd	Supply and delivery of construction materials	3	Cost (price)	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
Supply and delivery of construction materials for a contract period ending 30 June 2020	Overstrand Build It (Pty) Ltd	Supply and delivery of construction materials	3	Cost (price)	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
Supply and delivery of construction materials for a contract period ending 30 June 2020	Africa CD	Supply and delivery of construction materials	3	Cost (price)	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
Supply and delivery of construction materials for a contract period ending 30 June 2020	Salandra Ondernemings BK	Supply and delivery of construction materials	3	Cost (price)	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time (delivery)	3	Satisfactory work done
Supply, delivery and/or application of fertilizer on sports fields in the Overstrand, for a contract period ending 30 June 2020	Afrilandscapes	Fertilizing of sports fields	3	Time and quality	3	Satisfied
Supply and delivery of swimming pool chemicals for a contract period ending 30 June 2020	Carbon Sense CC	Swimming pool chemicals ultra chlor	2	Swimming pool chemicals delivered within 5 working days after issuing an order	2	Swimming pool chemicals delivered met all the required specifications and were delivered on time
Supply and delivery of swimming pool chemicals for a contract period ending 30 June 2020	Ndulamiso Aqua Solutions	Swimming pool chemicals	2	Swimming pool chemicals are delivered within 5 days after issuing an order	1.75	Swimming pool chemicals delivered on time

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Community Services</b>						
				Swimming pool chemicals meet the standard of quality specified on the contract	1.75	Quality of swimming pool chemicals meet the required standard
Supply and delivery of swimming pool chemicals for a contract period ending 30 June 2020	Valiphi Cleaning Professionals (Pty) Ltd	Swimming pool chemicals	2	Swimming pool chemicals are delivered within 5 days after issuing an order	2.75	Swimming pool chemicals delivered on time
				Swimming pool chemicals meet the standard of quality specified on the contract	2.75	Quality of swimming pool chemicals meet the required standard
Hiring of sewage vacuum tankers for a contract period ending 30 June 2021	Juno Corp (Pty) Ltd (prev. JETVAC South Africa (Pty) Ltd	Hiring of sewage vacuum tankers	3	Cost	3	Satisfactory work done
				Quality	3	Satisfactory work done
				Time	3	Satisfactory work done
Management of Gansbaai caravan park for a contract period ending 30 June 2021	Stevens N	Management of Gansbaai caravan park	3	Management	3	Satisfactory
Provision of hygiene services for a contract period ending 30 June 2021	Imvula Services Group (Pty) Ltd	Hygiene services	3	Service delivery & consumables	2.5	Satisfactory
Provision of small works and maintenance as and when needed for a contract period ending 30 June 2021	Alan Bailey Civil Engineering & Construction CC	Provision of small works & maintenance	3	Cost (price)	2.5	Satisfactory work done
				Quality	2.5	Satisfactory work done
				Time	2.5	Satisfactory work done
Reseal and rehabilitation of roads in the Overstrand area for a contract period ending 30 June 2020	Actophambili Roads (Pty) Ltd	Reseal & rehabilitation of roads in the Overstrand	2	Cost (price)	2.5	Satisfactory work done
				Quality	2.5	Satisfactory work done
				Time	2.5	Satisfactory work done
Chemical control of weeds on sport turf & public open spaces in the Overstrand for a contract period ending 30 June 2021	Henchem	Chemical control of weeds	3	Compliance according to specifications	2.25	Work completed as specified

**Table 75: Service Provider Performance - Community Services**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### VII. PROTECTION SERVICES

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Protection Services</b>						
Traffic speed measuring, cameras and back office for fine collection in the Overstrand.	Traffic Management technology	Traffic speed measuring, cameras and back office for fine collection in the Overstrand	5	Sc1579/2015: traffic speed measuring, cameras and back office for fine collection in the Overstrand	3	Compliance with specifications
Transversal agreement: contract 104g/2015/16: supply and delivery of human protection clothing and articles for fire and rescue services of Overstrand municipality - City of Cape Town municipality	Steven Ridge CC	Delivery of human protective clothing	2.2	Items ordered delivered on time	3	Items delivered in accordance with specifications
Transversal agreement: contract 104g/2015/16: supply and delivery of human protection clothing and articles for fire and rescue services of Overstrand municipality - City of Cape Town municipality	Invuyani Safety CC	Delivery of human protective clothing	2.2	Items ordered delivered on time	3	Items delivered in accordance with specifications
Transversal agreement: contract 104g/2015/16: supply and delivery of human protection clothing and articles for fire and rescue services of Overstrand municipality - City of Cape Town municipality	Marce Projects	Delivery of human protective clothing	2.2	Items ordered delivered on time	3	Items delivered in accordance with specifications
Transversal agreement: contract 104g/2015/16: supply and delivery of human protection clothing and articles for fire and rescue services of	Uhambo Procurement and Distribution CC	Delivery of uniforms	2.2	Deliver clothing in accordance with specs and timeously	3	Timeous delivery as per specs
				Items ordered delivered on time	3	Satisfied

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Protection Services</b>						
Overstrand municipality - City of Cape town municipality				Attendance register kept up to date	2.17	In compliance with specifications
				Security guard punctuality	2.17	Comply with specs
				Security guarding services	2.17	In compliance with specifications
Clearing of municipal and private erven for a contract period ending 30 June 2021	Need Compost CC Afriserv Security (Pty) Ltd	Maintenance & clearing of open plots	2.5	Clear erven according to specifications listed in tender sc1908/2018 as well as the policy for the clearing and maintenance of vegetation creating fire hazards	3	Satisfactory
				Complete work within 21 days as per tender specification (5.2.8)	3	Satisfactory
Clearing of municipal and private erven for a contract period ending 30 June 2021	Pandora L and J (Pty) Ltd	Maintenance & clearing of open plots	2.5	Clear erven according to specifications listed in tender sc1908/2018 as well as the policy for the clearing and maintenance of vegetation creating fire hazards	3	Satisfactory
				Complete work within 21 days as per tender specification (5.2.8)	3	Satisfactory

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Service providers utilized according to functional areas per Directorate (2018/19)						
Contract name	Supplier name	Type of services rendered	Term of contract (in Years)	Performance area	Average rating	Comment and/or corrective action when under performed
<b>Protection Services</b>						
Clearing of municipal and private erven for a contract period ending 30 June 2021		Maintenance & clearing of open plots	2.5	Clear erven according to specifications listed in tender sc1908/2018 as well as the policy for the clearing and maintenance of vegetation creating fire hazards	3	Satisfactory
				Complete work within 21 days as per tender specification (5.2.8)	3	Satisfactory
Clearing of municipal and private erven for a contract period ending 30 June 2021	Indalo Yethu Construction and Projects (Pty) Ltd	Maintenance & clearing of open plots	2.5	Clear erven according to specifications listed in tender sc1908/2018 as well as the policy for the clearing and maintenance of vegetation creating fire hazards	3	Satisfactory
				Complete work within 21 days as per tender specification (5.2.8)	3	Satisfactory

**Table 76: Service Provider Performance - Protection Services**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.2.4 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

#### 3.2.4.1 MANAGEMENT CONTROL

The table indicates the number of directors/managers information of Overstrand Municipality for the 2018/19 financial year:

Categories	% Number for each category	Race classification (indicate number in terms of A, C & I)	Gender (indicate number in terms of F & M)	Age (provide number in chronological order)	Location (indicate number in each Province)	Disability (indicate number in terms of F & M)
Board						
Exec Directors						
Non-Exec Directors						
Senior Management	A – 14 C - 42, 86	A - 1 C - 3	F – 1 M - 3	A – 56 C – 49, 51, 52	Western Cape (WC)	0
Middle Management	C – 33 ,33	C - 1	M - 1	38	Western Cape (WC)	0
Junior Management	A – 8, 62 C – 32,76	A – 5 C - 19	F – 8 M - 16	A -36, 37, 41, 45, 53 C- 33, 35, 37, 38, 39, 39, 40, 40, 41, 43, 44, 44, 45, 46, 46, 47, 48, 52, 57	Western Cape (WC)	0
Dividends declared						

(NB: A-Africans, C-Coloureds, and I-Indians)

#### 3.2.4.2 SKILLS DEVELOPMENT

Total leviabale amount and number of black persons trained in Overstrand Municipality for the 2018/19 financial year:

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

<b>Total Leivable amount:</b>								
<b>Categories</b>	<b>Number for each category</b>	<b>Race classification (indicate number in terms of A, C &amp; I)</b>	<b>Gender (indicate number in terms of F &amp; M)</b>		<b>Age (provide number in chronological order)</b>	<b>Location (indicate number in each Province)</b>	<b>Disability (indicate number in terms of F &amp; M)</b>	<b>Total Amount Spend</b>
Black employees	435	A -126 C - 304 I - 5	M	F	21 - 62	Western Cape (WC)	0	R1 279 118.97
Black non-employees								
Black People on internships, apprenticeship, learnership								
Unemployed black people on any programme under the learning programme matrix								
Black people absorbed at end of learnership, internship and apprenticeship								

### 3.2.4.3 ENTERPRISE AND SUPPLIER DEVELOPMENT

Total procurement spend/budget and number of enterprise and supplier development beneficiaries and value thereof for the 2018/19 financial year:

<b>Total Procurement Spent:</b>	
<b>Total Number of Suppliers</b>	<b>Total Value Spend</b>
290	R 395 478 295.96

### CHAPTER 3: SERVICE DELIVERY PERFORMANCE

<b>Total Procurement Spent:</b>			
<b>Total Number of EME Supplier</b> 219	<b>Total Value Spend</b> R 38 896 408.99	<b>% Black Ownership</b> 21.43	<b>% Black women ownership</b> 11.43
<b>Total Number of QSE Supplier</b> 70	<b>Total Value Spend</b> R 121 250 301.30	<b>% Black Ownership</b> 47.49	<b>% Black women ownership</b> 23.74
<b>Total Number of Large Suppliers</b> 1	<b>Total Value Spend</b> R 39 101 366.20	<b>% Black Ownership</b> 0	<b>% Black women ownership</b> 0
<b>Total Value of 2% NPAT or 0.2% of allocated Budget:</b> N/A			

<b>Total Number of EMEs</b> N/A	<b>Total Value Spend</b> N/A	<b>% Black Ownership</b> N/A	<b>% Black Ownership</b> N/A	<b>Women</b>	<b>Location</b> N/A	<b>Sector</b> N/A
<b>Total Number of QSEs</b> N/A	<b>Total Value Spend</b> N/A	<b>% Black Ownership</b> N/A	<b>% Black Ownership</b> N/A	<b>Women</b>	<b>Location</b> N/A	<b>Sector</b> N/A
<b>Total Value of 1% NPAT or 0.1% of allocated Budget:</b>						
<b>Total Number of EMEs</b> N/A	<b>Total Value Spend</b> N/A	<b>% Black Ownership</b> N/A	<b>% Black Ownership</b> N/A	<b>Women</b>	<b>Location</b> N/A	<b>Sector</b> N/A

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

<b>Total Number of QSEs</b> N/A	<b>Total Value Spend</b> N/A	<b>% Black Ownership</b> N/A	<b>% Black Ownership</b> N/A	<b>Women</b>	<b>Location</b> N/A	<b>Sector</b> N/A
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### 2.3.4.4 SOCIO ECONOMIC DEVELOPMENT

Total spend and number of black participants, race classification, gender, geographical indication and value thereof for the 2018/19 financial year:

<b>Total Value of 1% NPAT or 0.1% of allocated Budget:</b>					
<b>Number of participants</b>	<b>Race classification (indicate nr. in terms of A, C &amp; I)</b>	<b>Gender (indicate nr. in terms of F &amp; M)</b>	<b>Geographical indication (indicate nr in each Province)</b>		
N/A	N/A	N/A	<b>GP</b>	N/A	
N/A	N/A	N/A	<b>MP</b>	N/A	
N/A	N/A	N/A	<b>FS</b>	N/A	
N/A	N/A	N/A	<b>LP</b>	N/A	
<b>2807</b>	<b>A – 1801 C - 1006</b>	<b>F – 1352 M - 1355</b>	<b>WC</b>	<b>2807</b>	
N/A	N/A	N/A	<b>EC</b>	N/A	
N/A	N/A	N/A	<b>NC</b>	N/A	
N/A	N/A	N/A	<b>KZN</b>	N/A	
N/A	N/A	N/A	<b>NW</b>	N/A	
<b>Total Value Spend:</b>	R 890 586				

**(NB: A-Africans, C-Coloureds, and I-Indians)**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.2.5 MUNICIPAL FUNCTIONS

#### A) ANALYSIS OF FUNCTIONS

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function Yes / No
<b>Constitution Schedule 4, Part B functions:</b>	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes, structural fires  *Overberg District Municipality responsible for veld fires
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No, Overberg District Municipality
Municipal public transport	No, Overberg District Municipality
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	Yes
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
<b>Constitution Schedule 5, Part B functions:</b>	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Municipal Function	Municipal Function Yes / No
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

**Table 77: Functional Areas**

### B) PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREAS

Directorate/ Functional area	Sub Directorate	Highlights
<b>Council and Municipal Manager</b>	Internal Audit	None to report.
<b>Management Services</b>	Communications	<p><b>External:</b></p> <p><b>June 2019</b> Budget - what to expect etc. New Bank accounts, Police Ombudsman visits</p> <p><b>May 2019</b> Camphill Fire (update, solution, how are we dealing with it) Septic Tanks / grey water / water restriction Look out: shot hole borers in trees, Mayoral knitting project</p> <p><b>April 2019</b> Stranded turtle hatchlings (how to handle them, phone number, drop off) Gansbaai Clinic Easter: Road Safety (road blocks, alternative transport), Title Deed handover (Hermanus)</p> <p><b>March 2109</b> ABSA Cape Epic, Water usage/think water/water restrictions Opening of Karwyderskraal</p>

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Directorate/ Functional area	Sub Directorate	Highlights
		<p>Fire - what to do with injured animals</p> <p><b>February 2019</b>                      Weather warning after the fire - Kogelberg open                      Smouldering fire affecting wetlands (Camphill) Birkenhead Commemoration                      Fire - establishments open/closed                      Fire - rehabilitation</p> <p><b>January 2019</b>                      FIRE: What does fire index mean                      FIRE: Donations                      FIRE: updates                      FIRE: Emergency message – evacuation                      FIRE: Power outage                      FIRE: Water outage                      FIRE: thank you</p> <p><b>December 2018</b>  <b>Load shedding schedule stage on a daily basis</b>                      Blue Flag beaches (life guards/water samples), Roadblocks (if you are drinking don't drive, buckle-up, drive responsibly, expect roadblocks)                      Firework - free zone (report fires, report smoke, know who to dial), Is your rental room legal (self-catering/guesthouse) Weather Warning: Full moon spring tide.</p>
	Information Technology	<p><b>Development of Management Information System (MIS):</b></p> <p>The nature of MIS is such that it will always remain a moving challenge as much for management, as it is for ICT Services that need to extract and transform data sets from disparate systems into a seamless and flexible architecture framework that can assist management to assess, interpret and take informed decisions on the way forward when alternative solutions are considered.</p> <p>The primary focus during the 2018/19 financial year was:</p> <ul style="list-style-type: none"> <li>• On-going support of the financial system migration to mSCOA;</li> <li>• Providing the architecture to allow for the mSCOA ERP System implementation;</li> <li>• Understanding of core business systems and integration requirements as it pertains to the financial system, new technologies and systems.</li> </ul> <p>On-going research into improvements of management, processes and functionality of existing operations software and toolsets. This enables improvements to employee productivity and also to work smarter.</p> <p><b>Upgrading of the Data Centre Host Server Environment</b></p> <ul style="list-style-type: none"> <li>• The existing Host servers were going out of warranty after 7 years of usage and needed to be upgraded.</li> <li>• The new Host Servers for the virtual environment was replaced with newer versions of the same types of servers and was allocated sufficient resources to handle the increased workloads required. The migration of systems to the new environment to address performance, functionality and security requirements.</li> </ul>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorate/ Functional area	Sub Directorate	Highlights
		<ul style="list-style-type: none"> <li>Workload growth, systems functionality upgrades as well as the revised mSCOA requirements from the financial system to provide for bigger data sets necessitated the upgrade and augmentation of the Server Host Environment.</li> </ul> <p><b>Upgrading of the Data Centre Disk Subsystem</b></p> <ul style="list-style-type: none"> <li>In concert with the Host Server Upgrade, the disk storage array was upgraded to allow for the increase in core systems data and capacity of new versions of these systems, as well as the vastly larger data sets that need to be utilised, processed and stored.</li> <li>The upgrade of the systems to the new environment address speed, functionality and specification as set out by the core municipal systems (Finance, SQL, GIS). It vastly increased functionality over previous system, greater capabilities, response times and level 1 backup procedures, whilst also increasing security aspects.</li> </ul> <p><b>Consolidation of Similar Application Systems Functionalities and Normalization of Systems Data.</b></p> <ul style="list-style-type: none"> <li>It remains the strategic intent of the municipality to assimilate similar functionalities from the other business application systems deployed in the municipality into the municipality's core Financial System in cases where it is cost effective and functionally viable, and where it is not, to ensure the effective integration between systems. This has been highlighted in the main priorities of business system requirements prescribed by NT on SCOA as the System moving towards becoming an Enterprise Resource System.</li> </ul> <p>The Senior ICT Business Analyst assists management in driving this initiative.</p>
	Legal Services	<p>Legal Services provided 1469 responses during the financial year for legal assistance which is well in advance of the target of 720.</p> <p>Legal Services provided senior management with 68 legal updates during the financial year well in advance of the target of 48</p> <p>Legal Services responded to 94.5% of external inquiries within the key performance period.</p> <p>A total of 824 Street and Public places transgressions were generated on the court roll for the 2018 /2019 financial period.</p> <p>1974 representations were dealt through the Additional Court.</p>
	Human Resources	<p><b>Health and Wellness</b></p> <p>Health and Wellness days were held on the following dates at the various administrations:</p> <ul style="list-style-type: none"> <li>Wednesday, 10 October 2018: Kleinmond:</li> <li>Thursday, 11 October 2018: Gansbaai &amp; Stanford</li> <li>Friday, 12 October 2018: Hermanus</li> </ul>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorate/ Functional area	Sub Directorate	Highlights
<b>Financial Services</b>	Supply Chain Management	<p>The municipality processed 100 tenders, formal written price quotations in excess of R30 000, transversal contracts and amendment of contracts during the 2018/2019 financial year.</p> <p>Out of these we only received four (4) Section 62 appeals of which two were dismissed by the relevant Appeals Authority and two were successful on the basis of the appeals, however the awards to the successful bidders were upheld.</p>
	Revenue	<p>Current Collection Rate for the 2018/2019 financial year is 98.67%</p> <p>Wrote off Irrecoverable Debt:</p> <p>November 2018 : R286 176.06</p> <p>May 2019 : R541 407.63</p>
	Budget & Accounting Services	<p>During the financial year the Budget Office was a key role player in the implementation of version 6.2 of mSCOA.</p>
	Expenditure and Asset Management	<p>During the financial year the Department played a pivotal role in ensuring that creditors were paid within 30 days after receipt of a valid tax invoice and / or monthly statement as per the MFMA. The exceptions were due to invoices awaiting either respective substantiating support documents / Credit Notes in respect of differences between order and invoice information.</p> <p>During the financial year the Department continued to be a key role player in updating the Financial Asset Register information and aligning the financial register to the spatial data on the GIS system.</p>
<b>Community Services</b>	Hangklip/Kleinmond Administration	<p>Kleinmond Main Beach once again obtained Blue Flag status and independent evaluations demonstrate a high standard of operational management by the Kleinmond Administration.</p> <p>Ward specific projects implemented.</p> <ul style="list-style-type: none"> <li>• Major repairs at Bambanani and Siybulelela Crèches have been completed,</li> <li>• Paving of Anemone Road in Rooi Els have been completed,</li> <li>• Stormwater piping in Access Road, Betty's Bay have been completed,</li> <li>• Stormwater channels in Buffels Road, Pringle Bay laid,</li> <li>• The extension of the water borne sewer in Kleinmond has commenced and is in progress as a multi- year project,</li> <li>• Phase 2 of an outdoor gym was completed on Kleinmond Main Beach picnic area.</li> <li>• Phase 2 of the fencing alongside Heuningkloof footpath has been completed.</li> <li>• The Netball Courts have been enclosed.</li> </ul>
	Hermanus Administration	<p>Large number of roads resealed in neighbourhoods.</p> <p>Blue Flag Beach Status again awarded for Grotto &amp; Hawston Beaches. Grotto Beach has the record for the beach with the longest uninterrupted Blue Flag Status in RSA.</p> <p>The Onrus Caravan Park's 3-star tourist rating was re-affirmed. One of the ablution blocks was refurbished to high quality standard.</p> <p>Numerous festivals and sporting events were successfully hosted in Hermanus with the assistance and support of the Municipality viz Whale Festival, Fynarts Event, Kalfiefees, Walkerbay Extreme Sport Event, Hawston Visfees to mention a few.</p>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorate/ Functional area	Sub Directorate	Highlights	
		Additional streetlights were installed in various residential areas.	
		Phase 2 of the much awaited Atlantic Drive Walkway in Onrus River was constructed.	
		The Onrus Caravan Park occupation and popularity continuously. The Park receives far more visitors in the off-peak periods and is always fully booked during the peak season.	
		Tarring of streets in Sandbaai.	
		Boardwalk in Vermont was repaired.	
		Speed calming in various neighbourhoods.	
		Outdoor gym constructed in Zwelihle, Ward 12	
		Sidewalks were upgraded in various neighbourhoods.	
		Fencing at play parks in Zwelihle.	
	Play parks upgraded in Zwelihle.		
	Gansbaai/Stanford Administration	<b>Ward 1:</b>	
		<ul style="list-style-type: none"> <li>• Storm water - the Environmental Impact Assessment pertaining to an additional outlet in Franskraal was conducted and environmental authorisation was received during April 2019. It is expected that the completion of the project will result in a positive outcome in the prevention of flooding of private properties in the Franskraal/Uilenkraalsmond area.</li> <li>• Roads - traffic calming measures (speed bumps and raised intersections combined with pedestrian accesses) were completed in Masakhane to improve the safety of pedestrians.</li> <li>• Surfacing of Gravel Roads - most of the gravel roads in Franskraal and Masakhane were tarred.</li> <li>• Storm water in Masakhane and Franskraal - the installation of new infrastructure in Masakhane and Franskraal contributed vastly in the aim of preventing flooding of residential properties in this previously disadvantaged area. Remarkable results proved the success of this project.</li> <li>• Sanitation – an additional new waste skip bin was installed in Masakhane and with extremely positive results in the Municipality's endeavours to prevent illegal dumping and to create a neat and healthy environment.</li> <li>• Play parks &amp; Open Spaces – the play parks in Masakhane were upgraded.</li> </ul>	
		<b>Ward 2:</b>	
		<ul style="list-style-type: none"> <li>• Public Safety – the municipal buildings (including the Admin Offices and Library) were safeguarded with the installation of security fencing.</li> <li>• Early Childhood Development – the ECD's in Blompark were upgraded in order to comply with relevant safety- and health standards and norms.</li> </ul>	

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorate/ Functional area	Sub Directorate	Highlights
		<ul style="list-style-type: none"> <li>• Cemetery – the size of the Blompark cemetery were extended by the construction of a new perimeter fence. The project was completed in-house by the operational department.</li> <li>• Streets, storm water and sidewalks – existing infrastructure were improved in the areas of Blompark, Gansbaai and De Kelders.</li> <li>• Roads – existing tar roads in Blompark were upgraded substantially.</li> <li>• Traffic Calming – various speed bumps were installed in consultation with stakeholders such as Ratepayers’ Associations, etc.</li> <li>• Beaches – new drainage systems and play park equipment were installed at the tidal pool in Kleinbaai.</li> <li>• Library – the existing library in Gansbaai was allocated funds by the Department of Cultural Affairs and Sport (Western Cape) for the modification of a portion of the existing building to become a well-equipped children section.</li> </ul>
		<p><b>Ward 11:</b></p> <ul style="list-style-type: none"> <li>• The majority of gravel roads in the Pearly Beach area were improved by means of a layer of tar works (“dust control”).</li> <li>• Storm water – storm water challenges in the Pearly Beach, Baardskeerdersbos and Thembelihle areas received attention and the improvements made were found to be successful.</li> <li>• Traffic Calming – traffic calming measures were enhanced with the installation of ditches in the Pearly Beach and Thembelihle areas.</li> <li>• Beaches – Public Boat Launching Sites – the facilities at the Buffeljachtsbaai launching site were improved by the construction of ablution facilities and a picnic area.</li> <li>• Early Childhood Development – a partnership with Irvin &amp; Johnson (I&amp;J) was established as a joint venture and a new ECD was completed in the Buffeljachtsbaai area.</li> <li>• Library Upgrade – the size of the library building in Eluxolweni (Pearly Beach) was extended by more than 300%. The service that this facility delivers to the residents of Eluxolweni/Pearly Beach has also been expanded remarkably.</li> <li>• Electricity – bulk infrastructure in the Stanford area was upgraded.</li> <li>• Water – bulk infrastructure in the Stanford area was upgraded.</li> <li>• Waste Water – the existing purification plant in Stanford was expanded and upgraded.</li> </ul>
	Housing Administration	<p>A total number of 85 title deeds have been registered for housing projects listed below, namely:</p> <ul style="list-style-type: none"> <li>▪ Mount Pleasant Site A (Cemetery site): 46</li> <li>▪ Hawston: 1</li> <li>▪ Kleinmond: 8</li> <li>▪ Betty’s Bay: 3</li> <li>▪ Stanford 88 : 27 title deeds</li> </ul>
<b>Protection Services</b>	Fire Management	<p>From 1 July 2018 – 30 June 2019, Overstrand Fire Services attended to 556 incidents (compared to 619 for 2017/2018), of which 86 were false alarm / good intents. December 2018 was the busiest month, with a total of 45 Veld and Bush fires out of 97 incidents attended to for the specific month.</p>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorate/ Functional area	Sub Directorate	Highlights
		Members from the Fire Services attended various training, ranging from Fire fighter 1 and Fire fighter 2, Community Disaster Workshops, various medical training and other training.
		Through the course of the year, the Fire Department held a total of 65 Fire and Life Safety Education and Awareness activities, ranging from Demonstrations, Evacuation drills, Awareness Displays and Educational sessions with the community to improve their knowledge. Various sessions had to be cancelled due to rioting occurring at the time; the rioting caused that the daily activities of the department be put on hold as all staff became operational.
	Traffic Services	Integrated K78 Operations and RBT's (Random Breath Tests) implemented by Provincial Traffic.
		Cross border function with Provincial Traffic and SAPS. Integrated VCPs (Vehicle Check Points) with Special Ops, Law Enforcement and Task Team.
<b>Economic Development and Tourism</b>	LED	<p><b>(i) ENTERPRISE DEVELOPMENT INITIATIVES</b></p> <ul style="list-style-type: none"> <li>• 120 SMME's were supported in (retail, entertainment, catering, fashion design, hair and beauty, cleaning).</li> <li>• More than 50 emerging contractors were supported in the construction sectors (civil, general building, electricity, plumbing, meter reading).</li> <li>• 11 developmental programmes and capacity building workshops directed to entrepreneurship were facilitated (micro financing workshops, financial management, business strategy trainings directed to women, building construction training for youth and women in construction).</li> <li>• Referrals with other spheres of government and organizations from the private sector.</li> <li>• Promotion of local procurement to retain jobs and grow the local economy.</li> <li>• Red tape reduction initiatives to boost innovation and faster business establishments.</li> <li>• Destination marketing drive to increase the number of visitors and boost the local spending.</li> <li>• Promoting business to business cooperation through local networks, committees and forums.</li> </ul> <p><b>(ii) COLLABORATION</b></p> <ul style="list-style-type: none"> <li>• LED-Grootbos Foundation partnership – entrepreneurship development programme, in support of 10-17 start up and expansionary micro enterprises.</li> <li>• Hermanus Siyakha – the partnership promotes entrepreneurship by providing finance for micro enterprises in the form of small and interest free loans to start or expand their ventures.</li> <li>• WWF-SA (World Wide Fund-South Africa) – the partnership strive to create employment in the marine environment and supports cooperative in the oceans economy by creating markets to sell the fish sea produce.</li> </ul>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorate/ Functional area	Sub Directorate	Highlights
		<ul style="list-style-type: none"> <li>• Library Business Corners – through the partnership SMME’s are equipped with computer skills and how to run profitable ventures using technology.</li> </ul> <p><b>(iii) THE INFORMAL ECONOMY</b></p> <ul style="list-style-type: none"> <li>• Provision of suitable infrastructure in the trading areas</li> <li>• Demarcation of trading places</li> <li>• Supporting local weekend markets (both township and CBD based)</li> <li>• Establish a rights based policy to promote informal trading</li> <li>• Business consultations and capacity building sessions</li> <li>• Consultative engagements with the traders and representative bodies (forums and associations)</li> <li>• Linkages with informal trading support organizations from other spheres of government.</li> </ul>
<b>Infrastructure and Planning</b>	Building Services	<p>Building plans approved Value R1, 427 860 926</p> <p>New Houses 518 (no RDP)</p> <p>Building plans approved 1967</p> <p>Building inspections 3618</p> <p>Largest Development: Sport Centre Development in Hermanus</p>
	GIS	<p>The web services are constantly improved and displayed on every PC throughout the Overstrand Municipality as a spatial tool and more secure due to the federated environment.</p> <p>Two new Servers were obtained, one where Portal will be running on and a second where our data will be hosted. The current server will be used for test purposes.</p> <p>The Property Process is an ongoing project and constantly improves as the ESRI platform develops. This enabling the writing of tools that helps updating essential datasets fast and effortlessly.</p> <p>Constant modifications are made to TPAMS (Town Planning Application Management System) using Workflow to comply with the Town Planning department’s needs. We are currently working on version 1.13 and will soon be moving over to 1.14</p> <p>The System Architectural plan is constantly being revised, updated and used as guidance. We have recently moved over to a federated environment that makes our web services more secure.</p>
	Engineering Services	<p>Completion of Hawston Housing Project Bus Route</p> <p>Rehabilitation of Roads in Stanford Phase 1 completed</p> <p>Rehabilitation of Roads in Blompark Phase 1 completed</p>
	Town and Spatial Planning	Overstrand Planning By-law is in process.
	Engineering Planning	Successfully completed various capital projects, including the upgrading of the Stanford WWTW, and the upgrading of the Bientang sewerage pump station in Hermanus, and commenced with sewer network extensions in

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorate/ Functional area	Sub Directorate	Highlights
		Gansbaai and Kleinmond, and the augmentation of the Gateway well field in Hermanus.
		Commenced with a feasibility study for further water resource development for Hermanus, including waste water re-use and seawater desalination
		The Water Services Audit Report for 2017/18 was submitted to DWS in October 2018, as required by legislation.

**Table 78: Performance highlights per functional area**

### PHOTO GALLERY - AREA MANAGEMENT PROJECT HIGHLIGHTS

#### HERMANUS ADMINISTRATION



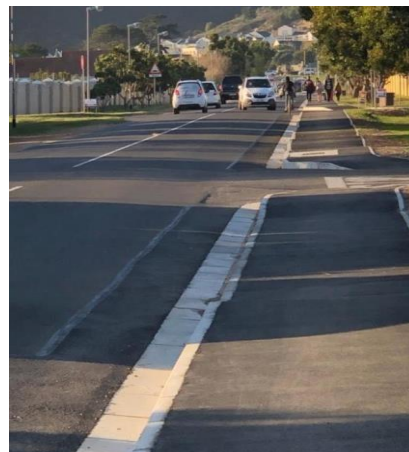
Fencing Playpark Zwelihle



Mshenxiswa Playpark



Sandbaai tarring of roads



Sandbaai Main road sidewalk tarred

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Mount Pleasant Speed Calminers



Hawston



Sidewalk Mount Pleasant



Vermont Boardwalk



Dust Control Fisherhaven

### GANSBAAI/ STANFORD ADMINISTRATION



Storm water – Masakhane and Franskraal



Side walk - Masakhane



Cemetery- Blompark



ECD- Blompark

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Sidewalks – De Kelders and Blompark



Traffic calming – Pearly Beach



Storm water- Pearly Beach and Baardskeerdersbos



### HANGKLIP/KLEINMOND ADMINISTRATION



Extension of Mooiuitsig Hall

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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Erect concrete bus shelters in Protea road, Proteadorp



Concrete footpath and fencing (Heuningkloof footpath)

Resealing of asphalt sidewalk in Main Road  
Kleinmond



Paving of Anemone road in Rooi Els

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### C) OVERVIEW OF PERFORMANCE PER DIRECTORATE

The performance statistics in the table below and all the graphs in the following sub paragraphs include performance in terms of the SDBIP for the 2018/19 financial year and where applicable, in comparison to the 2016/17 and 2017/18 financial years.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Directorates	Financial Year	Total KPIs	KPIs Extremely Well Met	KPIs Well Met	KPIs Met	KPIs almost Met	KPIs not Met	% of KPI's met (100% and above)
Council and Municipal Manager	2016/17	12	1	0	10	1	0	92%
	2017/18	13	0	4	7	1	1	85%
	<b>2018/19</b>	<b>13</b>	<b>1</b>	<b>4</b>	<b>7</b>	<b>1</b>	<b>0</b>	<b>92%</b>
Management Services	2016/17	88	8	10	63	6	1	92%
	2017/18	98	6	16	65	10	1	89%
	<b>2018/19</b>	<b>89</b>	<b>5</b>	<b>18</b>	<b>52</b>	<b>9</b>	<b>5</b>	<b>84%</b>
Protection Services	2016/17	55	10	9	33	3	0	94%
	2017/18	54	5	9	30	8	2	81%
	<b>2018/19</b>	<b>47</b>	<b>3</b>	<b>10</b>	<b>28</b>	<b>3</b>	<b>3</b>	<b>87%</b>
Financial Services	2016/17	69	3	10	54	2	0	97%
	2017/18	76	5	17	52	2	0	97%
	<b>2018/19</b>	<b>74</b>	<b>4</b>	<b>12</b>	<b>48</b>	<b>8</b>	<b>2</b>	<b>86%</b>
Community Services	2016/2017	154	6	62	40	45	1	70%
	2017/18	132	3	54	45	28	2	77%
	<b>2018/19</b>	<b>123</b>	<b>2</b>	<b>52</b>	<b>41</b>	<b>27</b>	<b>1</b>	<b>77%</b>
Infrastructure and Planning Services	2016/17	42	2	13	22	5	0	88%
	2017/18	45	4	13	19	8	1	80%
	<b>2018/19</b>	<b>44</b>	<b>3</b>	<b>14</b>	<b>16</b>	<b>11</b>	<b>0</b>	<b>75%</b>
Economic and Social Development and Tourism	2016/17	28	7	1	16	2	2	86%
	2017/18	29	6	5	14	3	1	86%
	<b>2018/19</b>	<b>37</b>	<b>3</b>	<b>13</b>	<b>11</b>	<b>6</b>	<b>4</b>	<b>73%</b>

Table 79: Summary of total performance per Directorate

**The graph provides and illustrative overview of the overall performance results of all the KPI's measured as at 30 June 2019**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

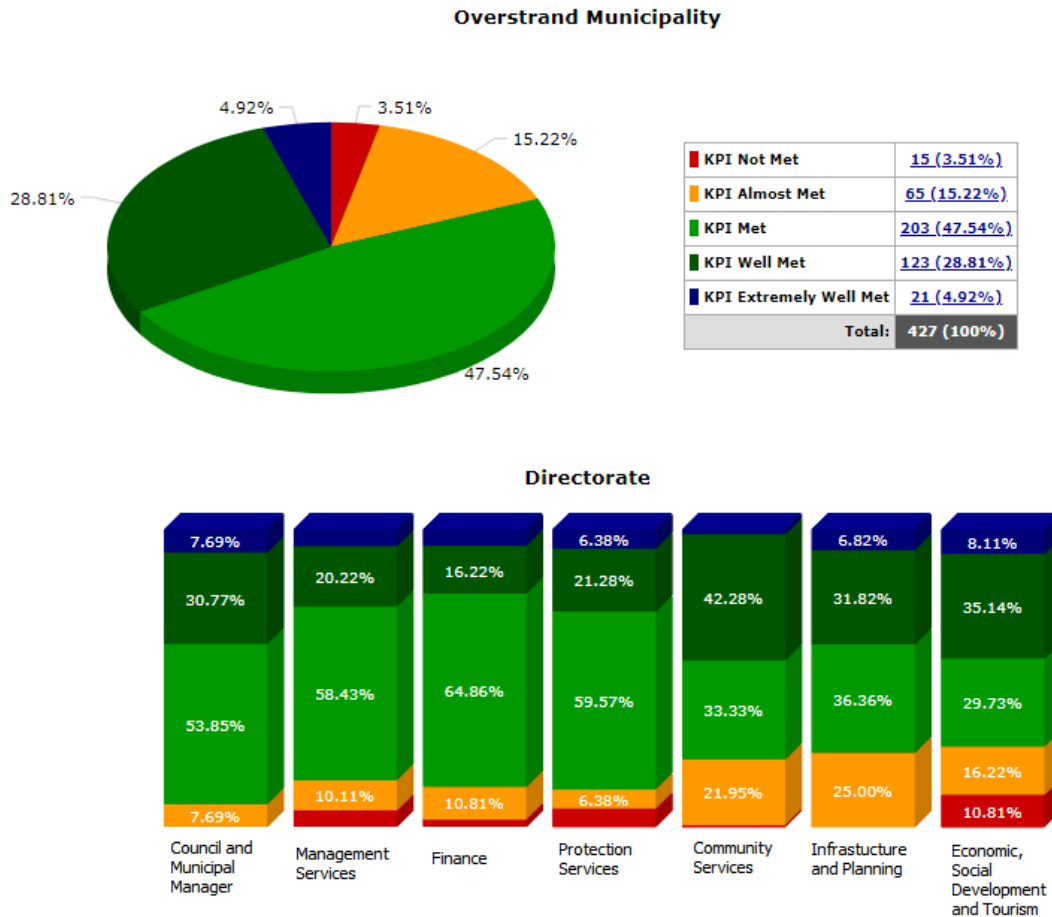


Figure 12: Overall performance of directorates for 2018/19

Overall, the municipality met 347 (81.26%) of a total number of 427 key performance indicators (KPIs) for the period 01 July 2018 – 30 June 2019. 65 (15.22%) of KPIs were almost met and 15 (3.51%) of the indicators were not met.

### D) PERFORMANCE PER FUNCTIONAL AREA (DEPARTMENT/OPERATIONAL SDBIP)

#### D.1) COUNCIL AND MUNICIPAL MANAGER CONSISTS OF THE FOLLOWING DIVISIONS:

- Council
- Municipal Manager
- Internal Audit

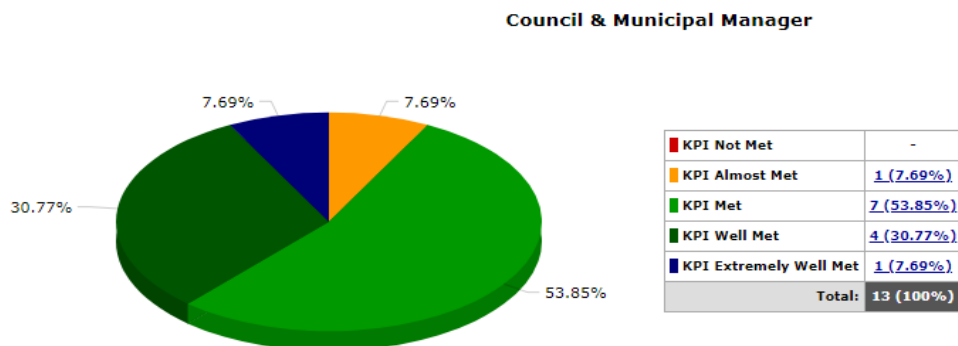
The Operational Key Performance Indicators for Council and Municipal Manager are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

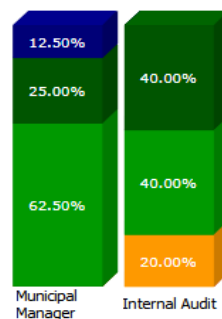
National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	Encouragement of structured community participation in the affairs of the municipality
Municipal Financial Viability and Management	Optimisation of financial resources	Provision of democratic, accountable and ethical governance
Municipal Transformation and Institutional Development	Good governance	Provision of democratic, accountable and ethical governance
Basic Service Delivery	Basic Service Delivery	Provision and maintenance of municipal services
Local Economic Development	Social upliftment and Economic Development	Promotion of tourism, economic and social development Creation and maintenance of a safe and healthy environment

**Table 80: Functional alignment- Council and Municipal Manager**

**The following graph indicates the performance of the various sub-directorates within Council and Municipal Manager directorate**



**Sub-Directorate**



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

	Municipal Manager	Internal Audit
<b>KPI Not Met</b>	-	-
<b>KPI Almost Met</b>	-	<u>1 (20.00%)</u>
<b>KPI Met</b>	<u>5 (62.50%)</u>	<u>2 (40.00%)</u>
<b>KPI Well Met</b>	<u>2 (25.00%)</u>	<u>2 (40.00%)</u>
<b>KPI Extremely Well Met</b>	<u>1 (12.50%)</u>	-
<b>Total:</b>	<b>8 (61.54%)</b>	<b>5 (38.46%)</b>

Figure 13: Council and Municipal Manager Sub-directorate performance

### D.2) MANAGEMENT SERVICES CONSISTS OF THE FOLLOWING DIVISIONS:

- Director: Management Services
- Communications
- Council and Support Services
- Human Resources
- Information Technology
- Legal Services
- Strategic Services
- Risk Management

The Operational Key Performance Indicators for Management Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

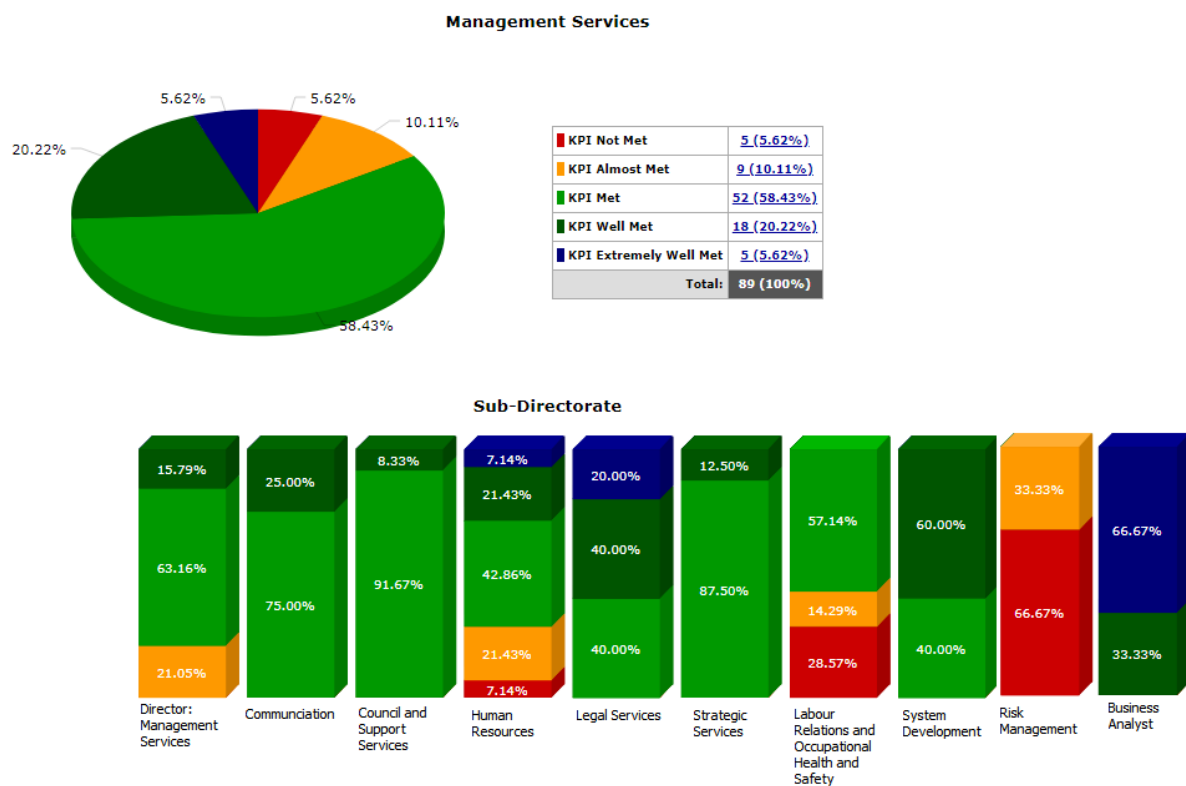
National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	Encouragement of structured community participation in the affairs of the municipality
Municipal Financial Viability and Management	Optimisation of financial resources	Provision of democratic, accountable and ethical governance
Municipal Transformation and Institutional Development	Good governance	Provision of democratic, accountable and ethical governance

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Basic Service Delivery	Basic Service Delivery	Provision and maintenance of municipal services
Local Economic Development	Social upliftment and Economic Development	Promotion of tourism, economic and social development Creation and maintenance of a safe and healthy environment

**Table 81: Functional alignment - Management Services**

**The following graph indicates the performance of the various sub-directorates within the Management Services directorate**



Management Services	Sub-Directorate					
	Director: Management Services	Communications	Council and Support Services	Human Resources	Legal Services	Strategic Services
<b>KPI Not Met</b>	-	-	-	1 (7.14%)	-	-
<b>KPI Almost Met</b>	4 (21.05%)	-	-	3 (21.43%)	-	-
<b>KPI Met</b>	12 (63.16%)	6 (75.00%)	11 (91.67%)	6 (42.86%)	4 (40.00%)	7 (87.50%)
<b>KPI Well Met</b>	3 (15.79%)	2 (25.00%)	1 (8.33%)	3 (21.43%)	4 (40.00%)	1 (12.50%)

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

<b>■ KPI Extremely Well Met</b>	-	-	-	<u>1 (7.14%)</u>	<u>2 (20.00%)</u>	-
<b>Total:</b>	<b>19 (21.35%)</b>	<b>8 (8.99%)</b>	<b>12 (13.48%)</b>	<b>14 (15.73%)</b>	<b>10 (11.24%)</b>	<b>8 (8.99%)</b>

Management Services	Sub-Directorate			
	Labour Relations and Occupational Health and Safety	System Development	Risk Management	Business Analyst
<b>■ KPI Not Met</b>	<u>2 (28.57%)</u>	-	<u>2 (66.67%)</u>	-
<b>■ KPI Almost Met</b>	<u>1 (14.29%)</u>	-	<u>1 (33.33%)</u>	-
<b>■ KPI Met</b>	<u>4 (57.14%)</u>	<u>2 (40.00%)</u>	-	-
<b>■ KPI Well Met</b>	-	<u>3 (60.00%)</u>	-	<u>1 (33.33%)</u>
<b>■ KPI Extremely Well Met</b>	-	-	-	<u>2 (66.67%)</u>
<b>Total:</b>	<b>7 (7.87%)</b>	<b>5 (5.62%)</b>	<b>3 (3.37%)</b>	<b>3 (3.37%)</b>

Figure 14: Management Services sub-directorate performance

### D.3) FINANCE CONSISTS OF THE FOLLOWING DIVISIONS:

- Director: Finance
- Deputy Director Finance and SCM
- Accounting Services
- Expenditure and Asset Management
- Revenue
- Systems Administrator Finance
- Contract Management
- SCM: Demand and Procurement
- SCM: Purchases

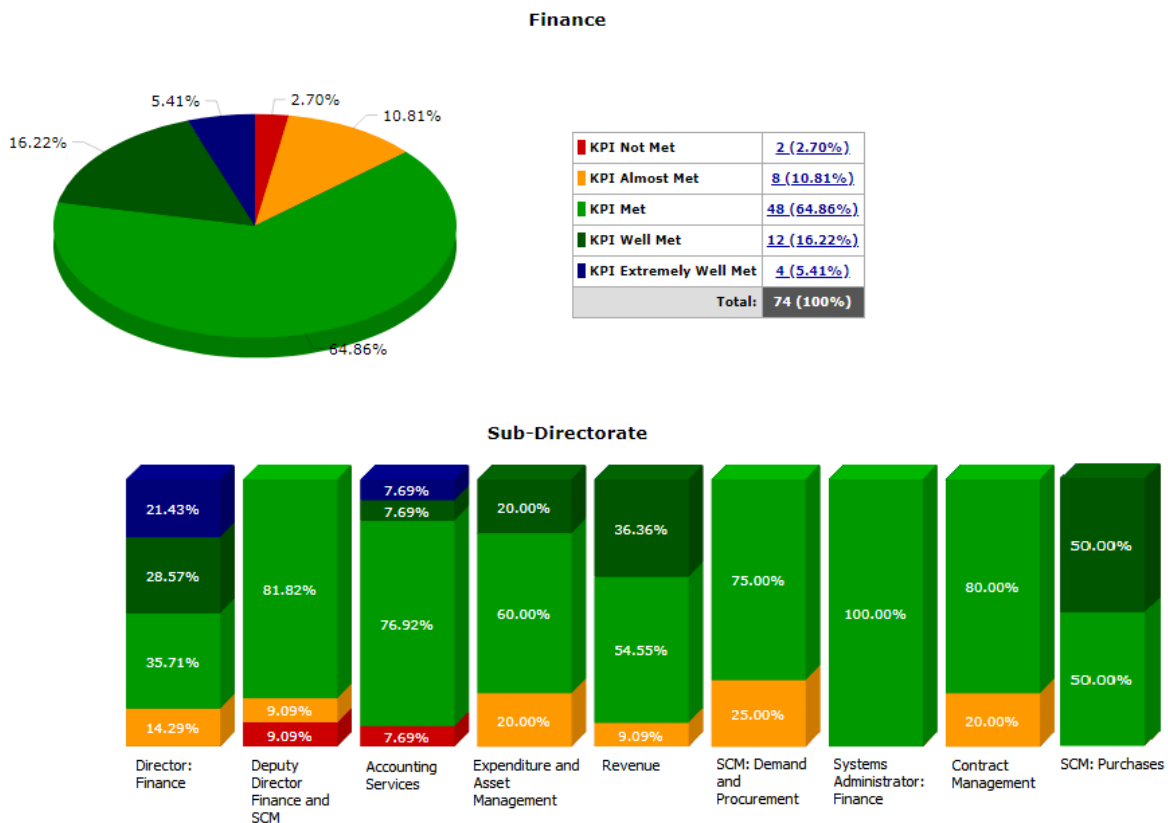
The Operational Key Performance Indicators for Finance are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	Encouragement of structured community participation in the affairs of the municipality
Municipal Financial Viability and Management	Optimisation of financial resources	Provision of democratic, accountable and ethical governance
Municipal Transformation and Institutional Development	Good governance	Provision of democratic, accountable and ethical governance
Basic Service Delivery	Basic Service Delivery	Provision and maintenance of municipal services
Local Economic Development	Social upliftment and Economic Development	Promotion of tourism, economic and social development Creation and maintenance of a safe and healthy environment

**Table 82: Functional alignment – Finance**

**The following graph indicates the performance of the various sub-directorates within the Finance directorate**



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Finance	Sub-directorate				
	Director: Finance	Deputy Director Finance and SCM	Accounting Services	Expenditure and Asset Management	Revenue
<span style="color: red;">■</span> KPI Not Met	-	<u>1 (9.09%)</u>	<u>1 (7.69%)</u>	-	-
<span style="color: orange;">■</span> KPI Almost Met	<u>2 (14.29%)</u>	<u>1 (9.09%)</u>	-	<u>2 (20.00%)</u>	<u>1 (9.09%)</u>
<span style="color: green;">■</span> KPI Met	<u>5 (35.71%)</u>	<u>9 (81.82%)</u>	<u>10 (76.92%)</u>	<u>6 (60.00%)</u>	<u>6 (54.55%)</u>
<span style="color: darkgreen;">■</span> KPI Well Met	<u>4 (28.57%)</u>	-	<u>1 (7.69%)</u>	<u>2 (20.00%)</u>	<u>4 (36.36%)</u>
<span style="color: blue;">■</span> KPI Extremely Well Met	<u>3 (21.43%)</u>	-	<u>1 (7.69%)</u>	-	-
<b>Total:</b>	<b>14 (18.92%)</b>	<b>11 (14.86%)</b>	<b>13 (17.57%)</b>	<b>10 (13.51%)</b>	<b>11 (14.86%)</b>

Finance	Sub-Directorate			
	SCM: Demand and Procurement	Systems Administrator Finance	Contract Management	SCM: Purchases
<span style="color: red;">■</span> KPI Not Met	-	-	-	-
<span style="color: orange;">■</span> KPI Almost Met	<u>1 (25.00%)</u>	-	<u>1 (20.00%)</u>	-
<span style="color: green;">■</span> KPI Met	<u>3 (75.00%)</u>	<u>4 (100.00%)</u>	<u>4 (80.00%)</u>	<u>1 (50.00%)</u>
<span style="color: darkgreen;">■</span> KPI Well Met	-	-	-	<u>1 (50.00%)</u>
<span style="color: blue;">■</span> KPI Extremely Well Met	-	-	-	-
<b>Total:</b>	<b>4 (5.41%)</b>	<b>4 (5.41%)</b>	<b>5 (6.76%)</b>	<b>2 (2.70%)</b>

Figure 15: Finance sub-directorate performance

### D.4) COMMUNITY SERVICES CONSISTS OF THE FOLLOWING DIVISIONS:

- ➔ Director: Community Services
- ➔ Deputy Director: Operational Services
- ➔ Area Management: Gansbaai
- ➔ Area Management: Hangklip/Kleinmond
- ➔ Area Management: Hermanus

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- Deputy Area Manager: Hermanus
- Deputy Area Manager: Stanford
- Housing Administration
- Operational Management: Gansbaai
- Operational Management: Hangklip/Kleinmond
- Operational Management: Hermanus
- Operational Management: Stanford.

The Operational Key Performance Indicators for Community Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

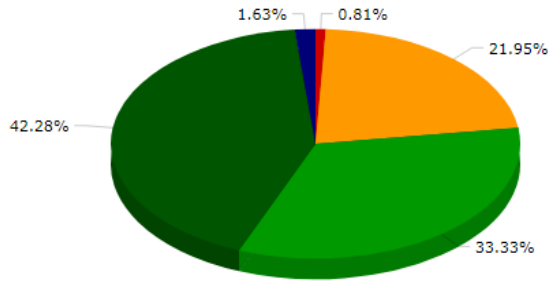
National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	Encouragement of structured community participation in the affairs of the municipality
Municipal Financial Viability and Management	Optimisation of financial resources	Provision of democratic, accountable and ethical governance
Municipal Transformation and Institutional Development	Good governance	Provision of democratic, accountable and ethical governance
Basic Service Delivery	Basic Service Delivery	Provision and maintenance of municipal services
Local Economic Development	Social upliftment and Economic Development	Promotion of tourism, economic and social development  Creation and maintenance of a safe and healthy environment

**Table 83: Functional alignment - Community Services**

**The following graph indicates the performance of the various sub-directorates within the Community services directorate**

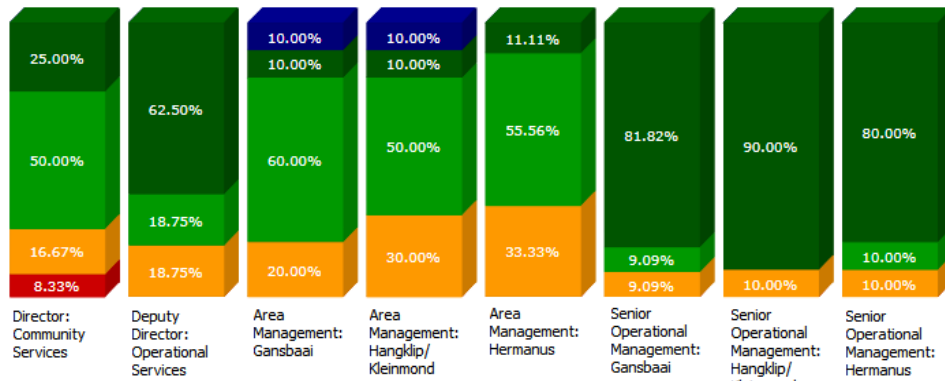
## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### Community Services



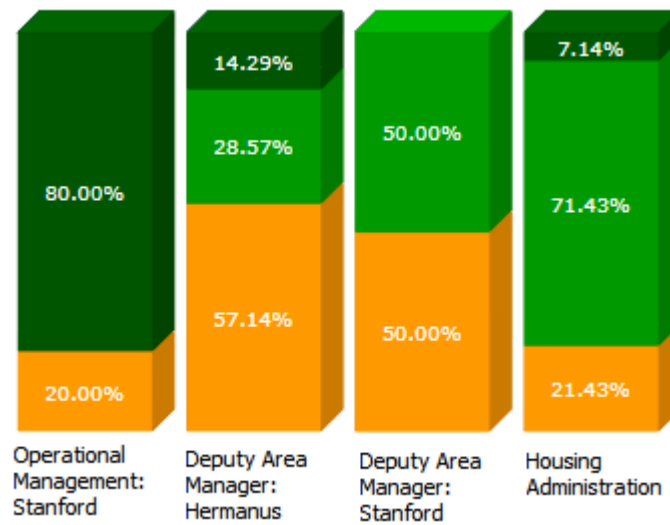
KPI Not Met	<u>1 (0.81%)</u>
KPI Almost Met	<u>27 (21.95%)</u>
KPI Met	<u>41 (33.33%)</u>
KPI Well Met	<u>52 (42.28%)</u>
KPI Extremely Well Met	<u>2 (1.63%)</u>
<b>Total:</b>	<b>123 (100%)</b>

### Sub-Directorate



	Director: Community Services	Deputy Director: Operational Services	Area Management: Gansbaai	Area Management: Hangklip/Kleinmond	Area Management: Hermanus	Senior Operational Management: Gansbaai	Senior Operational Management: Hangklip/ Kleinmond	Senior Operational Management: Hermanus
<b>KPI Not Met</b>	<u>1 (8.33%)</u>	-	-	-	-	-	-	-
<b>KPI Almost Met</b>	<u>2 (16.67%)</u>	<u>3 (18.75%)</u>	<u>2 (20.00%)</u>	<u>3 (30.00%)</u>	<u>3 (33.33%)</u>	<u>1 (9.09%)</u>	<u>1 (10.00%)</u>	<u>1 (10.00%)</u>
<b>KPI Met</b>	<u>6 (50.00%)</u>	<u>3 (18.75%)</u>	<u>6 (60.00%)</u>	<u>5 (50.00%)</u>	<u>5 (55.56%)</u>	<u>1 (9.09%)</u>	-	<u>1 (10.00%)</u>
<b>KPI Well Met</b>	<u>3 (25.00%)</u>	<u>10 (62.50%)</u>	<u>1 (10.00%)</u>	<u>1 (10.00%)</u>	<u>1 (11.11%)</u>	<u>9 (81.82%)</u>	<u>9 (90.00%)</u>	<u>8 (80.00%)</u>
<b>KPI Extremely Well Met</b>	-	-	<u>1 (10.00%)</u>	<u>1 (10.00%)</u>	-	-	-	-
<b>Total:</b>	<b>12 (9.76%)</b>	<b>16 (13.01%)</b>	<b>10 (8.13%)</b>	<b>10 (8.13%)</b>	<b>9 (7.32%)</b>	<b>11 (8.94%)</b>	<b>10 (8.13%)</b>	<b>10 (8.13%)</b>

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	Operational Management: Stanford	Deputy Area Manager: Hermanus	Deputy Area Manager: Stanford	Housing Administration
<b>KPI Not Met</b>	-	-	-	-
<b>KPI Almost Met</b>	2 (20.00%)	4 (57.14%)	2 (50.00%)	3 (21.43%)
<b>KPI Met</b>	-	2 (28.57%)	2 (50.00%)	10 (71.43%)
<b>KPI Well Met</b>	8 (80.00%)	1 (14.29%)	-	1 (7.14%)
<b>KPI Extremely Well Met</b>	-	-	-	-
<b>Total:</b>	<b>10 (8.13%)</b>	<b>7 (5.69%)</b>	<b>4 (3.25%)</b>	<b>14 (11.38%)</b>

Figure 16: Community Services sub-directorate performance

### D.5) PROTECTION SERVICES CONSISTS OF THE FOLLOWING DIVISIONS:

- Director: Protection Services
- Fire and Disaster Management and Security Services
- Traffic Services, Law Enforcement and Task Team

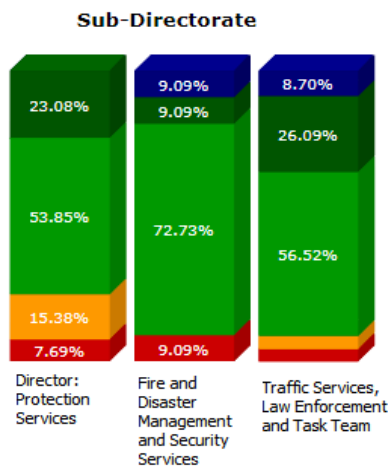
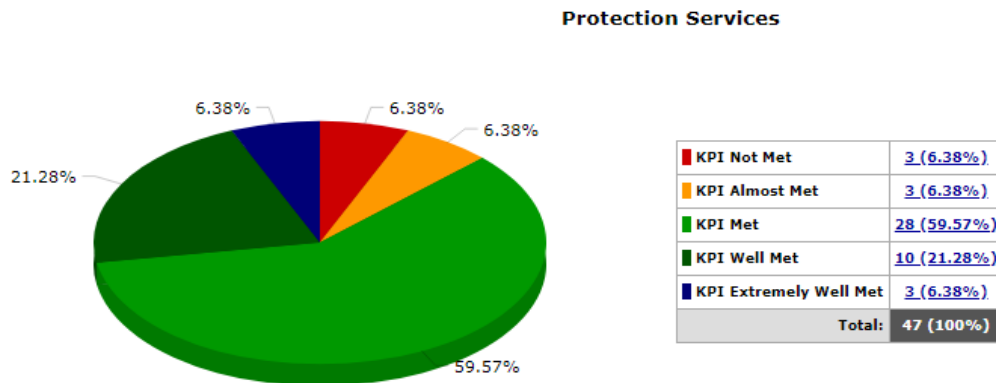
The Operational Key Performance Indicators for Protection Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	Encouragement of structured community participation in the affairs of the municipality
Municipal Financial Viability and Management	Optimisation of financial resources	Provision of democratic, accountable and ethical governance
Municipal Transformation and Institutional Development	Good governance	Provision of democratic, accountable and ethical governance
Basic Service Delivery	Basic Service Delivery	Provision and maintenance of municipal services
Local Economic Development	Social upliftment and Economic Development	Promotion of tourism, economic and social development Creation and maintenance of a safe and healthy environment

**Table 84: Functional alignment - Protection Services**

The following graph indicates the performance of the various sub-directorates within the Protection Services directorate



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

	Director: Protection Services	Fire and Disaster Management and Security Services	Traffic Services, Law Enforcement and Task Team
<b>KPI Not Met</b>	<u>1 (7.69%)</u>	<u>1 (9.09%)</u>	<u>1 (4.35%)</u>
<b>KPI Almost Met</b>	<u>2 (15.38%)</u>	-	<u>1 (4.35%)</u>
<b>KPI Met</b>	<u>7 (53.85%)</u>	<u>8 (72.73%)</u>	<u>13 (56.52%)</u>
<b>KPI Well Met</b>	<u>3 (23.08%)</u>	<u>1 (9.09%)</u>	<u>6 (26.09%)</u>
<b>KPI Extremely Well Met</b>	-	<u>1 (9.09%)</u>	<u>2 (8.70%)</u>
<b>Total:</b>	<b>13 (27.66%)</b>	<b>11 (23.40%)</b>	<b>23 (48.94%)</b>

Figure 17: Protection Services sub-directorate performance

### D.5) INFRASTRUCTURE AND PLANNING SERVICES CONSISTS OF THE FOLLOWING DIVISIONS:

- Director: Infrastructure and Planning
- Deputy Director: Engineering Services
- Building Services
- Electricity distribution and street lighting: Gansbaai & Stanford
- Electricity distribution and street lighting: Hermanus & Hangklip/Kleinmond
- Environmental Services
- Engineering Planning
- Town and Spatial Planning
- Property Administration

The Operational Key Performance Indicators for Infrastructure and Planning Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

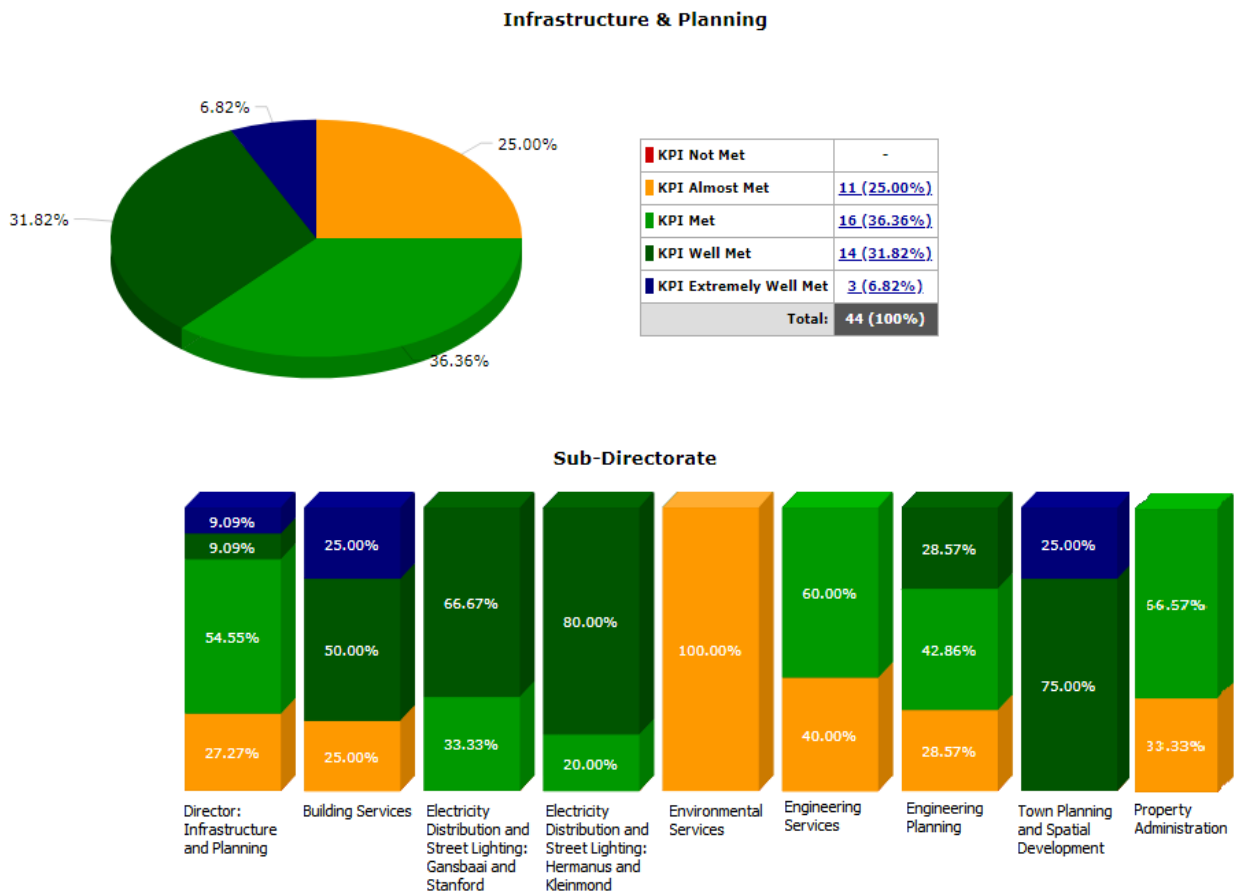
National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	Encouragement of structured community participation in the affairs of the municipality
Municipal Financial Viability and Management	Optimisation of financial resources	Provision of democratic, accountable and ethical governance
Municipal Transformation and Institutional Development	Good governance	Provision of democratic, accountable and ethical governance

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Basic Service Delivery	Basic Service Delivery	Provision and maintenance of municipal services
Local Economic Development	Social upliftment and Economic Development	Promotion of tourism, economic and social development  Creation and maintenance of a safe and healthy environment

**Table 85: Functional alignment - Infrastructure and Planning Services**

**The following graph indicates the performance of the various sub-directorates within Infrastructure and Planning Services directorate**



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	Director: Infrastructure and Planning	Building Services	Electricity Distribution and Street Lighting: Gansbaai and Stanford	Electricity Distribution and Street Lighting: Hermanus and Kleinmond	Environmental Services
<b>KPI Not Met</b>	-	-	-	-	-
<b>KPI Almost Met</b>	<u>3 (27.27%)</u>	<u>1 (25.00%)</u>	-	-	<u>2 (100.00%)</u>
<b>KPI Met</b>	<u>6 (54.55%)</u>	-	<u>1 (33.33%)</u>	<u>1 (20.00%)</u>	-
<b>KPI Well Met</b>	<u>1 (9.09%)</u>	<u>2 (50.00%)</u>	<u>2 (66.67%)</u>	<u>4 (80.00%)</u>	-
<b>KPI Extremely Well Met</b>	<u>1 (9.09%)</u>	<u>1 (25.00%)</u>	-	-	-
<b>Total:</b>	<b>11 (25.00%)</b>	<b>4 (9.09%)</b>	<b>3 (6.82%)</b>	<b>5 (11.36%)</b>	<b>2 (4.55%)</b>

	Engineering Services	Engineering Planning	Town Planning and Spatial Development	Property Administration
<b>KPI Not Met</b>	-	-	-	-
<b>KPI Almost Met</b>	<u>2 (40.00%)</u>	<u>2 (28.57%)</u>	-	<u>1 (33.33%)</u>
<b>KPI Met</b>	<u>3 (60.00%)</u>	<u>3 (42.86%)</u>	-	<u>2 (66.67%)</u>
<b>KPI Well Met</b>	-	<u>2 (28.57%)</u>	<u>3 (75.00%)</u>	-
<b>KPI Extremely Well Met</b>	-	-	<u>1 (25.00%)</u>	-
<b>Total:</b>	<b>5 (11.36%)</b>	<b>7 (15.91%)</b>	<b>4 (9.09%)</b>	<b>3 (6.82%)</b>

Figure 18: Infrastructure and Planning Services sub-directorate performance

### D.6) ECONOMIC AND SOCIAL DEVELOPMENT AND TOURISM CONSISTS OF THE FOLLOWING DIVISIONS:

- ➔ Director: Economic and Social Development and Tourism
- ➔ LED
- ➔ Tourism
- ➔ Social Development.

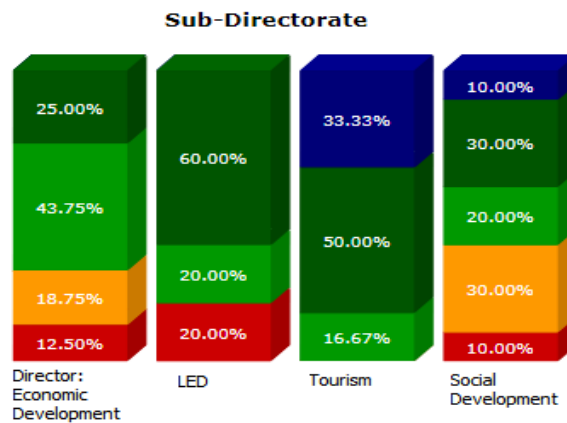
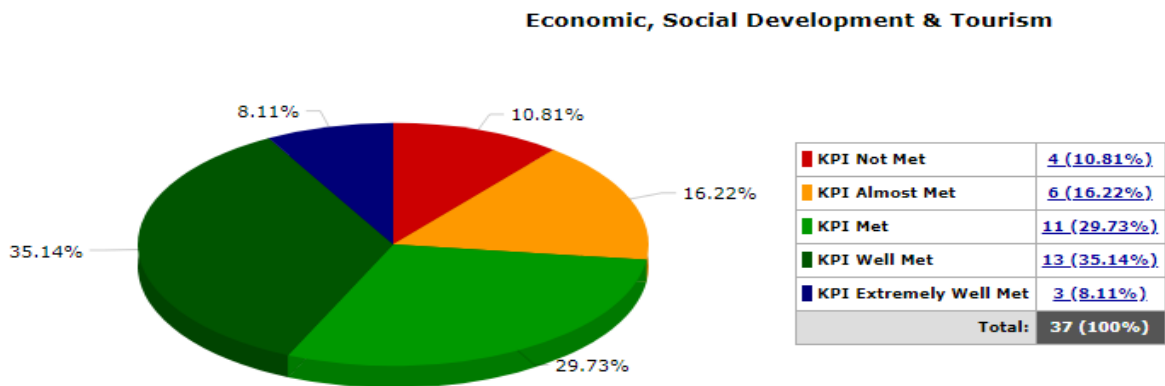
The Operational Key Performance Indicators for Economic and Social Development and Tourism are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	Encouragement of structured community participation in the affairs of the municipality
Municipal Financial Viability and Management	Optimisation of financial resources	Provision of democratic, accountable and ethical governance
Municipal Transformation and Institutional Development	Good governance	Provision of democratic, accountable and ethical governance
Basic Service Delivery	Basic Service Delivery	Provision and maintenance of municipal services
Local Economic Development	Social upliftment and Economic Development	Promotion of tourism, economic and social development Creation and maintenance of a safe and healthy environment

**Table 86: Functional alignment - Economic and Social development and Tourism**

The following graph indicates the performance of the various sub-directorates within the Economic and Social Development and Tourism directorate



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

	Director: Economic and Social Development and Tourism	LED	Tourism	Social Development
<b>KPI Not Met</b>	<u>2 (12.50%)</u>	<u>1 (20.00%)</u>	-	<u>1 (10.00%)</u>
<b>KPI Almost Met</b>	<u>3 (18.75%)</u>	-	-	<u>3 (30.00%)</u>
<b>KPI Met</b>	<u>7 (43.75%)</u>	<u>1 (20.00%)</u>	<u>1 (16.67%)</u>	<u>2 (20.00%)</u>
<b>KPI Well Met</b>	<u>4 (25.00%)</u>	<u>3 (60.00%)</u>	<u>3 (50.00%)</u>	<u>3 (30.00%)</u>
<b>KPI Extremely Well Met</b>	-	-	<u>2 (33.33%)</u>	<u>1 (10.00%)</u>
<b>Total:</b>	<b>16 (43.24%)</b>	<b>5 (13.51%)</b>	<b>6 (16.22%)</b>	<b>10 (27.03%)</b>

Figure 19: Economic and Social Development and Tourism sub-directorate performance

### 3.3 COMPONENT A: BASIC SERVICES

This component includes basic service delivery highlights and challenges, includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

#### 3.3.1 WATER PROVISION

##### A) INTRODUCTION TO WATER PROVISION

Overstrand Municipality has 8 water schemes, providing water to more than 100 000 residents. Water sources include rivers, dams, boreholes, springs, and fountains. All residents have access to at least a basic water supply service. The top priorities are to develop sufficient sources, adequate treatment capacity, as well as bulk and reticulation system capacity to address the housing backlog and to provide for growth and development in the foreseeable future.

In order to counter the possible effects of climate change and future dry periods, a strategy of diversifying water resources between surface water, groundwater, and eventually waste water re-use and seawater desalination was embarked upon.

The main projects for 2018/19 included the completion of a basic environmental impact assessment process for the construction of an additional reservoir at Pringle Bay, and the upgrade of the Stanford

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Waste Water Treatment Works, and commencement of sewer network extensions in Kleinmond and Gansbaai, and the augmentation of the Gateway well field in Hermanus. The replacement of ageing domestic and bulk water meters continued.



New borehole being drilled at the Gateway well field in Hermanus

A water demand management strategy is in place as part of the municipality's Turn Around Strategy, with the focus to keep water demand under control and to decrease water losses. Losses were at 24.25% in 2018/19, compared to 28.51% in 2010/11.

### B) HIGHLIGHTS: WATER SERVICES

Highlights	Description
Water Services Audit	The Overstrand Water Services Audit for 2017/18 was submitted to the Department of Water & Sanitation in October 2018, in accordance with legal requirements.
Water Demand Management	Overstrand Municipality successfully continued with its Water Conservation and Demand Management program, and water losses were at 21.54% in 2018/19, compared to 28.51% in 2010/11.
Replacement of water meters	1624 Water meters were replaced.

Table 87: Water Services Highlights

### C) CHALLENGES: WATER SERVICES

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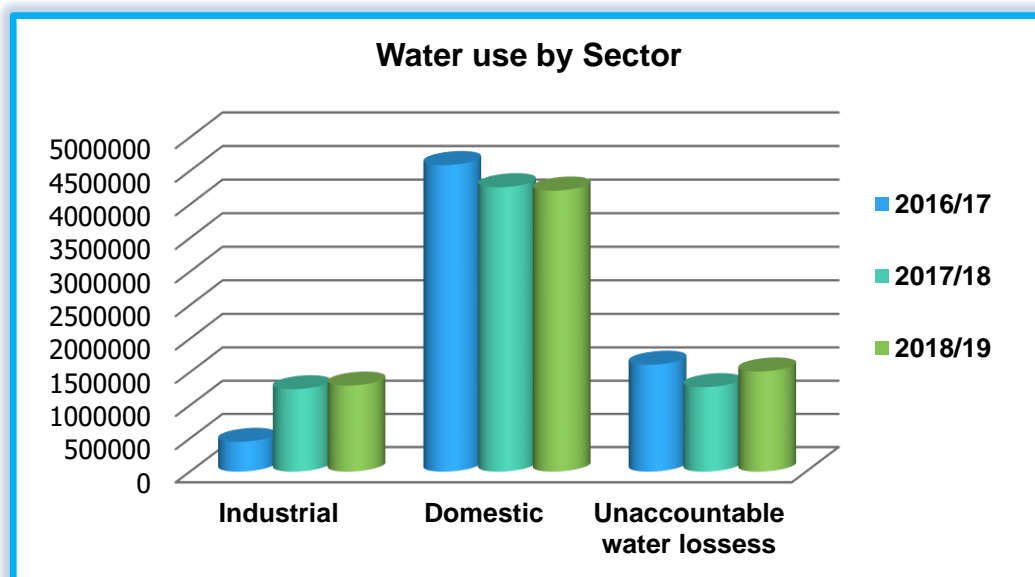
Description	Progress made in 2018/19 to address challenge
Drought situation	Hermanus is still the worst affected of the Overstrand towns by the drought, following 3 consecutive winter seasons with below average rainfall. Level 2 water restrictions are still in place.
Ageing infrastructure	Increased the maintenance budget and enhanced asset replacement programmes through the capital budget.
Development of water sources	A feasibility study was commenced for the development of additional water sources for Hermanus, including possible waste water re-use and seawater desalination.

**Table 88: Water Services Challenges**

Total Use of Water by Sector (cubic meters)					
Year	Agriculture	Forestry	Industrial	Domestic	Un accountable water losses
2015/16	0	0	553 132	4 582 163	1 490 912
2016/17	0	0	450 012	4 586 038	1 611 844
2017/18	0	0	1 243 558	4 255 924	1 274 996
2018/19	0	0	1 298 208	4 205 725	1 511 158

*The above figures for "Industrial" include commercial, industrial, and "other", being all non-domestic consumption. It is clear that water losses decreased significantly as a result of the water demand management program. The overall water demand also decreased as a result of water demand management and good co-operation from the public.*

**Table 89: Total water use by sector (cubic meters)**



**Figure 20: Water use by sector**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Water Service Delivery Levels				
Households				
Description	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<b>Water: (above min level)</b>				
Piped water inside dwelling	32 976	34 449	29174	29800
Piped water inside yard (but not in dwelling)	0	0	0	0
Using public tap (within 200m from dwelling )	3106	3067	3052	3620
Other water supply (within 200m)	0	0	0	3555
<i>Minimum Service Level and Above sub-total</i>	36082	37388	32226	33420
<i>Minimum Service Level and Above Percentage</i>	100	100	100	100
<b>Water: (below min level)</b>				
Using public tap (more than 200m from dwelling)	0	0	0	0
Other water supply (more than 200m from dwelling)	0	0	0	0
No water supply	0	0	0	0
<i>Below Minimum Service Level sub-total</i>	0	0	0	0
<i>Below Minimum Service Level Percentage</i>	0	0	0	0
<b>Total number of households</b>	<b>36 082</b>	<b>37 388</b>	<b>32226</b>	<b>33420</b>

Table 90: Water service delivery levels: Households

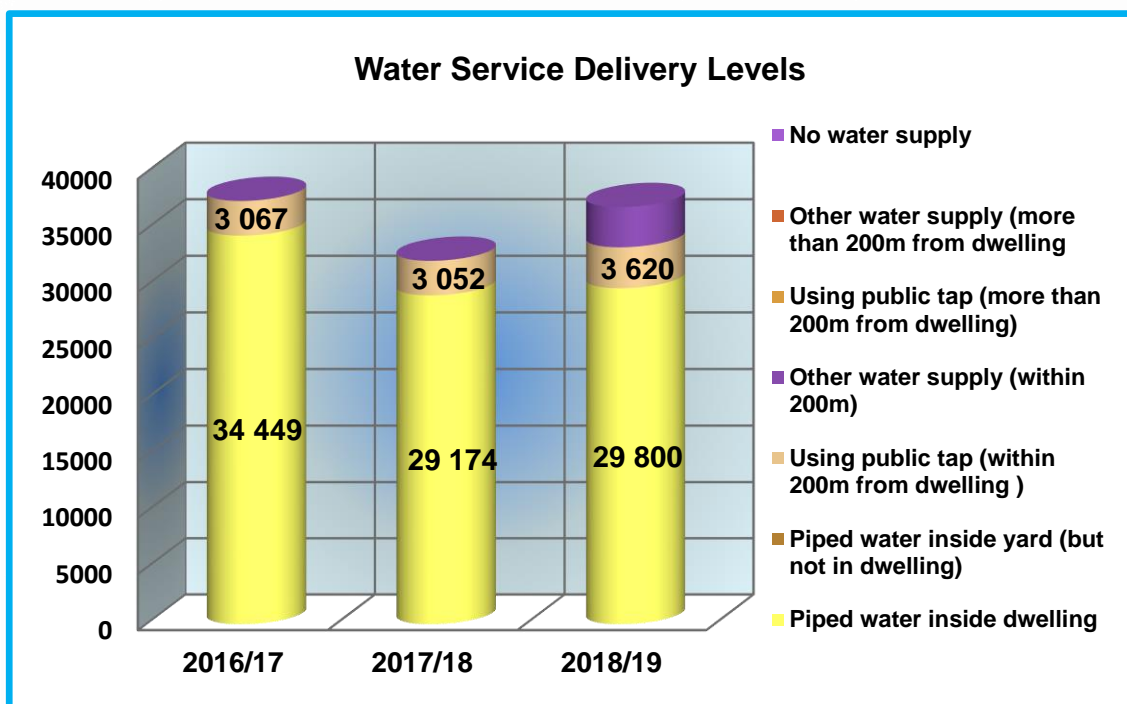


Figure 21: Water Service Delivery levels

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Access to Water			
Financial year	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free#
2015/16	8.6%	100%	20.8%
2016/17	*9.2%	100%	19.8%
2017/18	*9.47%	100%	23%
2018/19	10.83	100	23%
<p><i>* Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute</i></p> <p><i># 6,000 litres of potable water supplied per formal connection per month</i></p> <p><i>* Total households in informal areas / total households in Overstrand as a %.</i></p>			

Table 91: Access to water

### D) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL4	The provision and maintenance of municipal services	Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	All	98%	95%	98.90%	Target well met
TL5	The provision and maintenance of municipal services	Limit unaccounted water to less than 20% {(Number of kilolitre water purified - Number of kilolitre water sold)/Number of kilolitre purified x 100}	% of water unaccounted for	All	18.82%	19%	24.25%	<p>Grey water excluded from water sold for 2018/2019. The increase in burst pipes may also be partly as a result of no budget allocation for water pipe replacement programme in 2017/18 and 2016/17.</p> <p>Approved budget for 2019/20 is R16 million.</p>
TL21	The provision and maintenance of municipal services	Report on the implementation of the Water Service Development plan annually by the end of October.	Report submitted	All	1	1	1	Target met

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL30	The provision and maintenance of municipal services	Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg. 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded land unsuitable for housing and private land).	All	253	239	284	Target well met
TL31	The provision and maintenance of municipal services	Provision of cleaned piped water to all formal households within 200 m from households (MPPMR Reg. 10 (a))	No of formal households that meet agreed service standards for piped water	All	29,174	30,209	29,800	Service rendered to all households.  Contributing factors for target not met: Less residential development as anticipated (e.g. government funded housing projects delayed). General re-development of properties on initiative of property owners (e.g. consolidation of properties)  Target to be reviewed during mid-year review of 2019/20.
TL49	The provision and maintenance of municipal services	Provision of water to informal households on invaded land with available funding. (Land Invasion, refers to the illegal occupation of land, with the intention of establishing dwellings /a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of taps installed for informal households on invaded land with available funding.	All	New KPI	84	88	Target well met

**Table 92: Service delivery indicators: Water services**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Employees: Water Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	26	22	16	19	0	0	19
4 - 6	4	9	5	7	1	12,5%	7
7 - 9	4	4	2	3	1	25%	3
10 - 12	15	11	10	11	1	8.33%	11
13 - 15	1	3	3	3	0	0	3
16 - 18	0	0	0	0	0	0	0
19 - 20	1	1	1	1	0	0	1
<b>Total</b>	<b>51</b>	<b>50</b>	<b>37</b>	<b>44</b>	<b>3</b>	<b>6.4%</b>	<b>44</b>

Table 93: Employees: Water Services

The intensive training and development of process controllers at all the Overstrand treatment plants continued as part of the bulk water services support contract with Veolia.

Capital Expenditure 2018/19 : Water Services					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	<b>21 945 225</b>	<b>21 945 225</b>	<b>12 270 442</b>	<b>9 674 783</b>	<b>n/a</b>
Water Master Plan Implementation	10 000 000	5 000 000	3 713 640	6 286 360	29 000 000
Fencing at water installations	800 000	800 000	729 276	70 724	800 000
Buffels River & De Bos Dam Intake Structure	1 200 000	1 200 000	1 154 883	45 117	1 200 000
Upgrade Hermanus Well Fields	7 000 000	7 000 000	1 997 700	5 002 300	11 000 000
Emergency Housing Services	875 384	875 384	709 741	165 643	875 384
<i>Total project value represents the estimated cost of the project on approval by Council</i>					

Table 94: Capital Expenditure 2018/19: Water Services

56% of the capital budget for Water for 2018/19 was spent. Unspent funds have been rolled over to the 2019/20 financial year, to enable continuation of the projects. The reasons for the under spending on capital projects include inter alia an extended basic environmental impact assessment process for the Pringle Bay reservoir, an appeal received against the award of the Water Master Plan Implementation contract, and a lengthy supply chain management process to obtain permission to use a transversal contract of Province for the drilling of new boreholes at the Gateway wellfield in Hermanus.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.3.2 WASTE WATER (SANITATION) PROVISION

#### A) INTRODUCTION TO SANITATION PROVISION

Overstrand Municipality has 6 waste water schemes. All residents have access to at least a basic sanitation service.

The main challenges are to:

Provide sufficient waste water treatment capacity as well as bulk and reticulation system capacity in all the schemes to be able to accommodate future growth and development including the planned low cost housing projects by:

- extending the waterborne sewer networks in the different towns;
- extending treatment capacity when growth projections indicate the requirement; and
- eliminating the tanker truck service over time.

The Department of Water and Sanitation did not perform any Green Drop assessment of municipal waste water schemes during 2018/19.



Upgrade of the Stanford Waste Water Treatment Works (WWTW)

#### B) HIGHLIGHTS WASTE WATER (SANITATION) PROVISION

Highlights	Description
Water Services Audit	The Overstrand Water Services Audit Report, including Sewerage Serves, for 2018/19 was submitted to The Department of Water and Sanitation (DWS) during October 2018 in accordance with legislative requirements.
Hermanus sewerage pump stations upgrade (continuation of project) and sewer network extensions.	Upgrading of the pump station at Bientang's Cave in Hermanus was completed, and sewer network extensions commenced with in Kleinmond and Gansbaai.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Highlights	Description
Stanford Waste Water treatment works (WWTW) Upgrade	The upgrade of the Stanford WWTW from 0.5 MI/day to 1.2 MI/day capacity was completed.

**Table 95: Waste Water (Sanitation) Provision Highlights**

### C) CHALLENGES: WASTE WATER (SANITATION) PROVISION

Description	Progress made in 2018/19 to address challenge
Provision of adequate treatment capacity in all areas	Upgrade of waste water treatment works when required (Stanford WWTW was completed in 2018/19)
Extension of waterborne sewer networks	Elimination of septic tanks by laying new sewer pipe networks and connecting properties to it. Ensure provision of sewer networks for new developments.
Sludge handling according to legislation	Disposal of dried waste sludge in the most efficient way remains a challenge.
Extension of basic services	Improvement of ratio of sanitation facilities to households in informal settlements and provision of basic services at new informal settlements.
Lack of suitably qualified personnel	Training of staff. The training of process controllers is being addressed through the bulk water services support contract.
Lack of knowledge of sewer systems by consumers	Public awareness and training.
Ageing infrastructure / lack of maintenance funds	Increased maintenance budget as well as capital for replacement of old infrastructure.
Stormwater infiltration into sewer networks	Public awareness and law enforcement.
Sewer blockages	Repair/replace sections of pipelines and increase public awareness/education on sewerage systems.
Conservancy tank service (tanker trucks)	Network extension, additional tankers and the replacement of ageing tankers required.

**Table 96: Waste Water (Sanitation) Provision Challenges**

Sanitation service Delivery Levels				
Households				
Description	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<b><i>Sanitation/sewerage: (above minimum level)</i></b>				
Flush toilet (connected to sewerage)	23 623	25770	0 DB4 SYSTEM CANNOT DIFFRENCIATE TOTALS	<b>0</b>
Flush toilet (with septic tank)	8 605	6138	0	<b>0</b>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Sanitation service Delivery Levels				
Households				
Description	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
			DB4 SYSTEM CANNOT DIFFRENCIATE TOTALS	
Chemical toilet	0	0	0	0
Pit toilet (ventilated)	0	0	0	0
Other toilet provisions (above min. service level)	0	0	0	<b>3555</b>
<i>Minimum Service Level and Above sub-total</i>	32 228	33124	32217	<b>33251</b>
<i>Minimum Service Level and Above Percentage</i>	100	100	100	100
<b><i>Sanitation/sewerage: (below minimum level)</i></b>				
Bucket toilet	0	0	0	0
Other toilet provisions (below min. service level)	0	0	0	0
No toilet provisions	0	0	0	0
<i>Below Minimum Service Level sub-total</i>	0	0	0	0
<i>Below Minimum Service Level Percentage</i>	0	0	0	0
<b>Total households</b>	<b>32 228</b>	<b>33124</b>	<b>32217</b> (informal households included (29165+3052))	<b>33251</b> (Informal household included (29361+3620))
<i>Including informal settlements</i>				
For 2017/18 and 2018/19 the financial system (DB4) cannot differentiate totals				

**Table 97: Sanitation service delivery levels**

### D) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019			
						Target	Actual	Corrective Measures	
TL3	The provision and maintenance of municipal services	Quality of effluent comply 90% with licence and/ or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	All	93.50%	90%	95.77%		Target well met

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL37	The provision and maintenance of municipal services	The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilet to 5 households (MPPMR Reg. 10 (a))	The number of toilet structures provided in relation to the number of informal households (excluding invaded land unsuitable for housing and private land)	All	794	790	881	Target well met
TL38	The provision and maintenance of municipal services	Provision of sanitation services to formal residential households (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS)) (MPPMR Reg. 10 (a))	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	All	29,165	29,841	29,631	<p>Service rendered to all households.</p> <p>Contributing factors for target not met:</p> <p>Less residential development as anticipated (e.g. government funded housing projects delayed). General re-development of properties on initiative of property owners (e.g. consolidation of properties)</p> <p>Target to be reviewed during mid-year review of 2019/20.</p>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL50	The provision and maintenance of municipal services	Provision of sanitation services to informal households on invaded land with available funding. (Land Invasion refers to the illegal occupation of land, with the intention of establishing dwellings /a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of toilets provided for informal households on invaded land with available funding	All	New KPI	120	120	Target met

**Table 98: Service delivery indicators: Waste Water (Sanitation) provision**

Employees: Sanitation Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	29	40	39	43	42	1	2.32%
4 - 6	2	4	4	3	3	0	0
7 - 9	14	15	14	14	14	0	0
10 - 12	0	4	5	5	4	1	20%
13 - 15	1	0	0	0	0	0	
16 - 18	1	1	1	1	1	0	0
19 - 20	1	1	1	1	1	0	0
<b>Total</b>	<b>48</b>	<b>65</b>	<b>64</b>	<b>67</b>	<b>65</b>	<b>2</b>	<b>2.9%</b>

**Table 99: Employees Waste Water (Sanitation) Provision**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Capital Expenditure 2018/19: Sanitation Services					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Kleinmond Sewer Network Ext	3 714 900	3 714 900	3 607 995	106 905	8 000 000
WWTW upgrade Stanford	16 177 218	16 177 218	14 376 976	1 800 242	16 177 218
Fencing at Sewer Installations	800 000	800 000	769 502	30 498	800 000
Sewer Network Ext & Replace	4 585 100	4 585 100	2 010 526	2 574 574	8 585 100
Vehicles Sewerage	4 135 764	4 135 764	3 849 596	286 168	3 849 596
Upgrade Pump station/rising mains	1 611 981	1 611 981	1 598 523	13 458	1 598 523
Emergency Housing - Sewer	2 938 900	2 938 900	2 660 465	278 435	2 660 465
<b>Total All</b>	<b>44 868 863</b>	<b>44 868 863</b>	<b>34 962 591</b>	<b>5 090 280</b>	<b>41 670 902</b>

*Total project value represents the estimated cost of the project on approval by Council*

**Table 100: Capital Expenditure 2018/19: Waste Water (Sanitation) Provision**

78% of the capital budget for Sanitation for 2018/19 was spent. Unspent funds have been rolled over to the 2019/20 financial year, to enable continuation of the relevant projects. The reasons for the under spending on capital projects include inter alia an appeal received against the award of the contract which includes the Kidbrooke and Zwelihle sewer upgrades, slow initial progress on the Gansbaai sewer network extension project due to difficult site conditions at the Bientang sewer pump station upgrade which had to be completed first.

### 3.3.3 ELECTRICITY

#### A) INTRODUCTION TO ELECTRICITY

Emergency housing in the Overstrand area has taken off over night and various areas have been identified to assist local communities. A number of streetlights and electricity connections have been provided to try and assist locals until the various housing projects are completed.

A set of Guidelines for Small Scale Embedded Generating within the Overstrand Distribution Area was approved and took effect on 1 July 2016. Overstrand has since received multiple enquiries with 20 applications with a combined installed capacity of 177kVA. These Guidelines give consumers the opportunity to have a grid tied connection and feed all excess energy back into the municipal grid for which they are compensated at an approved annual tariff. All related documents are available on the Overstrand website. ([www.overstrand.gov.za/en/documents/electricity](http://www.overstrand.gov.za/en/documents/electricity)). Overstrand urges all owners of PV installations (grid-tied or off-grid) to register at their relevant Municipal administration.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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Overstrand Municipality is committed to quality service delivery to the residents of Overstrand and to the expansion of services to those who never previously had access to these. A sustainable supply of sufficient electricity and energy is vital for the growth and development of Overstrand.

Electricity Reticulation is a Local Government Competence in terms of the Constitution and forms the highest earner of revenue within municipalities. Electricity is also the best tool available to control revenue within the municipality. Eskom's 10% required savings however has a negative impact on revenue.

The Municipality is licensed to sell electricity to customers in its designated area of supply.

In this regard, the Municipality has the following responsibilities:

- Preparing a sustainable business for the future through the promotion of alternative energy sources.
- Planning, designing and operating its network
- Proper metering and recording of customers
- Maintaining an acceptable standard of electricity supply to all customers.

The Municipality is tasked with the provision of a safe and reliable electricity supply to all customers in accordance with its legislated mandate and the relevant national standards and, as such, there is no high or low standard of supply.

Consultants were appointed to update the master plan and previous status report on the electricity infrastructure in the Overstrand area, as well as to verify the correctness and completeness of data on the GIS platform. This updated master plan report must be read in conjunction with the drawings and other information available on the GIS database. The existing electrical infrastructure for all Overstrand areas is shown on the layout drawings as available on the GIS platform.

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### B) ELECTRICITY LOSSES

The electricity losses were determined at 6.45% for the 2018/19 financial year as opposed to the 5.12% in the preceding 2017/18 financial year. Technical losses are calculated at  $\pm 5\%$ . In terms of the average electricity losses of 14.5% within South Africa based upon Electricity Distribution entities, this is considered an excellent achievement. A target of 7.5% has been set for the next financial year.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

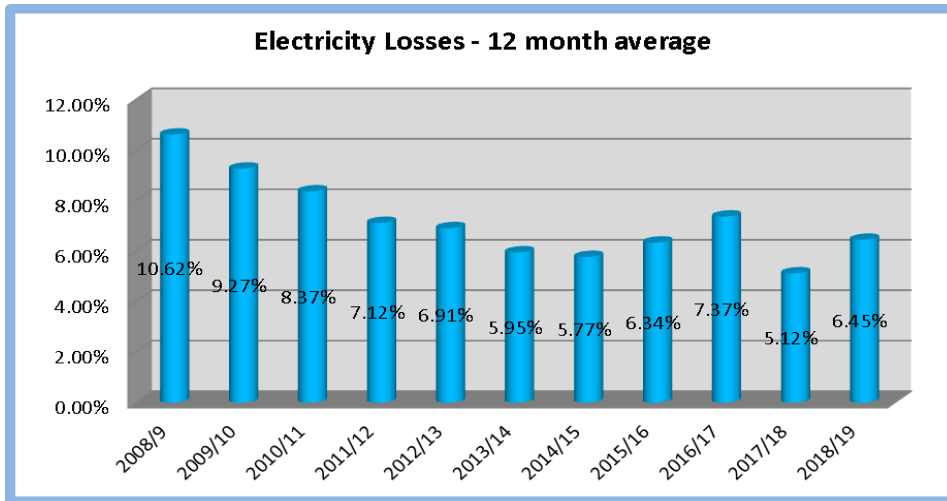


Figure 22: Electricity Losses

### C) HIGHLIGHTS: ELECTRICITY

Highlights	Description
Franskraal, Kleinbaai and Birkenhead : Medium Volt (MV)/Low Volt (LV) & Mini-substation Upgrade and Stanford: MV Upgrade	A R3.5 million project was completed in the Gansbaai/Stanford area. This entailed upgrading of network cables and installing new mini substations in various areas.
Hermanus, Hawston and Kleinmond: Medium Volt (MV) & Low Volt (LV) network upgrade	The project is still in progress and will be completed in the month of September 2019. This entails the upgrading of the MV and LV network that includes new distribution kiosks and new streetlight.
Re-electrification of Mandela Square, Zwelihle	The re-electrification project of the Mandela Square area in Zwelihle is in progress whereby 156 households will be electrified.
Electrification of Hawston Housing project started.	The electrification project of Hawston Housing area started and is in progress whereby 378 households will be electrified.
Electrification of Emergency Housing project in Zwelihle.	The electrification project of informal houses in Zwelihle was completed whereby 150 households were electrified.
Electrification of Emergency Housing project in Mount Pleasant	The electrification project of informal houses in Mount Pleasant was completed whereby 25 households were electrified.

Table 101: Electricity Highlights

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Electrification of Emergency Housing project in Zwelihle



Electrification of Hawston Housing project in Hawston



MV and LV network upgrades in Hermanus, Hawston and Kleinmond areas

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### D) CHALLENGES: ELECTRICITY

Description	Progress made in 2018/19 to address challenge
Electrification of Informal Settlements	Funds are being sought to electrify approximately 5671 units.
ESKOM's limited capacity and curbing excessive electricity consumption	South Africa has a shortage of electricity generation, which places an onus on all municipalities to reduce electricity consumption by 10%. Unless existing consumers reduce electricity consumption by 10%, it would be very difficult to connect any new customers. Overstrand Municipality launched a project to curb electricity peak consumption by installing hot water cylinder control units. The installation project is close to completion.
Theft of electricity (tampering), cables and vandalism	Theft and vandalism is a growing concern that amounts to great unforeseen expenses. It amounts to power outages and loss of income. Overstrand Municipality works with SAPS and local law enforcement agencies to address this problem. It is however a nation-wide concern that is somewhat uncontrollable.

**Table 102: Electricity Challenges**

<b>Electricity Service Delivery Levels</b>				
<b>Households</b>				
Description	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<b><i>Energy: (above minimum level)</i></b>				
Electricity (at least min. service level)	6565	6356	6112	5831
Electricity - prepaid (min. service level)	17810	18530	18814	19464
<i>Minimum Service Level and Above sub-total</i>	24375	24886	24926	25295
<i>Minimum Service Level and Above Percentage</i>	100	100	100	100
<b><i>Energy: (below minimum level)</i></b>				
Electricity (< min. service level)	0	0	0	0
Electricity - prepaid (< min. service level)	0	0	0	0
Other energy sources	0	0	0	0
<i>Below Minimum Service Level sub-total</i>	0	0	0	0
<i>Below Minimum Service Level Percentage</i>	0	0	0	0
<b>Total number of households</b>	<b>24375</b>	<b>24886</b>	<b>24926</b>	<b>25295</b>

**Table 103: Electricity service delivery levels**

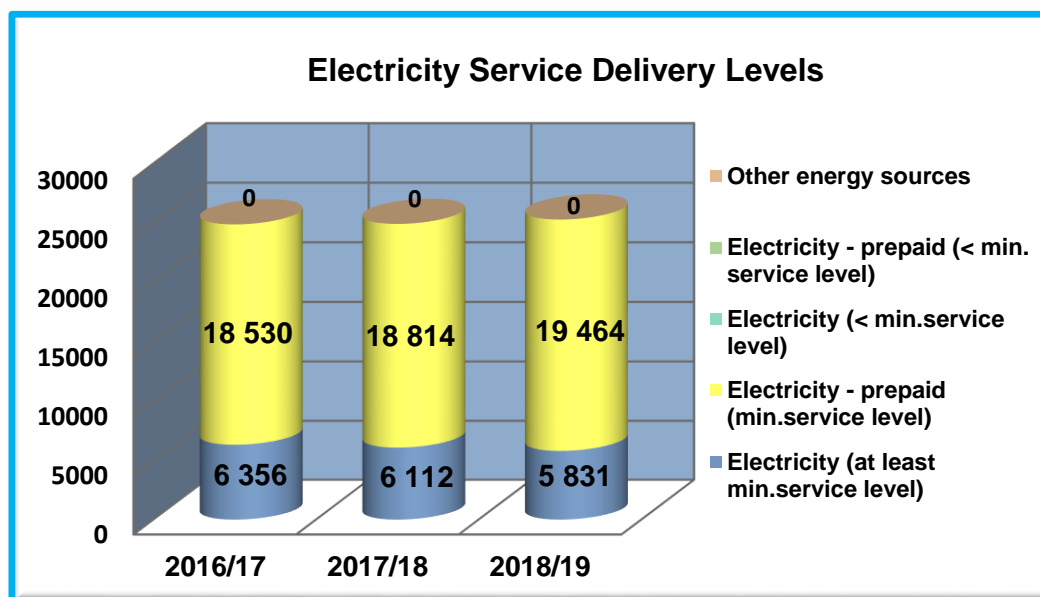


Figure 23: Electricity service delivery levels

Households – Electricity Service Delivery Levels below the minimum						
Households						
Description	2015/16	2016/17	2017/18	2018/19		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
<b>Total households</b>	<b>24 375</b>	<b>24886</b>	<b>24926</b>	<b>27732</b>	<b>27732</b>	<b>27732</b>
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0	0	0	0	0	0
<b>Informal Settlements</b>						
<b>Total households</b>	<b>2098</b>	<b>2286</b>	<b>2285</b>	<b>2526</b>	<b>2526</b>	<b>2526</b>
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0	0	0	0	0	0

Table 104: Households - Electricity Service Delivery Levels below the minimum

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### E) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL20	The provision and maintenance of municipal services	Limit electricity losses to 7.5% or less {(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated} × 100}	% of electricity unaccounted for	All	5.12%	7.50%	6.45%	Target extremely well met
TL34	The provision and maintenance of municipal services	Provision of Electricity: Number of metered electrical connections in formal areas (Eskom Areas excluded) (Definition: Refers to residential households (RE) and pensioners (PR) as per Finance departments billed households) (MPPMR Reg. 10 (a))	Number of formal households that meet agreed service standards	All	21,048	20,700	21,332	Target well met

**Table 105: Service delivery indicators: Electricity**

Employees: Electricity Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	28	27	28	30	26	4	13
4 - 6	7	5	5	7	7	0	0
7 - 9	9	9	9	12	12	0	0
10 - 12	15	12	11	16	13	3	19
13 - 15	6	6	6	6	6	0	0
16 - 18	2	2	2	2	2	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>67</b>	<b>61</b>	<b>61</b>	<b>73</b>	<b>66</b>	<b>7</b>	<b>10</b>

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

**Table 106: Employees: Electricity services**

<b>Capital Expenditure 2018/19: Electricity Services</b>					
<b>R'000</b>					
<b>Capital Projects</b>	<b>2018/19</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
				<b>R</b>	
<b>Total All</b>	<b>24 772</b>	<b>18 961</b>	<b>17 645</b>	<b>6 127</b>	<b>18 645</b>
Franskraal, Kleinbaai & Birkenhead: MV/LV & mini-substation upgrade	2500	2 500	2 500	0	2 500
Stanford: MV upgrade	1 000	1 000	1 000	0	1 000
Electrification of low cost housing areas (INEP)	4 262	4 262	4 262	0	4 262
Street light Hlobo street (opposite library)	250	250	250	0	250
Christmas lights	10	10	10	0	10
Christmas lights	30	30	30	0	30
New streetlights – Clinic street, Long street, Kopje street	40	40	40	0	40
Streetlights	30	30	30	0	30
Vehicles – electricity	2 000	2 039	1 724	276	1 724
Hermanus: MV & LV upgrade/replacement	10 150	6 279	6 278	3 872	6 278
Kleinmond: MV & LV network upgrade	1 750	1 311	1 311	439	1 311
Hawston: MV & LV upgrade/replacement	1 750	210	210	1 540	210
Electricity transformers (capital replacement contingency)	1 000	1 000	1 000	0	1 000

**Table 107: Capital Expenditure 2018/19: Electricity Services**

98% of the capital budget for Electricity for 2018/19 was spent.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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



The official opening of cell 4 at Karwyderskraal

#### A) INTRODUCTION TO WASTE MANAGEMENT

Overstrand Municipality deliver a first world solid waste service to the residents of Overstrand and all residents are receiving the service at least once a week. The two bag system is still being applied, i.e. a black bag for wet waste and a clear bag for recycling, in the Stanford, Gansbaai and Pearly Beach areas. The two bag system however had to be suspended in the Hermanus and Kleinmond areas since the Hermanus material recovery facility was severely damaged during the June 2018 unrest, and was not able to be re-opened. The decision was made to cancel the contract with Walker Bay Recycling, which meant that there was no legally contracted recycling offloading point for the municipality to drop off the clear bag recyclables.

Overstrand Municipality owns two material recovery facilities:

The Gansbaai material recovery facility, which is operated by a private contractor on behalf of Overstrand Municipality, providing jobs for +- 15 people. In December pamphlets about recycling were distributed to every household in their catchment area explaining how it works. The aim was to target the holiday makers so that they know what to do and on which day of the week the recycling and household refuse is removed from the houses.

The Hermanus material recovery facility, which was operated by a private contractor on behalf of Overstrand Municipality, and provided jobs for +- 35 people, however had to be closed and the contract was terminated during October 2018. There are however plans on the cards to re-establish a new material recovery facility within the Hermanus area. The construction of the new facility is to start during the 2019/20 budget year.

Baboons have been more of a problem since the devastating fires of January 2019 which destroyed a large portion of their foraging area. Note that a baboon proof bin is compulsory in areas declared as problem areas.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The temporary agreement with the Overberg District Municipality which had been concluded previously to lease the operational area of Karwyderskraal, to enable building of a new cell for the Overstrand Municipality's account and to operate the cell for its life span, ended on 31 March 2019. Overstrand built Cell 3, and the private company Averda managed the Karwyderskraal Landfill on behalf of Overstrand Municipality from October 2016 until 31 March 2019, when the Facility was handed back to the Overberg District Municipality. During the last year Overberg District Municipality built the new cell 4, and it became operational in April 2019. A new agreement between Overberg District Municipality, Overstrand Municipality and Theewaterskloof Municipality has been concluded, facilitating the use of the landfill by both local municipalities until it reaches its capacity.

The informal areas are serviced with swing bins and mini disposal sites for the residents to dispose of their refuse, as well as 6 statically placed 10 m<sup>3</sup> waste containers in Zwelihle. In the disadvantaged areas private contractors are deployed for area and street cleaning. The criteria are that the contractor must stay in the area and is only allowed to employ unemployed people from that area. Although their main purpose is cleaning, they must also do awareness about cleanliness. The three service priorities are to provide a service that is affordable, effective and efficient to the residents.

Overstrand Municipality also committed itself to become a plastic bag free municipality and this project is included in the IDP. Each councillor and employee attended a power point presentation on the dangers of plastic for the environment and the ocean. They then received a reusable bag made of parachute material, after which plastic carry bags are not allowed. The campaign was well received.

A puppet show about recycling has been developed. The aim is to target the small children and introduce them to recycling in a playful way. The show is translated in Afrikaans, English and isiXhosa to reach as many children as possible. 2704 children have been reached in 2018/19.

Overstrand Municipality has won the Waste Management Section of the Western Cape Greenest Municipality Competition seven times in the last ten years.



Learners attending the waste recycling puppet show arranged by the Overstrand Municipality

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### B) HIGHLIGHTS: WASTE MANAGEMENT

Highlights	Description
Commissioning of Cell 4 at the Karwyderskraal landfill	Construction of Cell 4 at the Karwyderskraal landfill was completed and commissioned by the ODM after conclusion of a new long term agreement
Gansbaai Landfill Operations Contract	A new 14 year operations contract was awarded for the operation of the Gansbaai landfill site

**Table 108: Waste Management Highlights**



Construction of the new cell 4 at Karwyderskraal Landfill site almost completed

### C) CHALLENGES: WASTE MANAGEMENT

Description	Progress in 2018/19 to address challenge
Unrest damage to Hermanus materials recovery facility resulting in the closure of the facility.	Plans were made to relocate the facility and the required budget was approved for 2019/20 & 2020/21
Continued pressure on staff to deliver service with fast growing communities	More staff were budgeted for and employed during the 2018/2019 financial year

**Table 109: Waste Management Challenges**

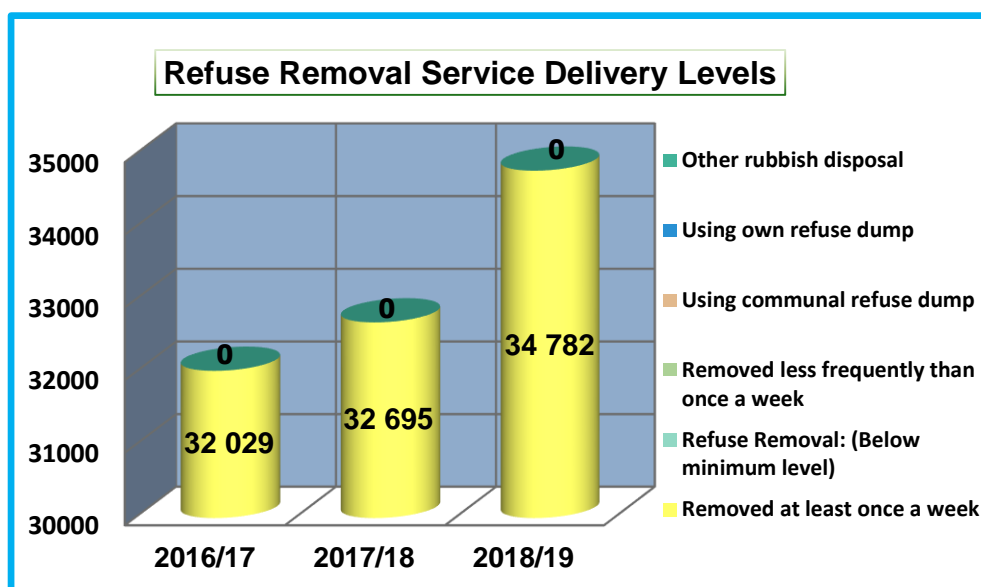


The damaged Hermanus material recovery facility

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

<b>Solid Waste Service Delivery Levels</b>				
<b>Households</b>				
Description	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<b><i>Solid Waste Removal: (Minimum level)</i></b>				
Removed at least once a week	31 132	32 029	32 695	34782
<i>Minimum Service Level and Above sub-total</i>	<b>31 132</b>	<b>32 029</b>	<b>32 695</b>	<b>34782</b>
<i>Minimum Service Level and Above percentage</i>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b><i>Solid Waste Removal: (Below minimum level)</i></b>				
Removed less frequently than once a week	0	0	0	0
Using communal refuse dump	0	0	0	0
Using own refuse dump	0	0	0	0
Other rubbish disposal	0	0	0	0
No rubbish disposal	0	0	0	0
<i>Below Minimum Service Level sub-total</i>	0	0	0	0
<i>Below Minimum Service Level percentage</i>	0	0	0	0
<b>Total number of households</b>	<b>31 132</b>	<b>32 029</b>	<b>32 695</b>	<b>34782</b>

**Table 110: Solid Waste Service Delivery Levels**



**Figure 24: Refuse Removal Service Delivery Levels**

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### D) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL32	The provision and maintenance of municipal services	Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS)) (MPPMR Reg. 10 (a))	Number of formal households for which refuse is removed at least once a week	All	32,695	32,990	33,105	Target well met
TL33	The provision and maintenance of municipal services	Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg. 10 (a))	Number of weekly removal of refuse in informal households (Once per week = 52 weeks per annum)	All	52	52	52	Target met

**Table 111: Service delivery indicators: Solid waste management**

Employees: Solid Waste Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	113	108	110	116	115	1	1
4 - 6	4	2	2	1	1	0	0
7 - 9	16	16	18	19	18	1	5
10 - 12	2	2	2	2	2	0	0
13 - 15	-	-	0	0	0	0	0
16 - 18	1	1	1	1	1	1	100
19 - 20	-	-	0	0	0	0	0
<b>Total</b>	<b>136</b>	<b>129</b>	<b>133</b>	<b>139</b>	<b>137</b>	<b>2</b>	<b>1.44%</b>

**Table 112: Employees: Solid Waste Services**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

<b>Capital Expenditure 2018/19: Solid Waste Services</b>					
R'					
<b>Capital Projects</b>	<b>2018/19</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
<b>Total all</b>	<b>1 496 791</b>	<b>1 496 791</b>	<b>1 498 982</b>	<b>- 2 793</b>	<b>1 498 982</b>
Purchase of waste skip bins	40 000	40 000	39 543	457	39 543
Vehicles waste management	1 456 791	1 456 791	1 459 530	- 2 739	1 459 530
<i>Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)</i>					

**Table 113: Capital Expenditure 2018/19 Solid waste services**

100% of the capital budget for Waste Management for 2018/19 was spent.

### **Capital expenditure on waste management**

The capital expenditure for the current 2018/19 financial year was limited to two main items namely vehicles for waste management and new waste skip bins.

Due to changes in the norms and standards for rehabilitation of old landfills by the Department of Water & Sanitation, Overstrand had to rethink their approach towards rehabilitation. Alternative use for the old dump sites had to be found.

The waste of the Pearly Beach dump site was removed to an approved landfill, and waste water oxidation dams were erected on the site, saving the cost of rehabilitation.

At the old closed garden and builders rubble site in Hermanus a License was issued to mine the sand and builder's rubble for filling and the other waste will go to the Karwyderskraal regional landfill. This project has been put on hold due to the fact that the site is now covered with informal housing and as such inaccessible for mining.

Permission to remove the body of Hawston Landfill to Karwyderskraal, the regional landfill site, has been given by the Department of Environmental Affairs, again potentially saving the rehabilitation cost.

Waste management provides a good and effective refuse removal service and is coping well with the high season (peak) periods.

All Overstrand's solid waste facilities have been issued with permits. Overstrand Municipality provides transfer stations and drop off facilities and weekend drop off facilities for the convenience of the community. The municipality has through the years committed themselves to not only the delivery of collection and disposal services for all its residents, but also to Best Environmental Practices. The municipality is also regarded as being on the forefront of waste recovery in South Africa, by means of source separation and separate collection. Overstrand Municipality has won the Waste Management Section of the Greenest Town Municipality for seven years out of the last 10 years.

### 3.3.5 HOUSING

#### A) INTRODUCTION TO HOUSING

The Overstrand Municipality has over the last few years had its portion of in-migration of people, which is a function of the urbanization process. As a result of this in-migration a backlog developed in the provision of housing accommodation. It manifests in the growth in the number of backyard dwellers and in informal settlements that are scattered over the entire municipal area.

To address this problem, a comprehensive strategy has been developed and is in the process of being implemented. An 8-year program of development has been compiled, which addresses this backlog and identifies projects in each area where the need exists for development. The approach has the following main objectives:

- Firstly to provide basic services in the form of rudimentary services in those areas where it is most needed, namely the informal settlements. This objective has been fully met and the national standard of one tap for every 25 families and one toilet for every 5 families has been achieved.
- Secondly, the upgrading of informal settlements has been made a priority in the 8-year housing program. The first informal settlement to be completely redeveloped was completed during the 2013/14 financial year.
- Application for funding has been lodged with the Provincial Department of Human Settlements and approval has been received for the development of the informal settlements in Zwelihle.

The planning for the first phase of the Zwelihle informal settlements (Mandela Square/Garden Site) was completed at the end of May 2013 and all planning and funding approvals were obtained during the 2013/14 financial year. The project consists of 141 serviced sites, of which the first 58 on Garden Site has been completed during the 2014/15 financial year. Families residing in Mandela Square were relocated to the Temporary Relocation Area (TRA) established on the Admin Site in Still Street as upgrading could only commence once the site was cleared. The upgrading of Mandela Square commenced during February 2018 and practical completion was planned for end of July 2018. As a result of the ongoing protest actions in Zwelihle which started at the end of March 2018 and the liquidation of the civil Contractor during May 2018, the project has now been extended. A new Contractor was appointed during April 2019 and the construction is now in progress. A revised funding application for additional land rehabilitation funding and subsidy increase in terms of the wetcore approval was submitted to DoHS and approval is awaited. The new revised completion date will now be November 2019. Transit Camp and Asazani informal settlements will be the next phase of the Zwelihle UISP project. A funding application for the two informal settlements was submitted to DoHS during June 2019 and approval is awaited. Upgrading will commence once Mandela Square has been completed and funding approval has been received.

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Mandela Square, Zwelihle UISP

The second phase of installation of civil services on the green field sites forming part of the Zwelihle UISP project, was fully approved by the Municipality and the Department of Human Settlements during 2014/15 and development commenced during 2015/16. This consisted of 132 serviced sites on Swartdamweg and 164 serviced sites on the Admin Site in Still Street. Construction of services commenced during July 2015 and was completed at the end of March 2016. Funding for the construction of 58 Building New Ground (BNG) units was approved for Garden Site and construction work commenced during May 2016. The units were all completed at the end of November 2016 and handed over to the qualifying beneficiaries. Top Structure approvals on the Admin Site and Site C2 were received during March 2017 from DoHS. As a result of feasibility constraints and issues, the Contractor only established on Site C2 during September 2017 and on the Admin Site during December 2017. 39 Top Structures will be constructed on the Admin Site and 132 on Site C2 for those qualifying beneficiaries from the different informal settlements. Completion of the 171 units on both sites was planned for end of June 2018 and hand-overs to qualifying beneficiaries shortly thereafter. As a result of the ongoing protests in Zwelihle, which started at the end of March 2018, the projects could not be completed. Several of the nearly completed units on Site C2 were vandalized during the protests and the Contractor could not obtain access to the site for almost two months to repair the damages. During this period strikes also occurred regarding wage disputes which also contributed to the Contractor also not being able to start repairing the damages and completing the project. The Contractor returned to the sites during June 2018 and once again protests occurred during mid-July 2018 preventing access to the sites. The Contractor regained access to site at the end of July 2018 and completed the units. Hand overs to beneficiaries were done for the 132 units on Site C2 during September/October 2018 and the 39 units on Admin Site during November 2018.



Site C2, Swartdam Road

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Admin site

Planning for the upgrading of the informal settlements in Masakhane and Beverley Hills in Gansbaai also commenced in the 2012/13 financial year after conditional approval was received from DoHS. Environmental Authorization for Masakhane was received from the Department of Environmental Affairs and Planning during September 2017. Land Use Planning approval for the project was received at the end of March 2018. Funding applications for the installation of civil services were subsequently prepared and submitted to DoHS at the end of May 2018. Approval for the installation of civil infrastructure on 296 sites in terms of the IRDP programme was received for Masakhane during November 2018. The Contractor was introduced to the community during February 2019 and established on site during March 2019. Application for additional funding for geotechnical issues was submitted to DoHS during January 2019 and the approval was received during April 2019. Completion of the project is planned for November 2019. Approval for the UISP portion of the project, which will consist of approximately 1179 serviced sites, is still awaited from DoHS.



Masakhane IRDP project, Civil Works

Funding approval for the Beverley Hills UISP project which consists of the installation of civil services on 100 sites, were received from DoHS during November 2017. The Civil Contractor established on the Beverley Hills UISP project during January 2018 after all contracts between the Municipality and DoHS were finalised. Practical completion was planned for the end of June 2018 but due to the project being done in-situ (families are still residing on the site) there were several challenges which had to be dealt with and progress was slower than planned. The liquidation of the Civil Contractor during May 2018 also presented a further hurdle and the project was put on hold. A new Contractor was appointed and

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

construction recommenced during December 2018. The project is 90% completed and only the roads must still be completed. Completion is planned for end of August 2019.



Beverly Hills UISP project

Thirdly, the development of communities through the Integrated Residential Development Program (IRDP and GAP program) has been addressed in the 8-year program in order to reduce the housing waiting list as far as possible. During the 2011/12 financial year two projects were delivered, namely 410 units in Kleinmond and 13 in Betty's Bay. During the 2012/13 financial year pre-planning approvals were received for the following projects: Hawston, Blompark and Mt Pleasant. The Mt Pleasant planning went particularly well and all planning approvals were obtained during the 2013/14 financial year. Development of 194 serviced sites commenced during the 2014/15 financial year and all these erven were completed by the end of the 2014/2015 financial year. Funding approval for the construction of 172 BNG units was received in the beginning of the 2015/2016 financial year and the units were completed at the end of March 2016. The official hand-over ceremony took place during May 2016. Furthermore funding was approved for the delivery of 329 erven of the Swartdamweg project, which was 90% completed by the end of the 2014/15 financial year. The remaining sites were completed during 2015/2016 and construction of 48 BNG units on Site A was also completed at the end of March 2016. Handing over of these houses also took place during May 2016. Construction of the remaining 131 BNG units on Site B commenced during May 2016 and the units were completed at the end of November 2016 and have been handed over to the approved beneficiaries. The remaining 150 erven were destined to become available in the affordable housing market. During the 2018 unrests experienced in the Zwelihle area, the affordability of the proposed 150 GAP units were questioned and the community decided that they are not able to afford it. Council then resolved during November 2018 that the affordable housing project be cancelled and that application be made to DoHS for the construction of BNG units on the 150 sites. The application has been submitted and approval is awaited from DoHS. Commencement of the project is planned for the 2019/2020 financial year.

All in all, the 8-year program will affect the lives of the 6 000 odd families in need of basic services and housing in the municipal area in order to give them a much better quality of life.

The Municipality finalised the acquisition of 28 ha of land in Stanford in the 2012/13 financial year in order to house people on the waiting list. Planning of this land commenced during the 2013/14 financial

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year and has been completed. The Environmental Authorization for Stanford was received from the Department of Environmental Affairs and Planning at the end of June 2017 and planning approval from Council was received at the end of March 2018. Funding applications for the installation of civil services were subsequently prepared and submitted to DoHS at the end of May 2018. Approval was received at the end of April 2019 and the Contractor established on site during June 2019 after finalisation of the contracts. Completion of the project is planned for September 2020 but this is subject to the availability of funding from DoHS.



Stanford IRDP Site Camp

Planning for both the Blompark and Hawston IRDP projects were completed and Council approval for the Land Use Planning applications were received during August 2016. Installation of infrastructure on the Hawston IRDP project commenced during May 2016 and completion was planned for the end of June 2018. The project consists of the development of 489 sites of which 378 is earmarked for low-income housing, 107 sites for the affordable market and the remaining 4 sites for either business or community facilities. Due to the protests which occurred during April and May in Hawston and the liquidation of the civil Contractor appointed for the project during May 2018, the project was not completed at the end of June 2018. The Implementing Agent subsequently appointed a new Contractor who started during the middle of June 2018. The installation of the civil services was completed at the end of June 2019. An application for the construction of the 378 low-income housing units was submitted to DoHS during November 2017 and funding approval was received during June 2018. The total subsidy received was not sufficient to cover the geotechnical conditions on site and an application for additional funding was subsequently submitted to DoHS. Approval for the additional funding was received during February 2019 and the Contractor established on site for the top structures shortly thereafter. The project will be completed and handed over in phases and final completion is planned for December 2020.



Hawston Top Structures in progress

Funding approval for Blompark was received from DoHS during September 2017 and the Contractor established on site during November 2017 for the construction of civil services. Completion of the project was planned for the end of November 2018, however this date will be amended as soon as the

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Implementing Agent has appointed a new civil Contractor. The appointed Contractor was liquidated during May 2018 and the project was put on hold. A new Contractor was appointed and construction recommenced during October 2018. The project is approximately 95% completed and only the roads must still be completed. Completion is planned for end of July 2019. An application for top structure funding will be submitted to DoHS during August 2019.



Blompark IRDP site, civil works completed

A Pre-planning funding application for a number of sites in Mount Pleasant and Westdene were submitted to DoHS during June 2018. Approval to commence with the pre-planning was received at the end of November 2018. Consultants were appointed and the planning of the different sites are currently in progress. It is envisaged that the sites will be made available as serviced sites to qualifying beneficiaries in the FLIPS and GAP market. The application for the proposed acquisition of Portion 6 of Farm 575, Afdakrivier in Hawston was put on hold as DoHS are currently looking into other options for the extension of the Hermanus area.

The Schulphoek application submitted for pre-planning funding during June 2018 was revised and an application for funding to purchase the property was submitted on request of DoHS, following the discussions and agreements reached between the owners, DoHS and Municipality. The development of Schulphoek will commence as soon as the purchase has been finalised, town planning processes have been dealt with, the beneficiary community has been identified and agreement with them has been reached in terms of the level of services and type of housing to be provided. Currently the intension is that the Department of Human Settlements will take full responsibility for the development of Schulphoek.

The Hermanus Affordable Housing Project was approved by Council at the end of October 2017. The project would consist of the development of 150 affordable housing units on Site C1 in Swartdam road, 22 units in lower Mount Pleasant and 17 units in Upper Mount Pleasant. Funding to kick start the project was received from DoHS during February 2018. The development of the first 29 units on Site C1 in Swartdam road and 1 unit in lower Mount Pleasant was planned for April 2018. Due to the protests that erupted in Zwelihle, the project was put on hold as access could not be obtained to the sites. During discussions with the communities of Mount Pleasant and Zwelihle, it was established that the units were still not affordable to them and that they would prefer the option of receiving / purchasing serviced sites and constructing their own homes. A report served before Council at the end of November 2018 regarding the cancellation of the affordable housing project. Council resolved that a BNG funding

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application for the 150 sites on Site C1, Zwelihle be submitted to DoHS, and that the rest of the sites be made available to qualifying beneficiaries as serviced sites. Following the resolution from Council, the R10 million rand was refunded to DoHS. The available 107 GAP sites in Hawston would also be made available to qualifying beneficiaries as serviced sites. The process of allocation is the responsibility of the Community Services Directorate and specifically the Housing Administration Department. The application has been submitted and approval is awaited from DoHS. Commencement of the project is planned for the 2019/2020 financial year.

### B) HIGHLIGHTS: HOUSING

Highlights	Description
Site C2 Top Structures, Zwelihle UISP	132 Breaking New Ground (BNG) houses completed and handed over during September / October 2018.
Admin Site Top Structures, Zwelihle UISP	39 BNG houses completed and handed over during November 2018.
Hawston IRDP Project	Civil services were completed at the end of June 2019 and top structure contractor established on site during February 2019.
Masakhane IRDP Project, Gansbaai	Funding approval for installation of civil services were received at the end of November 2018 and Contractor established on site during March 2019.
Stanford IRDP Project	Funding approval for installation of civil services were received at the end of April 2019 and Contractor established on site during June 2019.

Table 114: Housing Highlights

### C) CHALLENGES: HOUSING

Description	Progress in 2018/19 to address challenge
Housing waiting list : 11 232 (30 June 2019)	Progressive addressing of the housing needs of potential beneficiaries through a number of programs, i.e. IRDP (Integrated Residential Development Programme), UISP (Upgrading of informal settlements Programme), Institutional Subsidy Programme and GAP housing

Table 115: Housing Challenges

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of households with access to basic housing
2011/12	31 339	27 918	89%
2012/13	31 736	28 330	89%
2013/14	31 829	28 499	100%

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Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of households with access to basic housing
2014/15	32 251	28 472	100%
2015/16	32 294	29 161	100%
2016/17	33 240	30 173	100%
2017/18	33 692	30 613	100%
2018/19	34 782	31 162	100%

**Table 116: Percentage of households with access to basic housing**

The following table shows the increase in the number of people on the housing waiting list.

Financial year	Number of applicants on waiting list	% Housing waiting list increase/decrease
2011/12	6 152	3.50% Increase
2012/13	6 402	4.06% increase
2013/14	6 719	4.79% increase
2014/15	6 807	1.30% increase
2015/16	7 038	1.39% increase
2016/17	7 612	8.16% increase
2017/18	7814	2.65% increase
2018/19	11 232	43.74% increase

**Table 117: Housing waiting list**

Capital Expenditure 2018/19: Housing					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>TOTAL ALL</b>	<b>33 967 297.00</b>	<b>34 108 213.00</b>	<b>34 108 211.44</b>		
Masakhane IRDP	R8 449 062.00	R8 449 062.00	R8 449 062.00	0.00	R19 562 362.00
Beverly Hills UISP	R2 223 305.00	R2 519 695.00	R2 519 695.00	0.00	R5 102 209.00
Blompark IRDP	R16 313 461.00	R13 496 040.00	R13 496 040.00	0.00	R29 161 120.00
Hawston IRDP		R2 235 516.00	R2 235 514.44	1.56	R29 592 302.00
Mandela Square, Zwelihle UISP	R1 463 950.00	R1 463 950.00	R1 463 950.00	0.00	R33 126 656.00
Stanford IRDP	R5 517 519.00	R5 517 519.00	R5 517 519.00	0.00	R43 238 826.00

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<b>Capital Expenditure 2018/19: Housing</b>					
<b>R'</b>					
<b>Capital Projects</b>	<b>2018/19</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
Mount Pleasant IRDP Infill		R426 431.00	R426 431.00	0.00	R426 431.00
<i>Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)</i>					

**Table 118: Capital Expenditure 2018/19- Housing**

100% of the capital budget for Housing for 2018/19 was spent.

### 3.3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

#### A) INTRODUCTION

The free basic services were funded from the "equitable share" grant received from National Treasury plus an amount from the municipality's own income as budgeted for in the financial year under review.

The criteria for an Indigent Household is as follows:

- ➔ Indigent households with a property value greater than R220 000 and electricity consumption less than 400kWh
- ➔ Indigent households with a property value less than R220 000 and electricity consumption less than 400 kWh (no income restriction)
- ➔ Indigent households with a property value less than R220 000 and electricity less than 500kWh (no income restriction)
- ➔ Indigent households with a property value greater than R220 000 and electricity less than 500 kWh (income not exceeding the sum of four times the amount of the state funded social pension.

Pre-paid electricity and water flow limited meters were installed in all indigent households at no cost to the consumer.

The table below provides an overview of the number of Indigents per area as at 30.6.2019

<b>NUMBER OF APPROVED INDIGENTS PER AREA – 30.6.2019</b>		
<b>Area</b>	<b>No</b>	<b>%</b>
BAARDSKEERDESBOS	4	0.05%

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<b>NUMBER OF APPROVED INDIGENTS PER AREA – 30.6.2019</b>		
<b>Area</b>	<b>No</b>	<b>%</b>
BUFFELSJAG	29	0.38%
BLOMPARK	525	6.88%
DE KELDERS	27	0.35%
FRANSKRAAL	24	0.31%
GANSBAAI	120	1.57%
KLEINBAAI	12	0.16%
MASAKHANE - GANSBAAI	316	4.14%
PEARLY BEACH	275	3.60%
BREDASDORP REG DISTR GBAY	2	0.03%
CALEDON REG DISTR GBAY	27	0.35%
<b>SUB-TOTAL GANSBAAI</b>	<b><u>1361</u></b>	17.84%
<b>NUMBER OF APPROVED INDIGENTS PER AREA – 30.6.2019</b>		
<b>Area</b>	<b>No</b>	<b>%</b>
EASTCLIFF	0	0.00%
FISHERHAVEN	14	0.18%
GRP DEV (B/CLUB, W/ROCK, SHOEK	1	0.01%
HAWSTON	1115	14.61%
MOUNT PLEASANT	941	12.33%
MEERENBOSCH	0	0.00%
NORTHCLIFF	4	0.05%
ONRUS	9	0.12%
SANDBAAI	38	0.50%
VOELKLIP	0	0.00%
VERMONT	5	0.07%
WESTCLIFF	141	1.85%
ZWELIHLE	2416	31.66%
<b>SUB-TOTAL HERMANUS</b>	<b><u>4684</u></b>	61.39%
BETTYSBAAI	59	0.77%
KLEINMOND	452	5.92%
OVERHILLS	176	2.31%
PROTEADORP	150	1.97%
PRINGLEBAAI	20	0.26%
ROOIELS	2	0.03%
UITBREIDING 6	80	1.05%
<b>SUB-TOTAL KLEINMOND</b>	<b><u>939</u></b>	12.31%
STANFORD NORTH	642	8.41%
STANFORD SOUTH	4	0.05%

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NUMBER OF APPROVED INDIGENTS PER AREA – 30.6.2019		
Area	No	%
<b>SUB-TOTAL STANFORD</b>	<b>646</b>	8.47%
<b>TOTAL INDIGENT HOUSEHOLDS FOR 2018/19</b>	<b>7 630</b>	100%

Table 119: Indigents per area - 30.6.2019

The Indigent basket indication for 2015/16, 2016/17, 2017/18 and 2018/19:

Financial Year	Equitable Share	Municipal's own Income	Total value of basket
2018/19	766.44	83.16	849.60
2017/18	704.26	77.14	781.40
2016/17	666.80	74.47	741.27
2015/16	605.55	71.45	676.99

Table 120: indigent basket indication

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households who earned less than **R6 761.00** per month in 2018/19 receive the free basic services as prescribed by Overstrand Municipal Indigent Policy. (The qualifying amount is annually calculated on 4 time's social pension plus R1).

The table below indicates that **21.92 %** of the total number of households received free basic services in 2017/18 financial year whilst it increased to **22.20%** in the 2018/19 financial year:

Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2011/12	31 373	5 852	18.65	5 852	18.65	5 852	18.65	5 852	18.65
2012/13	31 739	6 423	20.24	6 423	20.24	6 423	20.24	6 423	20.24
2013/14	31 829	6 543	20.56	6 543	20.56	6 543	20.56	6 543	20.56
2014/15	32 251	6 923	21.46	6 923	21.46	6 923	21.46	6 923	21.46
2015/16	32 294	7 512	23.26	7 512	23.26	7 512	23.26	7 512	23.26
2016/17	33 240	7 418	22.32	7 418	22.32	7 418	22.32	7 418	22.32

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Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2017/18	33 692	7 385	21.92	7 385	21.92	7 385	21.92	7 385	21.92
2018/19	34 782	7 630	22.29	7 630	22.29	7 630	22.29	7 630	22.29

Table 121: Free basic services to indigent households

Financial year	Electricity								
	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000
2011/12	5 852	50	2 882	25 521	0	0	0	0	0
2012/13	6 423	50	3 495	25 316	0	0	94	50	n/a
2013/14	6 543	50	3 667	25 286	0	0	95	50	n/a
2014/15	6 923	50	4 197	25 328	0	0	116	50	n/a
2015/16	7 512	50	5 110	24 782	0	0	123	50	n/a
2016/17	7 418	50	5 097	25 822	0	0	121	50	48
2017/18	7 385	50	5 066	26 307	0	0	119	50	n/a
2018/19	7 630	50	5 587	26 630	0	0	115	50	n/a

Table 122: Free basic Electricity to indigent households

Financial year	Water					
	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kl)	Value R'000	No. of HH	Unit per HH (kl)	Value R'000
2011/12	5 852	6	3 371	19 458	6	9 924
2012/13	6 423	6	3 931	18 983	6	11 618
2013/14	6 543	6	1 649	19 373	0	0
2014/15	6 923	6	1 849	20 880	0	0
2015/16	7 512	6	2 232	20 598	0	0
2016/17	7 418	6	2 457	21 911	0	0
2017/18	7 385	6	2 728	21 789	0	0
2018/19	7 630	6	3 170	22 188	0	0

Table 123: Free basic Water services to indigent households

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Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2011/12	5852	700	4 094	25 521	0	0
2012/13	6 423	744	4 779	25 316	0	0
2013/14	6 543	792	5 182	25 286	0	0
2014/15	6 923	840	5 815	25 328	0	0
2015/16	7 512	890	6 686	24 782	0	0
2016/17	7 418	942.72	6 993	25 822	0	0
2017/18	7 385	1 000.44	7 388	26 307	0	0
2018/19	7 630	1 070.04	8 164	26 630	0	0

Table 124: Free basic Sanitation to indigent households

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Service per HH per week	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2011/12	5 852	1	6 671	25 521	0	0
2012/13	6 423	1	9 934	25 316	0	0
2013/14	6 543	1	10 992	25 286	0	0
2014/15	6 923	1	11 631	25 328	0	0
2015/16	7 512	1	14 180	24 782	0	0
2016/17	7 418	1	14 842	25 822	0	0
2017/18	7 385	1	15 663	26 307	0	0
2018/19	7 630	1	17 305	26 630	0	0

Table 125: Free basic Refuse Removal services to indigent households per type of service

Financial Performance 2018/19							
Cost to Municipality of Free Basic Services Delivered							
Services Delivered	2015/16	2016/17	2017/18	2018/19			
	Actual	Actual	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	8302	9357	10784	13031	12496	10993	-13,67%
Waste Water (Sanitation)	12077	12279	14151	16386	15713	10417	-50,84%
Electricity	18593	20743	23680	26864	26492	24979	-6,06%
Waste Management (Solid Waste)	9928	11908	13724	15578	14932	14546	-2,65%

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Financial Performance 2018/19							
Cost to Municipality of Free Basic Services Delivered							
Services Delivered	2015/16	2016/17	2017/18	2018/19			
	Actual	Actual	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
	<b>Total</b>	<b>48 900</b>	<b>54 287</b>	<b>62 339</b>	<b>71 859</b>	<b>69 633</b>	<b>60 935</b>

Table 126: Financial Performance 2018/19: Cost to Municipality of Free Basic Services Delivered

### 3.4 COMPONENT B: ROAD TRANSPORT

#### 3.4.1 ROADS

##### A) INTRODUCTION TO ROADS

#### **Hawston Housing Project Bus Route**

The municipality is currently busy with the implementation of an integrated housing development in Hawston. The development's main access is off the R43 at the existing R43 & George Viljoen Street intersection. Gibb Consulting Engineers were appointed to undertake a Traffic Impact Assessment to determine the transport impact of the Hawston housing development and the possible road upgrading requirements to accommodate the housing development. The results from the TIA show that the

Access and Main Collector Roads are required to augment the existing public transport facilities, to provide public transport service closer to the housing development and to improve the mobility along the R43. The project entails the construction of 275m long Access Road and 847m long Main collector roads. Due to the liquidation of the civil contractor & the protest actions in Hawston, the project was not completed at the end of June 2018. A new contractor was appointed and the works was completed 30 June 2019.



Hawston Housing project bus route



### Rehabilitation of Roads in Stanford (Phase 1)

The existing asphalt roads in Stanford low cost housing area are generally in poor condition due to insufficient and / or silted up drainage structures. The roads were not built according to the minimum width and standards and some of the roads are only 3.5m wide. The roads have deteriorated over the years and have exceeded its life span. The roads are due for an upgrade, which will be implemented in phases. Phase 1 entailed the widening/rehabilitation and installation of kerbs in Dreyer, Mundi & Melkhout streets.



### Rehabilitation of Roads in Blompark (Phase 1)

The roads in Blompark were built without kerbs and channels which caused severe degradation of the existing asphalt surfacing and edge breaks occurred due to the lack of kerbing. The verges between property boundaries and the roads' edges are un-surfaced and not formalised. The existing grid inlets & catch pits have insufficient capacity, which causes storm water to accumulate in certain areas. Regular blockages occur due to inlet structures that were not constructed properly. The rehabilitation of the roads & storm water infrastructure will be implemented in phases. Phase 1 entailed the rehabilitation of Roos, Madeliefie, Magnolia streets and the installation of storm water infrastructure in Roos- and Magnolia street.



Before



After

### Provincial Sustainable Transport Programme (PSTP)

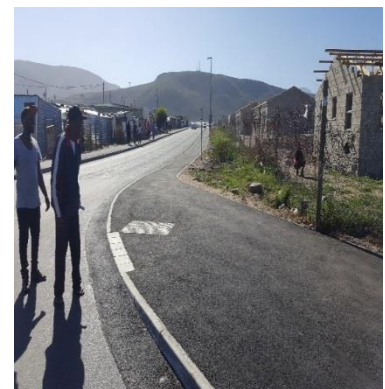
The Provincial Sustainable Transport Programme has been initiated by the Department of Transport and Public Works. Overstrand Municipality was selected by the Department as a priority partner for the implementation of the programme; to mutually plan and implement sustainable transport systems. The objective of the PSTP is to improve local transport systems through a wide range of sustainable transport interventions. It particularly focuses on public and non-motorised transport (NMT) and improved access for marginalised and low-income communities. The Department completed a status quo assessment and needs analysis and the Construction of Sidewalks at Hawston Housing project Bulk Roads and Construction of Sidewalks in Hermanus Industrial area were identified as priority projects for the extension of non-motorised transport facilities in Overstrand.

#### ▪ Sidewalks Hawston Housing Project Bulk Roads

The project entails the construction of 2m wide sidewalks at the new housing development in Hawston to provide sufficient capacity for pedestrian traffic and safety and to improve the pedestrian's access to public transport network. Construction started on 2 May 2018 and the estimated completion date was 30 June 2018. Protest actions/unrests in Hawston and inclement weather conditions delayed the construction works and the project was completed at the end of June 2019.



- **Construction of Sidewalks Hermanus Industrial Area-** Non motorised transport makes up 40% of mode share in Overstrand. 1400 pedestrians were counted during peak hour along the main pedestrian route in the Hermanus Industrial area and the majority of routes lack non-motorised transport infrastructure. To provide a safe, connected and convenient walking network for pedestrian's new dedicated sidewalks were constructed along a portion of Swartdam Road & Mussel, Steenbras, Industria and Prellewitz roads. Construction of the sidewalks started 3 April 2018 and was completed at the end of June 2018.



### MAINTENANCE

The implementation of the Overstrand's pavement management programme continued. Scheduled repair of potholes in all areas, as well as attending to ad-hoc complaints are conducted by municipal teams with the assistance of a private contractor. The re-assessment of the condition of all surfaced roads was completed and an updated Pavement Management System (PMS) report was presented to

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the Executive Management Team. The average surface condition of all surfaced roads was rated as good, while the average structural condition of all surfaced roads was rated as very good.

Maintenance is done on an on-going basis for the maintenance and rehabilitation of existing roads in the Overstrand area.

The resealing of roads in terms of Overstrand's Pavement Management programme continued through the reporting period. The Pavement Management System is updated on a yearly basis following a visual inspection of all our roads, in order to determine the condition of our roads.

During the reporting period for 2018/19 financial year (112 982m<sup>2</sup>) of service roads were resealed in terms of the Overstrand Pavement Management System.

### B) HIGHLIGHTS: ROADS

Highlights	Description
Hawston Housing Project Bus Route	Completed
Provincial Sustainable Transport Programme (Construction of sidewalks at Hawston Housing Project Bus Route & Hermanus Industrial Area)	Completed
Rehabilitation of roads in Stanford Phase 1	Completed
Rehabilitation of Roads & Storm water in Blompark Phase 1	Completed

Table 127: Roads Highlights

### C) CHALLENGES: ROADS

Description	Progress made in 2018/19 to address challenge
Reseal Programme	In line with our Pavement Management System

Table 128: Roads Challenges

Gravel Road Infrastructure: Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2011/12	159	0	1	158
2012/13	158	0	0	158
2013/14	154	0	3	151

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Gravel Road Infrastructure: Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2014/15	151	0	0	151
2015/16	151	0	0	151
2016/17	155	7	3	155
2017/18	150	0	5	150
2018/19	143	0	7	143

Table 129: Gravel road infrastructure

Tarred Road Infrastructure: Kilometres				
Year	Total tarred roads	New tar roads	Existing tar roads resealed	Tar roads maintained
2011/12	293	1	20	294
2012/13	477	0	33,4	477
2013/14	481	3	16,7	481
2014/15	481	0	21,1	481
2015/16	494	13	24	494
2016/17	500	6	17.2	500
2017/18	505	0.237	13	505
2018/19	512	2.6	1.582 rehabilitation	512

Table 130: Tarred road infrastructure

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Financial year	New & Replacements	Resealed	Maintained
	R		
2010/11	2 460 000	21 504 897	4 8136 467
2011/12	3 218 000	20 300 000	4 7758 252
2012/13	13 072 296	20 300 000	54 231 605
2013/14	6 085 270	18 941 618	59 296 662
2014/15	6 300 254	21 309 080	60 326766
2015/16	11 675 527	21 487 239	49 595 906
2016/17	8 854 411	21 703 224	54 703 224
2017/18	8 475 359	20 753 354	55 503 619
2018/19	5 989 342	23 265 973	64 011 882

Table 131: Cost of construction/maintenance of roads

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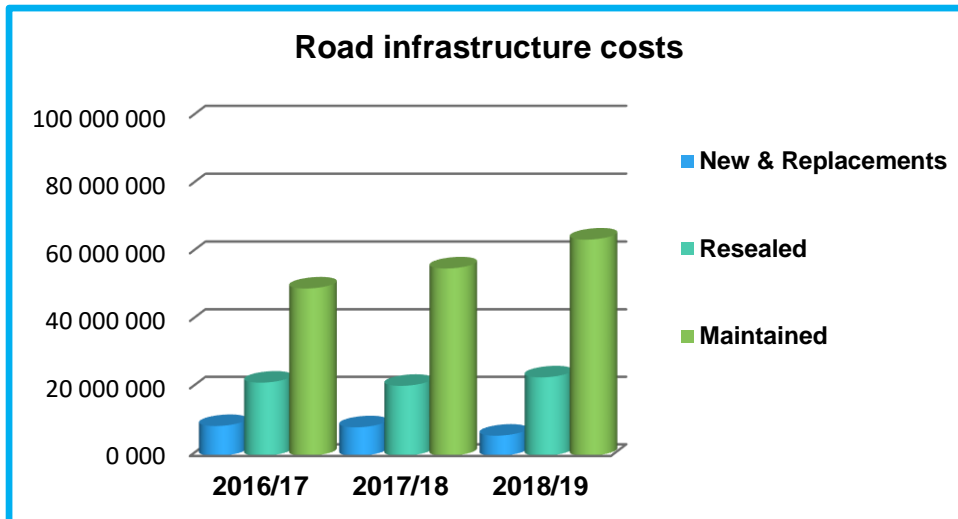


Figure 25: Road infrastructure costs

### D) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL2	The provision and maintenance of municipal services	m <sup>2</sup> of roads patched and resealed according to Pavement Management System within available budget	m <sup>2</sup> of roads patched and resealed	All	112 932	100,000	112,982	Target well met

Table 132: Service delivery indicators: Roads

Employees: Roads							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	45	68	47	50	50	0	0
4 - 6	15	25	24	26	24	2	7.7%
7 - 9	9	15	13	17	14	3	17.65%
10 - 12	5	5	4	5	5	0	0

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Employees: Roads							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
13 - 15	2	2	1	1	1	0	0
16 - 18	1	1	1	1	1	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>77</b>	<b>116</b>	<b>90</b>	<b>100</b>	<b>95</b>	<b>5</b>	<b>5%</b>

Table 133: Employees: Roads

Capital Expenditure 2018/19: Roads					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Rehabilitate Roads Stanford (Phase1)	2 000 000.00	2 000 000.00	2000 000.00	-	2 000 000.00
Rehabilitate Roads Blompark (Phase 1)	2 000 000.00	2 000 000.00	2 000 000.00	-	2 000 000.00
Hawston Housing Project Bus Route	1 374 647.00	1 374 647.00	1 374 647.00	-	6 240 000.00
Hawston Housing Projects Sidewalks (MIG)	1 336 000.00	224 700.00	224 700.00	-83.18%	1 724 700.00
Hawston Housing Projects Sidewalks (NMT)	389 995	389 995	389 995	-	1 724 700.00
<b>TOTAL ALL</b>	<b>7 100 642</b>	<b>5 989 342</b>	<b>5 989 342</b>	<b>-18.55%</b>	<b>11 964 700</b>

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

Table 134: Capital Expenditure 2018/19: Roads

### 3.4.2 WASTE WATER (STORM WATER DRAINAGE)

#### A) INTRODUCTION TO STORM WATER DRAINAGE

### **Construction of Storm water Infrastructure for Masakhane**

During the rainfall season, severe flooding is experienced in the Masakhane settlement with the consequence of houses being evacuated. The flooding is caused by the trapped storm water at the low points situated within the area without sufficient pipework or escape routes for major storm events.

The existing storm water infrastructure is fairly limited and consists of grid inlets and concrete channels. Most of the existing services are located in the streets due to fairly narrow road reserves. Due to the topography and layout of Masakhane, various low laying points are unable to drain overland. The need to upgrade storm water infrastructure became more apparent for the effective service delivery within the Gansbaai area, particularly in Masakhane. Element Consulting Engineers (Pty) Ltd was appointed by Overstrand Municipality to prepare a storm water master plan for the Masakhane residential area and MIG funding was approved for the implementation of the master plan items. The project will be carried out in phases with phase 1 that was implemented in the 2016/2017 financial year and phase 2 in the 2017/2018 financial year.

#### **Phase 1 – Construction of Storm water Infrastructure for Masakhane comprised of:**

- Extension of the existing detention facility in order to increase runoff capacity;
- Installation 375mm dia, 400mm dia, 450mm dia and 600mm dia storm water pipes, conveying the run off into the detention facility;
- Construction of inlet/outlets structures and reinstatement of existing services (e.g. road surfaces).

#### **Phase 2 comprised of:**

- Installation of stormwater channels and pipes;
- Reinstatement of existing road surfaces

The proposed network upgrades are to ensure that there is sufficient capacity to accommodate storm water runoff and prevent flooding of the area. Phase 2 was completed 26 October 2018.

### **Hawston Housing Project Bulk Storm water**

Gibb consulting Engineers were appointed to compile a local storm water management plan for the new housing development in Hawston. The storm water run-off is expected to increase over the development due to the increase in the hardened surface areas.

The local storm water management plan focused on:

- investigating the bulk storm water and serviceability of the existing storm water system bounding the development;
- to determine the impact of the new housing development on the existing storm water infrastructure;
- the possible storm water upgrading requirements to accommodate the housing development.

The project entails the following:

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- Construction trapezoidal channels to divert upstream storm water run-off;
- Bulk Stormwater drainage system to serve the development;
- Construction of a detention pond to reduce the post development storm water peak flows to the pre-development peak flows for the 1 in 50 year return period.

Construction started 15 September 2017 and the expected completion date was 31 March 2018. Due to the liquidation of the civil contractor & the protest actions in Hawston, the project was not completed as anticipated. A new contractor was appointed and the works was completed 30 June 2019.



Hawston Housing project Bulk Storm water project completed

### Upgrade Bulk Stormwater Blompark & Beverly Hills Housing

A Local Stormwater Management Plan was compiled to determine the storm water impacts and the storm water upgrade requirements for the Blompark & Beverley low cost housing development.

There is no formalized storm water drainage system exist to serve the proposed development. The need to install the bulk storm water infrastructure for this low cost housing project became more apparent after scrutinising the Local Stormwater Management Plan. All the storm water drains towards a naturally occurring trapped low point located towards the south of the proposed developments. The bulk storm water upgrades are required to ensure that the Post development peak flows are reduced to accommodate the 1:50 major storm events.



Upgrade of the bulk storm water for Blompark and Beverly Hills housing project, Phase 1 completed

## B) HIGHLIGHTS: WASTE WATER (STORM WATER DRAINAGE)

Highlights	Description
Upgrade Storm water Drainage Masakhane	Phase 1 & 2 completed
Hawston Housing Project Bulk Storm water	Completed

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Highlights	Description
Blompark Housing Project Bulk Storm water	Phase 1 Completed

Table 135: Waste Water (Storm water drainage) highlights

### C) CHALLENGES: WASTE WATER (STORM WATER DRAINAGE)

Description	Progress in 2018/19 to address challenge
Implementation of Master plans	Implementation of Masakhane Storm water Master plan, Hawston Local Storm water Management Plan & Blompark Local Storm water Management Plan.
Damage and flooding of infrastructure & properties	Master plans compiled for Gansbaai CBD and Overhills, Kleinmond. Funding was requested for areas which were severely flooded during winter. The tender for the upgrading of storm water infrastructure in Hermanus CBD & Industrial Area was advertised 18/01/2019.

Table 136: Waste Water (Storm water drainage) Challenges

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

Storm water Infrastructure: Kilometres				
Year	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2011/12	557	0	2	557
2012/13	557	1,3		558
2013/14	558	0.861	0	559
2014/15	559	0	0	559
2015/16	559	3	0	562
2016/17	562	2.2	0	564
2017/18	564	3.1	0	567
2018/19	4.224km	4.224km	0	567

Table 137: Storm water infrastructure

The table below indicates the amount of money spend on storm water projects:

Financial year	Storm water Measures	
	Capital	Maintained
	R'	
2011/12	2 818 000	4 710 774
2012/13	5 043 556	5 063 425

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Financial year	Storm water Measures	
	Capital	Maintained
	R'	
2013/14	1 119 586	3 756 320
2014/15	1 200 000	5 397 647
2015/16	2 776 500	5 151 254
2016/17	2 100 000	5 588 721
2017/18	10 676 647	5 806 712
2018/19	6 328 804	5 789 458

Table 138: Cost of construction/maintenance of storm water systems

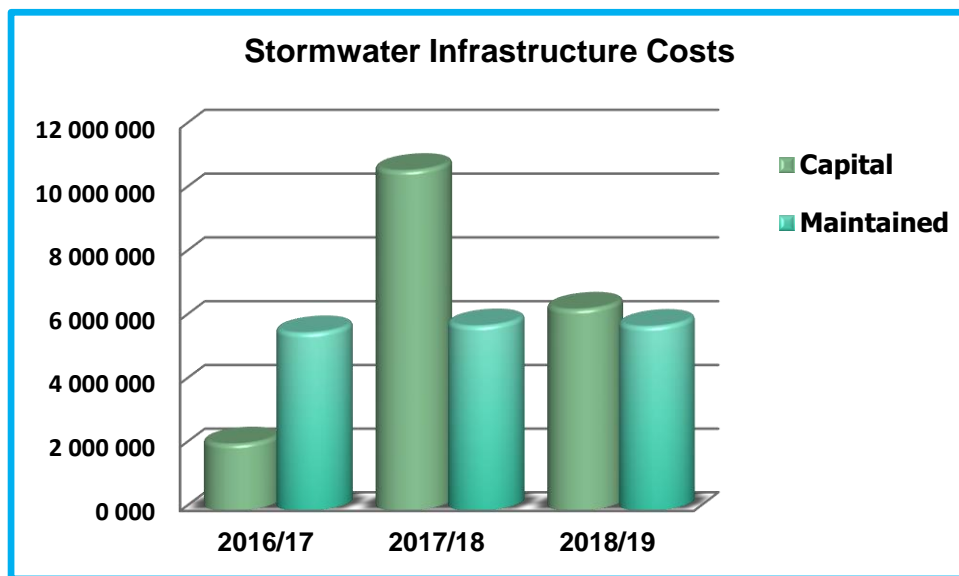


Figure 26: Storm water infrastructure costs

Employees: Storm Water (Storm water drainage)							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	38	29	28	28	28	0	0
4 - 6	14	6	6	6	5	1	16.7%
7 - 9	6	1	1	2	2	0	0
10 - 12	4	2	2	2	2	0	0
13 - 15	0	1	1	1	1	0	0
16 - 18	1	1	1	1	1	0	0
19 - 20	0	0	0	0	0	0	0

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Employees: Storm Water (Storm water drainage)							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
<b>Total</b>	<b>63</b>	<b>40</b>	<b>39</b>	<b>40</b>	<b>39</b>	<b>1</b>	<b>2.5%</b>

Table 139: Employees: Waste Water (Storm water drainage)

Capital Expenditure 2018/19: Waste Water (Storm water drainage)					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Stormwater - Phase 1-Industrial area, Hermanus	3 800 000	1 200 000	342 816		10 314 369.00
Stormwater - Main Rd & High street, Hermanus	4 000 000	2 100 000	342 336		
Hawston housing project: new storm water infrastructure	2 413 353	2 413 353	2 413 353	-	10 190 000.00
Masakhane upgrade storm water drainage (retention)	152 044	152 044	152 044	-	3 052 043.50
Blompark housing project bulk storm water (Phase 1)	2 952 256	3 078 256	3 078 256		3 078 256.00
<b>Total All</b>	<b>13 317 653</b>	<b>8 943 653</b>	<b>6 328 805</b>		<b>26 634 668.50</b>

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

Table 140: Capital Expenditure 2018/19: Waste water (Storm water drainage)

70.76% of the capital budget for Storm Water for 2018/19 was spent. Hermanus Main Road & High Street and Industrial Area storm water funding were rolled over to the 2019/20 financial year.

### 3.5 COMPONENT C: PLANNING AND LOCAL ECONOMIC DEVELOPMENT

#### 3.5.1 PLANNING

##### A) INTRODUCTION TO PLANNING

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The municipality's key planning deliverables in the 2018/19 financial year were to compile the following policies and strategies:

- Heritage and Environmental Overlay Zone Zoning Scheme - To be finalised 2019/20
- CBD Revitalization Study Phase 2 - To be Implemented - In process of implementation
- Overstrand Municipal Planning By Law - Amendment - To be finalized 2019/20
- Actual Zoning Scheme – Amendment -To be finalized 2019/20
- Spatial Development Framework (SDF) Review to be finalized 2019/20.

### B) HIGHLIGHTS: PLANNING

Highlights	Description
Heritage and Environmental Overlay	In process subject to public participation
Hermanus Central Business District (CBD) Revitalization Plan	On Going
Overstrand Municipal Planning By-Law	In process subject to public participation
Zoning Scheme	In process ,subject to public participation
Investigation of land in Kleinmond	Still in process

**Table 141: Planning Highlights**

### C) CHALLENGES: PLANNING

Description	Progress in 2018/19 to address challenge
Enough capacity to execute the Planning Legislation	Post has been created, ready for advertisement
Personnel	Will be motivated for new budget year

**Table 142: Planning Challenges**

Applications for Land Use Development				
Detail	2015/16	2016/17	2017/18	2018/19
Applications withdrawn	16	14	3	7
Applications closed	27	14	17	16
Applications finalized	330	336	273	258
Applications outstanding at year end	295	245	236	294
Awaiting DEA&DP decision	9	1	0	0

**Table 143: Applications for Land Use Development**

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<b>Additional Performance Town Planning and Building Control</b>				
<b>Type of service</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
<b>Building plans application processed</b>	2100	2186	2320	1967
<b>Approximate value</b>	R 1 572 261 468	R 1 990 320 775	R1 824 276 846	R1 427 860 926
<b>New residential dwellings</b>	448 + (RDP 270)	549 + (RDP 185)	656 + (RDP 111)	518
<b>Residential extensions</b>	1049	1074	1276	1143
<b>New Business buildings</b>	11 (1 School)	18 (2 Schools, 1 Sport Centre & 1 Church)	10 (7 Industrial, 1 School & 2 Shops/offices)	8 (2 Industrial, 2 boathouses, 1 sport centre, 1 Restaurant, 2 shops/offices)
<b>Rural applications</b>	1	5	37 approved & 6 not approved	3

**Table 144: Additional Performance Town Planning and Building Control**

<b>Employees: Planning</b>							
<b>Job Level</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>			
	<b>Employees</b>	<b>Employees</b>	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	1	0	0	0	0	0	0
4 - 6	3	3	4	4	3	1	25%
7 - 9	4	4	3	3	3	0	0
10 - 12	2	0	0	1	0	1	100%
13 - 15	5	5	5	5	5	0	0
16 - 18	2	1	1	1	1	0	0
19 - 20	-	-	0	0	0	0	0
<b>Total</b>	<b>17</b>	<b>13</b>	<b>13</b>	<b>14</b>	<b>12</b>	<b>2</b>	<b>14.29%</b>

**Table 145: Employees: Planning**

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Capital Expenditure 2018/19: Planning					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>					
Hermanus Sports Complex	5 017 184		5 017 184		5 017 184
Hermanus CBD Revitalisation – Upgrade High street	200 000		200 000		200 000
<i>Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)</i>					

**Table 146: Capital Expenditure 2018/19: Planning**

### 3.5.2 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

#### A) HIGHLIGHTS: LED

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
Red tape Reduction for ease of doing business	Consciously identify specific areas of decision making, response times and policy impact in the promotion of ease of doing business.
Business Retention and Expansion	Investment promotion based on competitive advantage supporting local business with supportive infrastructure to promote business survival and in turn retain jobs.
Development of Economic Hubs/ Spaces	Ensure accessibility of markets, promote local spend by creating trading spaces and promote entrepreneurship. Develop a spatial Economic Development Framework that integrates LED strategies for expanded growth.
Supply Chain Management as an enabler for Local Economic Development	Emerging Contractor development and the implementation of the PPPFA regulations expanding economic participation of the under privileged.
Assisting Entrepreneurs with access to market	Cooperative development and the provision of equipment to support initiatives.

**Table 147: LED Highlights**

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### B) CHALLENGES: LED

The following challenges with regard to the implementation of the LED strategy are:

Description	Progress made in 2018/19 to address challenge
Conflicting Interests	Develop a common vision and joint action to deal with
Intolerance to competition	Informal Traders were assisted with conflict management skills and to deal with xenophobia
Entrepreneurs battled with raising start-up capital	Collaboration with Grootbos Foundation assisted 20 entrepreneurs with start-up capital.
Insufficient Infrastructure	Assisted with identification of areas where informal traders can conduct business and the relevant infrastructure
Seasonality	Joint exploration of potential business opportunities to kill seasonality was conducted

Table 148: Challenges LED

### C) LED STRATEGY

The LED Strategy reviewed in line with socio-economic data and approach to current economic environment and conditions. The impact of the current economic downgrade and recession will only be felt in the coming years. The following Strategic areas were pursued.

Strategic areas	Description
Economic development	Infrastructure that supports economic growth need to be maintained and upgraded all the time
Destination Marketing	<p>Marketing and branding of the Cape Whale Coast as a destination of choice is key to economic development in the area.</p> <ul style="list-style-type: none"> <li>Increasing the level of awareness of Overstrand in the international and local markets through the Cape Whale Coast brand</li> <li>Promoting an environmentally responsible tourism industry that will benefit the whole community</li> <li>Promotion of destination at travel and trade shows including Africa Travel Indaba and World Travel Market Africa</li> <li>Increase tourism spend and length of stay</li> <li>Increase visitor numbers outside of peak season</li> <li>Support sustainable and economically viable festivals</li> <li>Online marketing and embracing social media as a platform</li> <li>Branding and brand awareness</li> </ul>

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Strategic areas	Description
	<ul style="list-style-type: none"> <li>Competitive edge through promotion of unique attributes</li> </ul>
Enabling business environment	<p>Small to medium enterprises constitute a large percentage of businesses in the Overstrand; therefore, the municipality has to always ensure that an enabling environment is created for businesses to prosper. Efficient and affordable destination to set-up a business, setting up friendly legislation with less red tape, approval of town planning applications timeously and providing support and training for new entrants.</p> <p>Red Tape Identification follow-ups to ensure ease of doing business is achieved demonstrated by decreased number of enquiries and complaints.</p> <p>Red tape is defined as rules, regulations and systems and bureaucratic procedures and processes which impose unnecessary delays and costs which exceeds the benefits and purpose for which they were originally created.</p> <p>Red Tape Action Plan Workshop achieved a high level understanding with local businesses by reducing lead time and improved communication in cases where there was delay. The municipal commitment in this process is critical to the success of economic growth.</p>
Business Retention and Expansion	Support existing businesses to grow by providing opportunities for expansions.
Tourism Development & Sustainable Tourism	<p>Working with tourism offices in each of the four areas to ensure access to training, new business and investment. Assisting with product development and mentoring of business owners to upscale their offerings.</p> <p>Tourism businesses in the Overstrand has embraced sustainable practices and to this end we have seen a number of tourism accolades received for local initiatives. Cape Whale Coast Tourism supports the Africa Responsible Tourism Awards and this year the overall winner came from our municipal area.</p>
Working with the local Business community	Promote establishment of business forums and work closely with local business chambers to address unemployment and maintenance of a healthy economy.
Human resource development	Addressing skills shortage to bolster economic growth, ensuring availability of important services. Skills training aimed at meeting market demands for long term sustainable human development. Skills development initiatives conducted in partnership with NGO's and other public bodies.
Building Entrepreneurship communities	Engage in a drive to build and encourage innovation through entrepreneurship and broadening of participation.

**Table 149: LED Strategic areas**

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The table below identifies the economic activity within the different sectors

Sector	2015/16	2016/17	2017/18	2018/19
Agriculture, forestry and fishing	4%	6.4%	14%	11.79%
Mining and quarrying	0%	n/a	0.1%	0.03%
Manufacturing	16%	14.2%	14.5%	9.25%
Wholesale and retail trade	17%	58.1%	17.8%	26.59%
Finance, property, etc.	32%	n/a	16.6%	17.67%
Community and social services	4%	14.1%	6.4%	14.75%
Infrastructure services	9%	n/a	8.2%	7.34%

Table 150: Economic Employment by Sector

### D) TOURISM



Cape Whale Coast – Tourism Marketing Brand  
of Overstrand Municipality

Tourism is regarded as the New Gold as has much potential to attract investment and help small, medium and micro enterprises to participate in this growing sector of our economy. Yet, we have seen a growth in new tourism products establishing themselves and there has been positive developments as more and more businesses participate in the tourism space. Cape Whale Coast Tourism extends beyond pleasure and includes the principal of sustainability. Our tourism products are organised in a way that preserves, respects and benefits our region and its people while embracing health, conservation, business, science and education as a basis for drawing travellers. The Cape Whale Coast has taken the lead in sustainable tourism. The Africa Responsible Tourism Awards has applauded the Overstrand for sustainable tourism development as the need to grow and transform our economies while minimising our impact on nature is globally relevant and locally applied. More and more Cape Whale Coast tourism products are recognised for their contribution to responsible tourism and Gansbaai has also been singled out as a Responsible Tourism Destination. A confirmation of the Overstrand's conservation efforts extended to an Arbour Award and the proclamation of three Blue Flag Beaches as well as one pilot Blue Flag Beach at Pearly Beach.

Through tourism the identity of our municipality is showcased as a destination of pristine coastline with a rich marine wildlife and well developed infrastructure. A place with South Africa's first UNESCO recognised Biosphere, botanical gardens, Africa's only growing penguin colony, nature reserves and a

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cultural footprint that is included as part of the Cradle of Human Culture. A place that offers something to everyone. A wine enthusiast's mecca, adventurer's play park, beach lover's paradise.

Tourism holds great promise for the development of small businesses in our region as the services sector largely represented by tourism related activities continues to grow year on year. This fact is supported by the 2,6 million international passengers recorded by Cape Town International Airport in 2018 representing a 9,6% growth from 2017, despite the drought and other challenges experienced by the region. The growth came from long-haul carriers from outside the Southern African region. Overall passenger numbers grew from 10 693 063 in 2017 to 10 777 524 in 2018, equating a growth rate of 0,8%.

More visitors translate to increased economic benefit and the Overstrand's proximity to Cape Town International Airport helps to ensure that a significant number of arrivals include our region on their itineraries. Between 2015 and 2019 the Western Cape welcomed 9 new international airlines, 14 new direct routes and 19 route expansions, resulting in more than 1.5 million two-way seats being added into Cape Town International Airport. With these increases come more visitors, more wealth, more jobs and more businesses.



Three Cape Whale Coast Blue Flag Beaches & one Pilot Beach are the scene for many social media posts.



Overstrand Cyclists Prior to 2019 Absa Cape Epic.

### TOURISM DEVELOPMENT

The three part Journey to Service Excellence (J2SE) Programme facilitated by Cape Whale Coast Tourism in collaboration with the Western Cape Department of Economic Development and Tourism was celebrated with an award function on 25 October. Alan Winde, then Minister of Economic Opportunities and Tourism, awarded the winners. Nine people were announced as weekly winners in a six week competition on Whale Coast FM.

FAST FOOD SERVICES PROGRAMME – 1 year [2019 / 2020]	<ul style="list-style-type: none"> <li>• 50 learners from Overstrand area</li> <li>• Accredited certificate after completion</li> </ul>
PROFESSIONAL COOKERY PROGRAMME– 1 year [2018 / 2019]	<ul style="list-style-type: none"> <li>• Accredited certificate in food preparation &amp; cookery NQF 4</li> <li>• 13 Students graduated</li> </ul>

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NATIONAL YOUTH CHEFS PROGRAMME– 3 Year [2018 / 2020]	<ul style="list-style-type: none"> <li>• 15 Students currently in 2<sup>nd</sup> Year</li> </ul>
TOURISM BUDDIE PROGRAMME Hospitality Programme [Accommodation / Food & Beverage]	<ul style="list-style-type: none"> <li>• 1 Year Programme 2019/2020 – 50 Participants</li> <li>• 4 Years running                             <ul style="list-style-type: none"> <li>▪ 2014 / 2015 - 15 Graduated</li> <li>▪ 2015 / 2016 – 11 Graduated</li> <li>▪ 2016 / 2017 – 18 Graduated</li> </ul> </li> </ul>

**Table 151: Tourism development programmes**

### BUSINESS & ENTREPRENEURIAL DEVELOPMENT

#### Training / Workshops / Engagements: 2018 / 2019

- Marketing Training, 20 participants
- Customer Care in collaboration with DEDAT, 150 participants
- Social Media, 20 participants
- Marketing Toolkits, 10 participants
- Educational – 3 excursions with staff/business/schools
- Collaboration / Stakeholder engagements
- Financial Literacy, 20 participants
- NYDA Business development, 15 participants / Job preparedness & life skills, 102 participants
- Opportunity presented to local entrepreneurs and Information Officers to network and engage industry at World Travel Market Africa 2019
- Aphiwe Manyonga from Hermanus Tourism attended the Travel Indaba 2019. It was her first flight and formed part of developing tourism staff.

A total of 317 interactions with tourism businesses / entrepreneurs and frontline staff.



The Journey to Service Excellence 2018 Winners with then Minister Alan Winde and Overstrand Executive Mayor Dudley Coetzee in Hermanus

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### CAPE WHALE COAST EVENTS & FESTIVAL FUNDING 2018/19

Cape Whale Coast Events & Festival Funding		2018/19	Motivation
Funky Fynbos Festival	MOA	R 40 000	Family festival with adventure. Ensures geographical spread.
Greenpop Reforest Festival	MOA	R 10 000	Conservation focus family weekend festival highlighting Responsible Tourism Destination.
Hawston Sea Festival	MOA	R 40 000	Overberg heritage celebration enhances community spirit and pride.
Hermanus Flower Festival	MOA	R 10 000	Family weekend in 60+yr old Fernkloof Nature Reserve supporting green tourism.
Hermanus Fynarts	MOA	R 45 000	Addresses seasonality. Sculptures on the Cliff generates media attention and increase the profile of region. Establishes Hermanus as SA's top arts destination.
Kalfiefees	MOA	R 40 000	Addresses seasonality and attracts creative talent while adding positive community spirit.
Overberg Toy Run	MOA	R 5 000	Overberg charity event promoting collaboration and cooperation between areas.
Pringle Bay Festival	MOA	R 15 000	Addresses seasonality. Community Festival.
Stanford Festivals incl River Fest	MOA	R 45 000	Creates a stronger, united community and enhances community pride.
Whale Festival	MOA	R 40 000	28 years of brand building with mega marketing value. 10th year of marine tent celebration.
Zwelihle Festival(s)	MOA	R 28 000	Community music festival creating a stronger identity, providing positive community spirit and attracting local talent.
<b>GRAND TOTAL</b>		<b>R 318 000</b>	

**Table 152: Cape Whale Coast Events & Festival Funding 2018/19**



The Rotary Club of Hermanus won the Absa Cape Epic Fly Over competition for their display at the top of Rotary Dive to welcome participants of the 2019 Absa Cape Epic. Photo Greg Beadle/Absa Cape Epic

### MARKETING 2018/19

Cape Whale Coast is the tourism brand of the Overstrand and lived up to its name with a record 2018 whale season. A phenomenal whale count was registered with 1347 whales counted between Hawston

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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and Witsand. A figure that is almost triple that of a count done during the same period in 2017. With a diverse amount of activities and interest to market the whales remain one of our unique selling points and a big draw card when engaging with travel and tour professionals at the World Travel Market Africa and Africa Travel Indaba which are two of the regular engagements on our marketing calendar.

Alignment is made to marketing campaigns of South African Tourism, Western Cape Government and Wesgro. In this collaboration lies strength and the gains of amplified promotional effort. Our region and its diverse products gains much publicity and the advertising estimation of R4m per year with the Absa Cape Epic adding additional value. During the past year there was an emphasis on inflight travel magazines to make visitors aware of our events and products. Advertising exposure was gained through widely circulated and special interest magazines such as Country Life, SAWUBONA, Hello Magazine (UK), Good Housekeeping, Mango – Juice and Stellenbosch Visio.

The Cape Whale Coast's position as premium cool climate wine destination was confirmed with two awards. Newton Johnson Vineyards won the Editor's Award at the launch of the 39<sup>th</sup> edition of the Platter's Guide and Domaine Des Dieux collected the trophies for the Best South African Brut Cap Classique Producer and the Best SA Methode Cap Classique in the Champagne and Sparkling Wine World Championships.

The past year saw the hosting of the 27<sup>th</sup> Hermanus Whale Festival. The 3<sup>rd</sup> hosting of the Absa Cape Epic added an estimated R75m to the local economy, had 1.4m views on YouTube, raised R68000 for charity and delivered a priceless amount of media coverage with the Flyover Competition giving R5000 to Rotary and a further R10000 donated to the Hermanus Shelter for the Homeless. The Kalfiefees recorded a 12% increase in ticket sales while an estimated 8000 people attended the Funky Fynbos Festival in Gansbaai and 3500 people visited the 4 day Hermanus Flower Festival that has been running since 1977. The Lighthouse to Lighthouse Mountain Bike race in Gansbaai was organised after a year's break and drew 132 entries. The Walkerbay Extreme was hosted in April and had 1184 entries with 946 athletes competing. This event had a digital reach of 773k. The 7<sup>th</sup> annual Hermanus FynArts recorded a 17% increase in sales with 75 venues occupied during the 10 day festival.

Media exposure included the following:

Television: KykNet, CCTV, Espresso, SABC 2 and 3.

Print Media: New York Times article with an Advertising Value Equivalent (AVE) of R2.25m, Scottish Field, Die Burger, Daily Dispatch, Traveller24, Saria, Country Life, Cape Town Etc, Mango Juice, Weekend Argus, Stellenbosch Visio, SAWUBONA, FlySafair, Good Housekeeping UK, Hello Magazine UK

Radio: Hashtag Radio, Whale Coast FM, Radio Good Hope, Radio Tygerberg, KFM, Caledon FM.

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Stanford River Festival

### SOCIAL MEDIA

Social media influences the way that travellers research potential destinations and the activities that they participate in once they arrive. The Cape Whale Coast prides itself in its active and consistent promotion of the region through the use of social media platforms. Our efforts are aligned with national and provincial campaigns and we supported the #NoWhereBetter and #WeDoTourism campaigns.

The Cape Whale Coast was included as part of the newly launched Cradle of Human Kind route in April and this links our region to cultural and heritage sites in the province.

			Instagram Posts	
	5958	1479	511	3906
	3390	863	147	1394
	7636	2334	366	5594
	6557	1322	741	3362



7649

1122

323

3340

E) EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

The table below identifies the detail of the jobs created through EPWP initiatives in the municipal area:

Job creation through EPWP projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2011/12	34	616
2012/13	36	675
2013/14	25	517
2014/15	29	779
2015/16	22	564
2016/17	37	828
2017/18	42	994
2018/19	50	1048

Table 153: Job creation through EPWP projects

The Expanded Public Works Programme (EPWP) was launched in 2004. It aims to draw significant numbers of the unemployed into productive work in public sector, with the aim of enabling them to earn an income; providing them with training and skills; and ensuring that they are able to translate the experience and are enabled either to set up their own business/ service, or to become employed. By involving large numbers of participants, EPWP also intends to expand or improve services, resulting in better outcomes for communities. EPWP programmes are organised into the following four sectors: infrastructure, environment and culture, non-state, and social sectors.

Around 19% of the economic active (working age co-horts) in the Overstrand does not have formal employment. The problem is even worse amongst the youth – more than 31.1% youth is unemployed. Skills shortage and development is a stumbling block in young people’s effort in enquiring full-time and sustainable employment. Moreover the current Economic situation does not produce sufficient jobs to accommodate new entrants in the labour market let alone absorbing migration. Thus, the focus on youth focused initiative for the unemployed youth.

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### COMMUNITY SAFETY PROJECT

The Purpose of the Community Safety Project is to create a safe and healthy environment for all inhabitant of the Overstrand, all visitors both foreign and Domestic and to equip young men and woman with the necessary skills and discipline to be able to integrate seamlessly into any working environment. We also provide temporary employment to our youth and provide the necessary skills to aspire to a permanent position. Each candidate is expected to do By-law enforcement, Building Regulations, Town Planning Regulations and Crowd Management in the event of social unrest, Court Orderly Duties amongst others.

11 EPWP recruits has successfully been integrated into the work force throughout the Overstrand area.

- 1 Manages the Hermanus Wine Village
- 1 Supervisor at ASK Security in Kleinmond
- 1 Excess control Officer in Kleinmond Harbour
- 1 Social Worker in Gansbaai
- 1 currently enrolled at the SAPS academy
- 6 Law Enforcement Officers.

Skills Transfer:

- Basic Firefighting
- Peace officer training
- Interpreting and applying legislation
- Traffic Warden Training
- Training as court orderlies
- Obtaining driver's license
- Skippers License
- Law enforcement training
- First aid level1

### EPWP PROJECT – LIBRARY READING



The primary purpose of the project is to help learners attain proficiency in reading-to develop their reading skills in a more relaxed environment. It also provides safety and supervision. By keeping kids busy can prevent them from engage in risky behavior.

The kids identified by the teachers are the kids that were supposed to be hold back for another year (2018) but because of this program they could move to the next grade

### Outcomes/Achievements of the Project

- The children reading abilities have increased,
- The children enjoy the after school, they feel loved, create a sense of belonging,
- Improve their social skills,
- Build confidence- kids with learning and attention issues, and afterschool program may feel more forgiving than school does. They stakes may not feel as high. As a result, they may be more willing to try new things and take more risks. This, in turn, can lead to higher self-esteem,
- Provide safety and supervision.

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### ENTERPRISE DEVELOPMENT PROJECT

The purpose of the Enterprise Development Project is to:

- Empower and Transform the Small Medium and Micro Enterprises (SMME's) sector and build self-reliance;
- Capacitate small and emerging enterprises to be self- sustained and profitable;
- Build entrepreneurship communities based on opportunities and gaps in the market;
- To promote entrepreneurship (ensuring innovation and creativity) by growing the sector
- The project aims to transferring skills and wealth, and lead to sustainable growth
- Allows for the growth of more businesses that can provide those entering the job market with opportunities, and ensures that the provision of these opportunities is sustainable.

The outcome/achievement of the project:

Over 120 SMME's were supported in the period of which more than 65% of them demonstrated positive growth potential:

- 44% of these SMME's are women owned
- 20% of these SMME's are Youth owned

Deliverables:

The project is progressively expanding in support base for SMME's, with collaboration partnerships re-enforcing the project:

- The Grootbos Foundation – led partnership has grown the number of micro enterprises supported from 12 to 17 in this financial year. Each of these received seed funding of not more than R10 000, following a process from the application, presentation of business proposals to the prize handover and mentorship.
- The growing number of sectors found in the Overstrand with (fashion design, photographing, events and entertainment) making new entrance and showing a great potential to stay in the market.
- Innovation and creativity are coming alive in the entrepreneurship space, which shows the need to continue the strides towards building entrepreneurship communities.
- The launch of Hermanus Siyakha (NPC) as the new option for funding micro enterprises in Hermanus has also added substance in supporting start-up and expansionary entrepreneurs with small loans.

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Entrepreneurship Development Training

### TRAINING AND DEVELOPMENT:

All participants have formal qualifications on appointment and attended short courses & or formal training during their appointment period. These qualifications and training attended include:

Marketing, Local Economic Development, Legal Studies, Project Management, Contractor Development, Customer Services, Conflict handling, Book keeping, Business Administration, Office Administration, NYDA Short Course & Induction Workshops on SMME support & linkages.

### F) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL8	The promotion of tourism, economic and social development	Provide three reports on LED, Social Development and Tourism initiatives to Council by end June 2019	Number of reports on LED, Social Development & Tourism initiatives	All	3	3	3	Target met
TL9	The promotion of tourism, economic and social development	Report to Executive Mayor on Grants to festival organisers through Service Level Agreements (SLA) by end July 2018	Number of reports submitted	All	1	1	1	Target met
TL10	The promotion of tourism, economic and social development	Support 120 SMME's in terms of the SMME Development Programme by 30 June 2019	Number of SMME's supported	All	92	120	120	Target met

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Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL11	The promotion of tourism, economic and social development	Solicit support of financial and non-financial assistance for economic development initiatives	Number of applications submitted	All	3	10	14	Target well met
TL12	The promotion of tourism, economic and social development	Manager LED to report quarterly to Director LED, Social Development & Tourism on linkages established with other spheres of government, agencies, donors, SALGA and other relevant bodies for benefit of local area/Stakeholder engagement and creation of partnerships to broaden economic benefit for local communities	Quarterly report on linkages established	All	4	4	4	Target met
TL13	The promotion of tourism, economic and social development	The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1000 work opportunities) (MPPMR Reg. 10 (d))	Number of temporary jobs created	All	994	1,000	1,048	Target well met
TL14	The promotion of tourism, economic and social development	Monthly monitor the statistics on the usage of the LED Walk-in Centre (outreach & referral purposes) through the attendance registers	Monthly registers on LED outreach statistics (walk in centre)	All	12	12	12	Target met
TL41	The promotion of tourism, economic and social development	Support 50 SMME's in terms of the Emerging Contractor Development Programme by 30 June 2019	Number of Emerging Contractors supported	All	43	50	52	Target well met

**Table 154: Service delivery indicators: Local economic development**

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Employees: Local Economic Development							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	-	0	0	1	1	0	0
4 - 6	-	0	1	4	1	3	75%
7 - 9	-	0	0	5	0	5	100%
10 - 12	3	3	3	5	4	1	20%
13 - 15	1	1	1	3	3	0	0
16 - 18	0	-	0	0	0	0	0
19 - 20	1	1	0	1	1	0	0
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>19</b>	<b>10</b>	<b>9</b>	<b>47.36%</b>

Table 155: Employees: Local Economic Development

### 3.6 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

#### 3.6.1 LIBRARIES

Overstrand Municipality has 7 public libraries and 2 satellite libraries.



Oral history and Christmas lunch with Elderly at Mount Pleasant Library

#### A) HIGHLIGHTS: LIBRARIES

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Highlights	Description
Gansbaai Library	Financial support received from the Department of Cultural Affairs & Sport (Western Cape) made it possible to satisfy a long overdue need to create a fully equipped children section in the Gansbaai Library. The completed project now offers facilities suitable for the usage by children (age group 2 – 6) as well as scholars using the internet to complete assignments on school level. The latter is now for the first time separated from those used by adults and students.
Eluxolweni Library (Pearly Beach)	With the financial support received from the Department of Cultural Affairs & Sport (Western Cape), the project to extend the building and shelve space in the Eluxolweni Library could have been completed. The floor space was increased by more than 300%. The shelve space was increased by even a higher percentage. The establishment of a well-equipped children section was well accepted and appreciated by the children in this previously disadvantaged community. The library now brings upmarket library services (including electronic media) closer to the residents of both Eluxolweni and Pearly Beach – library members (including scholars and students) who were forced in the past to drive a distance of more than 25 km to Gansbaai now has these important facilities on their doorstep
Stanford Library	The library is managed by two (2) library assistants
Mount Pleasant Library (Community projects)	<p>During December 2018, twenty five elderly people (70 years old and up) were invited to the library. The oldest person present was 91 years old. They were told about how the library works and were asked to encourage their grand children to read and to make use of the library. Some of them shared their own stories about school, only to realize that they did not have the opportunities to go as far as Grade 4. After listening to all the good stories, they were treated with a nice light lunch and each of them received a small gift that was contributed from members of the community and library staff.</p> <p>During April 2019, the library held another Oral history session. People between the ages of 65/75 were invited to this event. Some of them attended school in the same building where the library is today. They shared about their young lives as scholars and about the days when life was not that good and that they did not have the opportunities that the kids are having today.</p>
Mount Pleasant Library (Reading Programs)	The library personnel manage the book readings/ storytelling sessions, every second week. Personnel visits the various crèche's in the community. During 2018 we started with the reading program on Friday afternoons at the library. During this session the children reads to their friends who also attend this program. We started with a very small group but have grown over time.
Mount Pleasant Library (School Holiday program)	Every year during the school holidays the library staff keep the kids busy with short programs like reading competitions, colouring, face painting, crafts, games, etc. to keep them off the streets. During these programs, some of the parents send snacks and little gifts for those who partake in the competitions.
Hawston Library (March Holiday program)	We hosted about 40 kids. The program focussed on reading and writing skills. Variety of activities took place to enhance their reading skills. Colouring pages, educational games, story time, painting, paper collages.
Hawston Library June Holiday program	We hosted 120 kids (between 5 and 14 years) from 9H00 till 14h00 for three weeks. The program was in collaboration with Hawston Thusong Centre, Hawston Primary School, Safe schools, Association of People with Disabilities (APD) and the Department Community and Safety of the Western Cape. This year the program focussed on a variety of topics: Safety at home and school, Road safety, Danger of fires (What's hot what's cold, how to cool a burn, matches and lighters etc.), Child abuse, gangsterism, substance abuse, Bullying, Peer pressure, Career guidance

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Highlights	Description
	and exhibition, Fun, Games and sport. A number of 25 Volunteers (mostly young people) assisted with the program. A number of 60 Learners had the opportunity to go to the penguin farm which was sponsored by the Department of Education in the Overberg district. Kids were served porridge in the morning and lunch. A number of 4 EPWP volunteers were employed by the Department Community and Safety to assist with the program. The program therefore gave a job opportunity for 3 youngsters and 1 cook. The following departments and organisations spoke on the various topics: SAPS, Overstrand fire department, Mental health, sister of the day clinic (CDC), Hawston Clinic, Traffic department, Peer educators of Hawston Secondary and Hawston Primary Schools, Health and Welfare, Library and Thusong Centre staff. The program also included reading and writing skills. The kids learn how to work in groups. Every day we had morning devotion with action songs to uplift the kids spiritually. We accommodated 10 young people with disabilities in the program. Certificates of appreciation were handed over to the volunteers and kids received party packets.
Hawston Library (Upgrading/Extension of the library)	The Department Cultural Affairs and Sport funded R1 million from the Conditional Grant to upgrade the Hawston Library. The upgrade entails the following: <ul style="list-style-type: none"> <li>• New Children’s Section</li> <li>• Reference and study collection</li> <li>• IT section</li> <li>• New Issue Desk</li> </ul>
Hawston Library (Computer classes)	With the contract appointment of the ICT Cadet funded by the Provincial Conditional Grant we started basic computer classes with 6 adults of which the eldest is 60 years.
Hawston Library (Mandela day)	Mandela day was celebrated at the Hawston Primary school and Hawston Secondary School in collaboration with the IT centre (Cape Access) and Hawston Thusong Centre. Iziko museum of Cape Town did various demonstrations. The theme of the day “Madiba timeline” and “express your Madiba” exhibition through the following: art, music, poetry, dance writing or drama and a questionnaire for the learners about Mandela. Learners painted hands on a cloth to be exhibit at the Iziko Museum in Cape Town. A number of 50 learners of the Hawston Primary and 50 learners of the Hawston Secondary School took part in the competition. The goal of the program was to create a positive interaction between groups and to remind the learners about the impact Mandela had on the country as well each individual, especially his view on education and forgiveness. Iziko museum, Overstrand Municipality and Cape Whale Coast provided lunch and a goodie bag to the learners.
Hawston Library (Eisteddfod)	The library participated in the preparation for the Afrikaans poems for the Eisteddfod. The Librarian prepared 60 Learners – the Foundation Phase (grade 1-3) for the Eisteddfod that took place at the Hermanus Primary School. The poems were selected by the teachers and from the books at the library where the staff assisted the learners in the selection. The Librarian assisted the learners with their speech, movement, facial expression and creative interpretation. The preparation took about two weeks before the day of the Eisteddfod and the Librarian prepared the learners during school hours. The Librarian was present the day of the event. A total of the following was awarded: 10 Cum lauds, 14 Gold+, 15 Gold and 23 Silver. It was the first time in years the school achieved so many Cum laudes. It was indeed a great challenge but worth it to empower our learners with these skills.
Hawston Library (Museum High school speech competition)	The 18th of May of each year is a very important day for the museums worldwide as it is International Museum day. The Librarian was a judge in the first round of selection of 5 learners out of the three schools that participated (grade 10 or 11 learners) The Librarian was also one of the

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Highlights	Description
	judges at the final Gala competition that took place in Caledon. The Librarian assisted in developing the young people's public speaking skills.
Hawston Library (Graduation of the kids of the Pre-school reading program)	The Library has a pre-school reading program for children who do not attend a formal crèche. The program focuses on a love for reading and other activities that prepare them for Grade R. The program is from Monday to Friday from 9.30 till 12h00. At the end of the year we have a graduation ceremony for all the kids who are going to Grade R. At the end of November, a number of children graduated. The parents were invited to this ceremony where the kids performed and showed all the activities they have done through the year.
Hermanus Library (Bhuki road shows)	Members could bring their books to the library to have it appraised by a local bookshop. Book launch of Pamela Williams, local author's latest book "Wheels within Wheels held at the Bhuki Café. Book launches were held in conjunction with Bargain Books and Hermanus Library. The books promoted were released by Chanette Paul, Rudi Van Rensburg and local author, Gerhard Chai-Chai Groenewald, who promoted his new book, "Die sterboodskappers", at the Bhuki Café. Kimon De Greef launched his new book, "Poacher", in the Hermanus Library.
Hermanus Library (Friends of the library)	<ul style="list-style-type: none"> <li>• 300 new titles added to stock through Friends funding</li> <li>• Coffee shop held in the library every Friday to raise funds to buy new books, stationary and 3 new desensitizers</li> <li>• 280 new titles added to stock through Friends funding.</li> </ul> <p>Friends of the library donated money to add new shelves to the children's and adult sections. Valentine's day exhibition set up in the library where patrons could go on a blind date with a book and each member received a small sweet gift. Our annual Easter and Christmas raffle was held to raise funds to buy new books.</p>
Hermanus Library (WATERWEEK)	Home school group, the Water explorers held a water expo at the library to create awareness of how to be water wise. Exhibition on recyclable goods and alternative cleaning products was displayed. National Water Wise competition held by the home schoolers.
Hermanus Library (Reading campaign)	Help 2 Read to improve lives through literacy project Little Readers competition to promote early reading development The staff of the library hosted 2 puppet shows, "My lucky Day" and "Wie's Goed en Wie's Sleg, Rooikappie", held at various venues and schools, e.g.: Curro, Generations, Country Kids and Mount Pleasant Primary. Learners from Generation School and Curro did job shadowing at the library as part of their community service outreach. Hermanus High School students volunteered to assist in the library with tasks as part of their community outreach service.
Hermanus Library Community project	Collecting bread tags and other plastic recyclable products for disabled people to allow them to buy new wheelchairs. Summer holiday programme held at the Waldorf School where library staff assisted with various arts and crafts. Human Rights Day a stall was set up at the library and staff members assisted with face painting. Mr Jan Smith hosted a talk and exhibited his collection of hand crafted lighthouses in South Africa. The session was attended by school learners.
Friends of the Kleinmond Library	Regular fundraising efforts to promote the library.

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Highlights	Description
	Buy new books to fill gaps in the collection.
Hangklip Kleinmond got talent	A talent show to promote arts and culture in the community. Participating in song, dance and drama. The winner of 2018 participated in the National song competition in Johannesburg. She won and was awarded Springbok colours. She will participate in Los Angeles in August 2019.
Chess club - Kleinmond	The library started with a chess club for adults and now has a club for home scholars as well. They participate in chess tournaments all over the region. Two juveniles of the chess club were awarded Western Cape colours. They participated in the chess championship in Kimberley where one was awarded Springbok colours.
Internet - Kleinmond	The value of internet access is acknowledged in the growth of the users. More people are making use of this facility. Our IT cadet is also helping the people with a variety of problems. He is also doing training during Friday mornings.
Knitting/ Crochet club - Kleinmond	Once a week a group of pensioner ladies gather in the library for a morning of craft and a chat. They promote the art and crafts to the younger generation.
Betty's Bay Library  World book day-23 April  Talk Show  Community Outreach  Fencing of library	<p>It was celebrated at the Kleinmond Primary School. Learners presented poems, Read aloud to their class and teachers, Storytelling with actions. Dress up as their favourite book character. The librarian explained the importance of reading and how to protect a book, enemies of books etc. Stories were read to them.</p> <p>Gerard Scholtz, local author launched new book "Hier Gaat Ons, reis en rampe" was invited to talk about the book. He donated a new book about Rooi Els to the library.</p> <p>Functional Fitness for all Ages – An exercising programme for both body and brain – every Monday and Wednesday at the library.</p> <p>The Betty's bay Library was fenced in with funds reallocated from the Kleinmond Library Elevator project.</p>

**Table 156: Libraries Highlights**



Holiday program – Mount Pleasant library



The after-school reading program where different learners visit the library to read books and the staff assist them with reading difficulties – Hawston Library

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Left to right: Upgraded Gansbaai and Eluxolweni Libraries

### B) CHALLENGES: LIBRARIES

Description	Progress in 2018/19 to address challenge
Zwelihle Library	The library is not functioning due to civil unrest that took place during March 2018 and the building was completely burnt down. The Municipality is in the process to obtain a wheelie wagon library service for the community.
Hawston Library	A lack of funding for the past few years for funding for outreach programs and library promotion to encourage learners to read.
Hawston Library	A lack of funding from Provincial Library Service to buy more Afrikaans Fiction children books as well as Afrikaans reference and Non-fiction books.
Installation of elevator at Kleinmond Library	The tender for installation of an elevator at Kleinmond Library was cancelled due to no responsive tenders received. There is currently a lack of access to the activity section of the library for the physically impaired members of the community
Gansbaai Library	Extra library staff and funds for programs and activities have to be made available to assist in the services that the library renders to the community of Greater Gansbaai. We completed our Wish list to secure funds from the Provincial Library Services to extend our library and also to do some much needed maintenance.

Table 157: Libraries Challenges

### C) SERVICE STATISTICS FOR LIBRARIES

Type of service	2015/16	2016/17	2017/18	2018/19
Library members All Libraries in Overstrand	25 868	24 325	15 788	20 196
Books circulated All Libraries in Overstrand	759 862	879 874	545 978	492 076

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Type of service	2015/16	2016/17	2017/18	2018/19
Exhibitions held	242	226	174	94
Internet users	10 345	12 231	5 956	2545
New library service points or Wheelie Wagons	0	0	0	0
Children programmes	481	317	240	53
Visits by school groups	137	187	41	45
Book group meetings for adults	41	90	66	81
Primary and Secondary Book Education sessions	1179	300	209	98

**Table 158: Service statistics for Libraries**

Employees: Libraries							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	2	3	1	2	2	0	0
4 - 6	22	21	22	24	24	0	0
7 - 9	3	5	3	4	4	0	0
10 - 12	5	5	5	5	5	0	0
13 - 15	0	0	0	0	0	0	0
16 - 18	0	0	0	0	0	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>31</b>	<b>34</b>	<b>31</b>	<b>35</b>	<b>35</b>	<b>0</b>	<b>0</b>

**Table 159: Employees: Libraries**

Capital Expenditure 2018/19: Libraries					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	<b>1 129 375</b>	<b>650 000</b>	<b>1 131 147</b>	<b>2322</b>	<b>1 131 147</b>
Kleinmond Library	529 375	650 000	544 725	15350	544 725

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Capital Expenditure 2018/19: Libraries					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Betty's Bay Library	30 000	0	28 500	-1500	28 500
Eluxolweni	R420 000	0	R413 357	-6643	R413 357
Gansbaai	R150 000	0	R145 565	-4435	R145 000

*Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)*

Table 160: Capital Expenditure 2018/19 - Libraries

### 3.6.2 CEMETERIES

Overstrand Municipality has a total of ten (10) cemeteries in use. The Municipality does not have a municipal Crematorium.

#### A) HIGHLIGHTS: CEMETERIES

Highlights	Description
Proper and effective booking and management system regarding burial information	Electronic Burial Management System
Blompark Cemetery	The size of Blompark Cemetery was extended to create more grave space

Table 161: Cemeteries Highlights

#### B) CHALLENGES: CEMETERIES

Description	Progress in 2018/19 to address challenge
Vandalism	Community awareness and involvement in protection of cemeteries.
No grave space available at Kleinmond area	An investigation into the development of an additional cemetery west of the Palmiet River is well in advance. The new burial site will be completed in 2020. It will provide more than 1000 grave sites and will have a lifespan of approximately 10 years.

Table 162: Cemeteries Challenges

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### C) SERVICE STATISTICS FOR CEMETERIES

Type of service	2015/16	2016/17	2017/18	2018/19
Pauper burials	0	0	0	0
Burials	Not available	163	257	275

Table 163: Service stats for Cemeteries

Capital Expenditure 2018/19: Cemeteries					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	<b>570 000</b>	<b>0</b>	<b>380 571</b>	<b>189 429</b>	<b>380 571</b>
Blompark Cemetery	70 000	0	68 556	1444	68 556
Kleinmond Cemetery	500 000	0	312 015	187985	312 015

*Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)*

Table 164: Capital Expenditure 2018/19 - Cemeteries

### 3.6.3 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

#### A) INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES



After school programme, Mount Pleasant



Opening – Seesterretjie Crèche, Buffelsjachts

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The *2018 Socio-Economic Profile: Overstrand Municipality* notes the categories of people who remain vulnerable to poverty are African females, children 17 years and younger, people from rural areas and those with no education. Early Childhood Development (ECD) is a universal right and access to ECD services has significant benefits to children, their families, communities and the country as a whole. ECD is thus recognized as a key intervention in addressing South Africa's two key developmental challenges: inequality and poverty.

Given this key developmental role, ECD has been identified as a key strategic objective of the Overstrand Municipality. The ECD sector mainly creates jobs for women, including African women, in rural and urban areas, contributes significantly to the education projection of children through their life course, and provides a safe environment for young children.

Despite ECD being a key strategic objective, the municipality is aware of the other social challenges facing our communities. The grade 12 drop-out rate for learners in the Overstrand improved from 40.6% in 2016 to 28.6% in 2017. The high drop-out rate is influenced by socio-economic factors that include unemployment (especially among the youth), poverty, indigent households, substance abuse, and teenage pregnancies. The perils of HIV/AIDS continue to plague our communities. The number of patients receiving Anti-Retroviral Treatment is slowly increasing but more work needs to be done to address the social and cultural stigmatisation associated with HIV/AIDS. People with disabilities find it difficult to access livelihoods, and economic, sport and recreational opportunities. The Overstrand municipality has the highest percentage of elderly people in relation to its population in South Africa. Many of them have come here to live out their remaining days in the tranquil serenity of the Overstrand, for others survival has become a daily challenge. There is a dire need for service centres and residential facilities for indigent older people.

Whether it is children, youth, women, people with disabilities, elderly or people living with HIV/AIDS the struggle for survival increase when economic prosperity decrease. The empowerment of disadvantaged and vulnerable groups is a critical contribution to social development. This requires, amongst other interventions, the creation of an environment where opportunities for vulnerable groups can flourish. Change can only occur when real access to opportunities exist for the less advantaged. Creating meaningful opportunities sustainably requires cooperation between the different spheres of government and the various departments, non-government organisations, businesses and willing community members.

### B) HIGHLIGHTS: CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Highlights	Description
After school programme	The programme is delivered in partnership with a local NPO provides a service to ±100 primary school children mainly from Mount Pleasant primary, every day from 14:00-17:00
Special Day Care	In partnership with a local NPO we established a special day care for children with disabilities. This is first such facility in Zwelihle the Overstrand.
Increasing ECD capacity	The Department of Rural Development will be upgrading two ECD facilities (in Kleinmond and Masakhane, Gansbaai) to increase

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Highlights	Description
	<p>their capacities and construct one new facility in Eluxolweni in Pearly Beach during 2019/20. The facilities would increase the total capacity of ECD facilities in the Overstrand with ±330 children.</p> <p>An old primary school site was also secured in Masakhane, and has successfully converted into an ECD centre thanks to the efforts of local NGO's and the area manager in Gansbaai. The facility can accommodate ± 160 children.</p>
Overstrand Junior Town Council	This youth development programme is focused on giving school going youth the opportunity to learn about local governance, and community development needs, and to grow as leaders of the future. The 35 elected Junior Town Council members are representative of all the Wards and Schools in the Overstrand.
16 Days of activism	During the 16 days campaign the mayor's office and councillors together with the tourism office distributed various awareness items aimed at children and adults during the welcoming campaign to holiday makers in the Overstrand
Deaf awareness	Deaf awareness workshops were hosted in Kleinmond, Hermanus and Gansbaai to interested persons and municipal staff (customer relations, fire and protection services). The workshops were facilitated by eDEAF and presented by a deaf facilitator.

Table 165: Child care; Aged care; Social programmes Highlights



Learning sign language and creating awareness about being deaf with eDEAF

### C) CHALLENGES: CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Description	Progress made in 2018/19 to address challenge
There is a general lack of intergovernmental cooperation, in the delivery of social programmes in the Overstrand.	Although the social development department has a social development strategy in place, it has not finalised a policy. The Western Cape Department of Social Development is in the process of establishing a district social development forum with the Overberg Municipality and all the B municipalities. This initiative, if successful will greatly contribute to more effective delivery of social development programmes in the Overstrand and the Overberg.

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Description	Progress made in 2018/19 to address challenge
Substance abuse is a growing problem in the Overstrand. Substance abuse related crimes are one of the fastest growing crimes in the area.	There is a lack of service providers in early intervention and after care / reintegration. There is no government funded rehabilitation facilities in the Overstrand and the waiting list for admittance to available rehabilitation centres can be 7 months. Service providers have been reduced from 3 to 2 in the Overstrand due to a lack of funding and support. This will have a direct impact on the primary and secondary school children where the services will no longer be available. The Local Drug Action Committee (LDAC) has also been dormant for the majority of 2019 due to its ineffectiveness and systemic issues. The LDAC remains important and will be re-established in 2019/20.
The ability of the social development department in the municipality to meaningfully address all prevalent social issues is hampered by a lack of cooperation and an adequate staff complement.	A new position in the department has been approved for the 2018/19 financial year. The department continues to build relations and partnerships with role players to assist in the delivery of programmes.
There is a significant shortage of educational facilities in the Overstrand at all levels. If this issue is not seriously and timeously addressed it will have very serious repercussions for social unity and cohesion, and socio-economic conditions.	The Department of Education (DoE) is aware of the problem and they have already increased the capacities at existing facilities to the maximum with temporary structures. They have also raised the issue and the request for land to develop more schools in our Integrated Development Plan.

**Table 166: Child care; Aged care; Social programmes Challenges**

### D) SERVICE STATISTICS FOR CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Child care , Aged care, Social programmes				
Description	2015/16	2016/17	2017/18	2018/19
Trees planted	80	687	160	181
Veggie gardens established	0		0	3
Soup kitchens established or supported	0		0	0
Initiatives to increase awareness on child abuse	1	1	1	3
Initiatives to increase awareness on disability	1	1	0	3
Initiatives to increase awareness on women	1	1	1	3
Initiatives to increase awareness on HIV/AIDS	0	0	0	
Initiatives to increase awareness on Early Childhood Development	3	1	1	1

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Child care , Aged care, Social programmes				
Description	2015/16	2016/17	2017/18	2018/19
Special events hosted (World's Aids Day, World Arbour day, World Disability Day, Youth Day, 16 Days of activism against women abuse)	4	1 Arbour Week 1 – 7 Sept	8	3

Table 167: Service statistics for Child care; Aged care; Social programmes



Environmental education for children from disadvantaged schools



The social development department finds support in the roll-out of social development projects through the creation of work opportunities for EPWP beneficiaries in social projects and through partnerships with stakeholders in the local NPO sector.

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Employees: Child care, Aged care, Social programmes							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0	0
4 - 6	0	0	0	0	0	0	0
7 - 9	0	0	0	1	0	1	50
10 - 12	0	0	0	0	0	0	0
13 - 15	1	1	1	1	1	0	0
16 - 18	0	0	0	0	0	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 168: Employees Child care; Aged care, Social programmes

### 3.7 COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection.

#### 3.7.1 INTRODUCTION TO ENVIRONMENTAL PROTECTION

The long-term **vision** for the future is to “manage, protect and sustainably use the natural assets of our areas, in partnership with the relevant communities, to preserve and ensure the continued existence of our rich biodiversity and its associated ecological processes and services of our environment”.

Our **mission** is to “conserve the rich biodiversity, diverse natural ecosystems and cultural heritage characteristics of our environment through the implementation of management programmes that have clearly defined management goals and objective for the enlightenment, enjoyment and benefit of present and future generations”.



The Environmental Management Section is divided in two units;

- 1) Biodiversity Conservation
- 2) Environmental Planning

With additional units funded by the EPWP Programmes;

### 3) Working for the Coast Programme (WftC).

#### **1) The Biodiversity Conservation Management Section strives to achieve the following:**

- To ensure declared protected area status for Nature Reserves in terms of the NEM:PAA.
- To institute invasive alien vegetation clearing and management according to the Alien Clearing Strategy.
- To lead a better understanding, appreciation, use and conservation of the limited natural resources within OSM (including biodiversity, soil, water and energy) by the owners and staff of, and visitors to OSM.
- To promote the conservation of the environment (biophysical, socio-economic and cultural-historic characteristics) by formally entering into Conservation Management Agreements with neighboring property owners and NGO's
- Overstrand Municipality is a member of the Greater Overberg Fire Protection Association which includes the Groot Hagelkraal, Babilonstoring and Theewaters-Groenland Fire Protection Associations. The Section therefore needs to manage the ecological integrity of priority ecosystems within public open spaces and nature reserves by reinstating proper fire management regimes;
- To promote and continue with the integrated management of Reserves and natural areas by the Municipality in partnership with current and any other NGO's which may be formed who wish to be involved with the management of the natural areas in OSM.
- To develop and maintain high quality visitor infrastructure, facilities and recreational activities along sound financial lines.
  - To manage the ecological integrity of priority ecosystems within public open spaces and nature reserves by ensuring the implementation of the Environmental Management Overlay Regulations
- Coordination of the Cape Whale Coast Hope Spot initiative that supports community research and education programmes in partnership with various private and government organisations.

#### **2) The Environmental Management Section strives to achieve the following:**

- Environmental Officers assist the regional building control committees with respect to the reviewing of building plans, land use applications and environmental impact assessment applications. This service continually promotes communication with respect to the environmental impacts associated with development processes and facilitates the implementation of environmental impact assessments in realization of the environmental rights of the citizens of the Overstrand region. The Environmental Planning Section facilitates communication between the public and the National and Provincial spheres of government and furthermore provides ecosystem management information services for stakeholders in each administrative region.
- The Implementation and management of the Environmental Management System to reduce the environmental footprint of the Municipality.
- Liaise and engage with stakeholders concerning the state of the environment and to advise the Municipal council and Municipal officials on Environmental Matters.
- Management and monitoring of Air Quality and Climate Change impacts within the Municipal area.

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### 3) Working for the Coast Programme (WftC):

The Department appointed a new Service Provider in March 2019, Enviro-Acsys to implement the Working for the Coast project for the 2019-2021 cycle. The Project has again received a R14.2 million budget but only for the cleaning of the coast. No infrastructure projects have been approved. The project is envisaged to start in August 2019.

### 4) Green Good Deeds Programme (GGDP):

The Department of Environmental Affairs has realized that more efforts are needed if the environment is to be protected from pollution and has decided on a national #Thuma Mina Green Deeds - for a clean and beautiful South Africa Programme to mobilise every citizen. The aim of the #Thuma Mina Green Deeds, also known as the Green Good Deeds Programme, is to ensure a clean and beautiful South Africa and to promote environmental actions that take into consideration sustainable living practices.

The Overstrand Municipality received 22 Ambassadors, 15 for street cleaning and 7 for environmental education and 1 Youth Environmental Coordinator, Mr Steven Njokwana that is seconded to the Municipality for the next two years and will be coordinating the activities of the Youth Ambassadors.

### 5) Oceans and Coast Coastal Coordinators (OCCC)

In February 2019 the National Department of Environmental Affairs, Oceans and Coast Branch approached the Overstrand Municipality's Environmental Section and requested the possible placement of the officials to assist with general environmental and conservation duties. The Municipality assists with office space and the National Department provide computers, Protective Clothing and tools for them to implement their tasks. The officials will be seconded for two years.

## A. HIGHLIGHTS: ENVIRONMENTAL MANAGEMENT SERVICES

Highlights	Description
Blue Heart Campaign	Environmental Education School Programme
Onrus Peat Wetland Fire	Protection of the Onrus Wetland System
Dune Rehabilitation Programme	Protection of Environmental Infrastructure

Table 169: Environmental Management Services Highlights

## B. CHALLENGES: ENVIRONMENTAL MANAGEMENT SERVICES

Description	Progress in 2018/19 to address challenge
Risk of Fires to the protection of Natural Areas	Development of 5 year Fire Management Plan
Risk of Invasive Species to Biodiversity Conservation	Development of a 10 year Alien Clearing Plan and implementation of Municipal Alien Clearing Teams

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Description	Progress in 2018/19 to address challenge
Coastal Erosion and Climate Change impacts	Development of a Climate Change Strategy and approval of Environmental Management Overlay Zone by Council

Table 170: Environmental Management Services Challenges

Employees: Environmental Management Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0	0
4 - 6	0	0	0	2	0	2	100%
7 - 9	5	5	5	5	5	0	0
10 - 12	3	3	3	4	2	2	50%
13 - 15	0	1	2	2	2	0	0
16 - 18	1	1	1	1	1	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>4</b>	29%

Table 171: Employees Environmental Management Services

### 3.7.2 STRATEGIC PLANNING

#### Protected Area Management Plan:

The Integrated Management Plan for the Fernkloof Nature Reserve was revised in 2018 to include the Protected Areas Management Plan format as required by CapeNature. The document was advertised for public comment in June 2019 and the review of the document is currently in progress. Once the Fernkloof Management Plan process has been completed the Environmental Section to start to develop a plan for the Kleinmond Nature Reserve.

#### Environmental Management Overlay Zone Regulations:

The Environmental Management Overlay Zone document is in its final draft form after comments from the public participation process has been incorporated into the document. The document is currently being prepared as an item for council submission.

#### Alien Clearing Management Plan:

An Alien Clearing Management Plan has been completed for the Overstrand and is currently being implemented according to the priority areas in the plan. The Alien Clearing Strategy still needs to be completed.

### **Integrated Fire Management Plan:**

Fire Department, Environmental Management Section, Provincial Disaster Management and Greater Overberg Fire Protection Association is developing a more integrated approach and long-term planning proposal for fuel load reduction and fire break management in the Overstrand Area. The Fire Management Plan will include ecological burns, identification of risk areas, fire breaks, fuel breaks and areas for fuel load reduction. This plan will assist with the proper management of natural areas within mosaic pattern to reduce risk and fuel load, including the conservation and protection of areas with a high biodiversity concern. The plan will be managed together with the Municipality's Plot Clearing Policy and Alien Clearing Plan to ensure an integrated approach towards reducing risks in our urban areas and natural areas. These actions will reduce the two highest risks for the Municipality according to the Risk Register, which is Invasive Alien Plan infestations and Fire.

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### OPERATIONAL MANAGEMENT: MANAGEMENT OF NATURE RESERVES

Considerable effort is invested in the management of Local Nature Reserves and Open Spaces on annual basis.

#### **Fernkloof Nature Reserve:**

The management of Fernkloof Nature Reserve is guided by a Management Plan from 2001. The new draft Protected Area Management Plan (PAMP) currently under review and comments from the Public Participation Process is being incorporated into the document.

The Nature Reserve has a fully constituted Advisory Board, which met regularly during the course of the year. Minutes of the Meetings of the Board are available in the Hermanus Library.

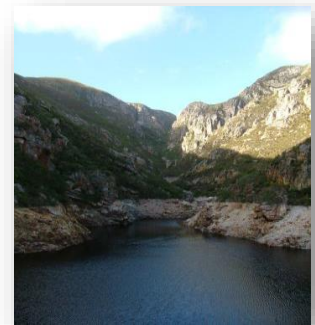
The reserve is also supported by the Hermanus Branch of the Botanical Society as well as the Cliff Path Management Group, which is integrally involved in the maintenance and management of the

Hermanus Cliff Path. The Environmental Management Section has also incorporated the use of Co-Management Agreements with these organisations to assist with maintenance activities in Nature Reserves.

The Hermanus Hacking Group also assist with Invasive Alien Plant Clearing on the Nature Reserve. Co-Management Agreements are in place with all these groups.

Resource Management activities focus largely on the clearing of alien invasive vegetation, the trimming of vegetation along hiking trails, the clearing of firebreaks and the maintenance of buildings, roads and other infrastructure.

Fernkloof Nature Reserve hosts several sporting events and the Annual Hermanus Flower show that is presented by the Hermanus Branch of the Botanical Society in September every year. The Botanical Society continues to play an important role in the management of the Fernkloof Herbarium, the Fernkloof Botanical Gardens, the Fernkloof Nursery and the maintenance of infrastructure within the area that is leased by the Society. The Botanical Society furthermore hosts member evenings with



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informative educational talks which contributes to the community participation profile of this nature reserve.

### **Kleinmond Nature Reserve:**

Kleinmond Nature Reserve is a Local Nature Reserve with formal protection status under the National Environmental Management: Protected Areas Act. This nature reserve has a very out dated management plan, which has to be reviewed. Once the Fernkloof Nature Reserve Management Plan is completed and adopted by council, the document will be used as a baseline document for review of the Kleinmond Management Plan.



Basic Resource Management activities are carried out on the Nature Reserve in a collaborative effort between the Kleinmond Nature Conservation Society and the Conservation Ranger that is stationed in Kleinmond. The Environmental Section has engaged in the maintenance of firebreaks, the clearing of alien vegetation in the nature reserve and the buffer zone, the maintenance of boardwalks and coastal access points and the maintenance of hiking trails in the nature reserve. The EMS is greatly assisted by the Kleinmond Nature Conservation Society as well as the Kleinmond Hacking Group in the maintenance of hiking trails and the management of alien invasive vegetation in the nature reserve.

### **FIRE PROTECTION, CONTROLLED FIRE MANAGEMENT AND WILD FIRE RESPONSE**

The Biodiversity Section maintains a network of firebreaks on the boundaries between local nature reserves or open spaces and private properties. Management firebreaks are also cut in various areas to isolate fire management units prior to controlled fires.



A total of **R 216 000, 00** was spent on the maintenance of firebreaks during the financial year. The record for firebreaks excludes firebreaks that were maintained by Operational Services and the Working on Fire teams.

### **ALIEN VEGETATION MANAGEMENT**

The Environmental Management Section maintains a set of open spaces and nature reserves which are collectively known as Natural Assets. The total surface area of these properties constitutes approximately 6 659 hectares. Populations of invasive alien plant species are found in variable densities on these properties throughout the Overstrand region.



The Environmental Section has invested effort in the formulation of draft strategy for the management of alien invasive plants in order to

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comply with the provisions of the National Environmental Management: Biodiversity Act (NEM:BA). Currently this draft strategy informs the Annual Plan of Operation.

**Goal 1:** Significantly advance the management and control of invasive species within the Overstrand's jurisdiction in a manner that is sustainable and maximises the benefits to the communities involved.

- Objective 1.1 Obtain high level buy-in and support for the implementation of the IAS strategy
- Objective 1.2 Establish a management and co-ordination scenario for effective and integrated management of IAS within the OSM's boundaries
- Objective 1.3 Develop an invasive alien species education, communication and awareness strategy for the OSM
- Objective 1.4 To develop and implement a legal framework for IAS management
- Objective 1.5 Develop funding mechanisms to support IAS management.

**Goal 2:** Provide clear and effective steps for the OSM to follow in conjunction and partnership with other affected or implicated stakeholders.

- Objective 2.1 Establish priorities based on given resources and appropriate weighting of desired outcomes
- Objective 2.2 Develop integrated management and control plans based on identified priorities, with clear timelines and required resources
- Objective 2.3 Monitor effectiveness of the IAS management in the OSM.

The Environmental Management Section has Co-management Agreements signed with the Hermanus Hack and the Botanical Society and their contribution to the eradication of alien invasive removal greatly supports the OSM Clearing program. This program is based in two parts, 1 – Areas under the management of the EMS and 2 – Areas under the management of Operational Services. Areas under the management of EMS are prioritised and cleared according to said priority, with follow-up work taking priority in order to maintain our gains. Areas managed by the Operational Services are currently being mapped and will then be, with the assistance of the EMS prioritised and brought into the main AVMP. An estimated 700ha is cleared each year of which most of it is follow-up.

The Biodiversity Conservation Section were unable to spend finances on alien clearing in the 2018/19 financial year due to Supply Chain Management documentation that could not be finalised to ensure the implementation of contracts infield.

The Annual Plan of Operation has however been adapted to include all areas that was not worked and a total of R810 516, 00 has been requested for the new financial year as indicated in the spreadsheet for 2019/2020. The Alien Clearing APO also identifies the total cost to clear all areas in the Overstrand as an amount of approximately R9 million.

An EPWP Alien Clearing Team has been appointed for the 2019/2020 financial year to start with Alien Clearing from 1 July 2019.

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<b>OSM - EMS - AVM - APO</b>										
							R 255.62	R 300.00		
Administration Area	Area	Work Load Average %	Unadjusted Man Days	Additional Calendar Days for Work Load	Adjusted ManDays (AMD) Total	AMD / Ha	Field Verifications	2018 / 2019	Priority 2019 / 2020	
									Man days	COST
<b>Kleinmond</b>	1 674.15	21.13	3 144.39	89	4 034.39	3.20	R 1 031 270.77	R 1 210 317.00	389.26	R 116 778.00
<b>Hermanus</b>	1 005.88	64.66	4 535.61	528	9 815.61	11.65	R 2 509 066.23	R 2 944 683.00	1 029.99	R 308 997.00
<b>Fernkloof</b>	1 873.27	15.55	2 242.61	110	3 342.61	1.56	R 854 437.97	R 1 002 783.00	913.88	R 274 164.00
<b>Gansbaai</b>	1 320.71	40.09	5 280.07	311	8 390.07	6.07	R 2 144 669.69	R 2 517 021.00	368.59	R 110 577.00
<b>All Areas</b>	<b>5 874.01</b>	<b>35.36</b>	<b>15 202.68</b>	<b>1 038.00</b>	<b>25 582.68</b>	<b>5.62</b>	<b>R 6 539 444.66</b>	<b>R 7 674 804.00</b>	<b>2 701.72</b>	<b>R 810 516.00</b>

<b>Brakedown by Administration</b>									
	Total Ha	Total MD	Areas Verifies			Areas NOT Verifies			
			HA	ManDays	Cost to Clear	HA	AVG ManDays/HA	Man days	Cost to Clear
<b>Kleinmond</b>	1 674	6 283	971	4 034	R 1 031 270.77	703	3.20	2 249	R 574 793.39
<b>Hermanus</b>	1 006	15 090	553	9 816	R 2 509 066.23	453	11.65	5 274	R 1 348 169.96
<b>Fernkloof</b>	1 873	4 575	1 084	3 343	R 854 437.97	789	1.56	1 232	R 314 973.86
<b>Gansbaai</b>	1 321	9 298	1 171	8 390	R 2 144 669.69	150	6.07	908	R 232 077.25
Totals >>>	5 874	35 246	3 780	25 583		2 094		9 663	
<b>Totals</b>					<b>R 6 539 444.66</b>	<b>R 2 470 014.46</b>			
<b>Grand Totals</b>					<b>R 9 009 459.12</b>	<b>HA</b>	<b>5 874.01</b>		
						<b>Man Days</b>	<b>35 246</b>		

Table 172: Alien Clearing Plan for Overstrand - Environmental Management Services, 2019/20

### CO-MANAGEMENT AGREEMENTS

The EMS has taken the initiative to work with local wood making companies to assist in the alien eradication on its properties. Each wood cutter is given a block where they make firewood for the local market. It must be stated that the wood cutters are under no obligation to remove all the invasive species but only take what they need for their business to succeed. In this manner, biomass is removed from areas and "follow-up" teams paid by the OSM then have a smaller work load and thus saving the cost of clearing which is in turn is used on additional areas for clearing. Currently there are two teams working in the Hemel and Aarde Valley on municipal farms, each employing an average of 10 people.

Formal Co-Management agreements are signed annually with the Hermanus Hack (HHG) group and the Hermanus Botanical Society (HBS) and Cliff Path Management Group (CPMG). These groups are then awarded areas, specifically in the Fernkloof Nature Reserve where they continuously remove any new growth in pristine areas. These areas are then clearly marked on our Alien Vegetation Management Plan (AVMP) as "Restricted" for clearing by paid OSM clearing teams. Again, savings achieved in this regard is then spent on other areas of where more critical clearing is needed. Besides the volunteers, two dedicated paid teams of 5 people each are employed by these two groups.

### INFRASTRUCTURE MANAGEMENT

The Biodiversity Conservation Section manages a wide spectrum of properties in the Coastal Zone in all of the administrative regions of the Overstrand Municipality. Field Rangers and the Assistant

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Environmental Officer are involved in the maintenance of all infrastructures such as boardwalks, steps, signs, fences, and various facilities in this zone by co-ordinating and overseeing the activities of the Working for the Coast EPWP workers.

### 3.7.3 POLLUTION CONTROL

An Air Quality Plan has been developed by the Environmental Section. The document has been approved by DEADP. The Environmental Section does not have staff dedicated to Air quality but does assist the District with Air Quality Management activities. The plan was reviewed and updated and approved by council in the 2016/17 financial year.

#### **Energy Efficiency within municipal operations**

The municipality has taken the first step towards improvement of energy efficiency in municipal buildings. During 2018 energy audits were conducted on all municipal facilities and offices across the Overstrand. Improving energy efficiency in buildings is the most efficient and cost-effective way to tackle the challenges of global climate change, air pollution and high energy prices. In addition, for commercial buildings it provides an immediate and predictable positive cash flow resulting from lower energy bills. Various commercial and industrial buildings have introduced internal energy management programs based on energy audits to reduce waste in energy use or to comply with the specifications of some regulations and standards.

The term "energy audit" is used to refer to a systematic review of the energy consuming equipment in a building to identify energy management opportunities, which provides useful information for the building owner to decide and implement the energy saving measures for environment consideration and economic benefit. Energy audits help to facilitate energy management programme which establishes and maintains an efficient balance between a building's annual functional energy requirements and its annual actual energy consumption. The fundamental goals of energy management are to produce goods and services with the least cost and least environmental effect.

The accompanying report seeks to build an understanding on energy audits in buildings. It provides a brief description about how the energy audits are conducted, the types of audits and gives a synopsis about the significance of energy efficiency in buildings. It also reveals the relative consumption of energy on buildings and highlights the significance of conducting audits and the relevant steps and type of audits involved in conducting energy audits, Furthermore, it outlines relative figures on energy use globally and narrows it down to how much energy does the municipal buildings use monthly and annually.

Street lighting Maintenance:

<b>Area</b>	<b>Total number of lights</b>	<b>Retrofitted (LED) lights</b>
Hermanus	2800	130
Kleinmond	1100	30
Hawston	530	None

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### CLIMATE CHANGE PROJECTS

The Working for the Coast Programme has been the implementation team for the Dune Maintenance Management Plans over the last 2 years.

Due to many years of human development taking place there has been a change in the Pringle Dune system. Before the stabilization of the Pringle Bay dunes for development, sand would be blown towards the south-east by the winter north-westerly winds and then be blown back to nourish the beach by the summer south-easterly winds.

Another consequence of the sand being blown towards the south-east by the winter north-westerly winds is that sand would be blown onto the beachfront road and infrastructure and with little return movement and increase of the high water mark the overall quality and utility of the beach was being compromised.

The Pringle Bay Dune Maintenance Management Plan was developed to provide guidance in the management of the dune system as well as coordinate management efforts to obtain the most effective results. Based on this management plan a management strategy was implemented. Firstly to prevent further south-eastward movement of dune sand a "fence" like structure was made using seedless branches which is planted stem first into the ground. These "fences" are planted in staggered rows and the sand surface in-between covered with branches overlapping one another. By packing the branches this way it created a micro climate and suitable habitat under and in-between branches giving new vegetation the chance to grow on the harsh dune environment.

Another action taken was the re-opening of the Pringle Bay storm water pipe leading into the dune system. However with exit point of the pipe amongst the dunes it got covered in sand not long after being opened. It was then suggested that the pipe be extended so that the outlet could be moved from the dune and closer to the wetland. The extension was approximately 65metres long and this process was started and completed between September 2017 and March 2018.



The process of packing branches on the dunes in an organised way resulted in the stabilization on the dunes. With the regrowth of indigenous vegetation and the branches buffering the dunes from the sand this resulted in limiting dune movement as well as prevention sand inundation of beach amenities and the natural wetland system.

Another long-term benefit is that by stabilizing the dune system a natural buffer is created to protect infrastructure along the coastline against increased storm events caused by rise in sea level.

With the extension of the storm water pipe line exit closer to the dune wetland, the pipeline no longer gets blocked. So with heavy rains there is no longer the risk of the beach parking lot flooding or other damage to property due to the pipe line system blocking. There has also been an increase in vegetation growth in the wetland system also increasing the stabilisation of the dunes and re-establishment of the Pringle Bay dune wetland.

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This project has been an incredible success over the last 3 years and has changed the impact of the wind-blown sand on the immediate urban edge. It also trapped the front dune systems in their rightful place, ensuring that a buffer is kept between the ocean and the urban edge. This has decreased the risk of flooding and storms surge damage immensely. The wetland has been reinstated to its original form also acting as a buffer for flooding and has ensured the increase of dune vegetation, keeping the soil moist and trapping windblown sand in the system as it should. The ecosystem function of this dune and wetland system has been restored to its formal state and doing the job as it should. This is a tremendous achievement for the Overstrand and its environment.



### ENVIRONMENTAL EDUCATION AND AWARENESS

The Environmental Section (EMS) of the Overstrand Municipality (OSM) has entered into a memorandum of understanding with Antonio Dasilva Swart - The Coastal Sheriff through which regular coastal and beach clean-ups are conducted. Public awareness is generated through social media and all the participants are volunteers from the local community.

Although no formal agreement exists with Kim (Shark Lady) Maclean, the Overstrand Municipality, through the Hope Spot Initiative (established by Dr. Sylvia E. Earle in 2014 - Cape Whale Coast Hope Spot) fully supports and works closely with her in her Plastic Patrol initiative. This initiative is run from the New Harbour Hermanus and focuses on local children through whom they are given the opportunity to assist in cleaning the New Harbour of plastic waste and also enjoy discovering the ocean and its creatures.



Estuary Clean-up 2018 with NGO (Deyer Island Conservation Trust /Deep Blue Abassadors). The Overstrand Municipality has started an estuary clean-up programme with Dyers Island conservation trust (DICT) in 2018 to make the public aware of pollution in our estuaries and the effect that it has on our environment. Most of the pollution that occurs is paper, fishingline, tins and bottles. The main source of these items are fishermen that collect bait and recreation use. The municipality and the DICT does a clean-up once a month.

International coastal clean-up day 2018. Every year the Overstrand Municipality partners with Dyer Island Conservation Trust to celebrate International Coastal clean-up day. The trust was founded in 2006 by Wilfred Chivell, and it delivers unique conservation and research programmes in a fragile marine and critically important marine eco-system. They strive to protect the largest surviving colonies of the endangered African Penguin whose numbers are at an all-time low; the globally important breeding and calving grounds of the Southern



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Right Whale; and the world's densest populations of the vulnerable Great White Shark. (DICT website). Local schools, NGO's and local communities all participate on this day. The activities of the day is focused on clean-up operations along the coast and the purpose is to raise awareness on the pollution that effect our beautiful coast and the impact that it has on the environment, human and animals On this day, information on the type of waste collected is recorded on a data sheet.

World Environment Day 2019: Hawston Primary. The Paddavlei is an iconic wetland in Hawston and a focal point for the community. Overstrand municipality is working with the community, Government Departments and NGO's to re-establish the Paddavlei as the jewel of the town.

On 5 June 2019 Overstrand Municipality partnered with Cape Nature, DEA&DP: Pollution Policy & Regulatory Services, DEA&DP: Air Quality Management, Whale Coast Conservation (WCC; Environmental NGO in Overstrand) and the Paddavlei Eco Group (Hawston community organization), to do awareness raising on the importance of wetlands and waste management.



The target group was a total of 116 grade 7 learners. The programme for the day was as follow:

- Waste Management Activity: WCC and Overstrand
- Video Booth: History of Paddavlei: Cape Nature and PEG
- Portable Wetland: Cape Nature
- Water Quality and SASS Monitoring: DEA&DP: Pollution Policy & Regulatory Services
- DEA&DP: Air Quality Management

In partnership with Whale Coast Conservation (WCC), the OSM EMS works on saving the Cape Dwarf Chameleon (*Bradypodion pumilum* – Listed as Near Threatened). WCC, with a group of volunteers remove these animals from properties that will be developed, properties due for planned and prescribed burns and even the waste transfer station where they have been found in garden refuse, the chameleons are then relocated with the help of OSM EMS to areas where they will be protected such as Fernkloof Nature Reserve.



### BLUE HEART CAMPAIGN:

The Overstrand Municipality, in coordination with Story Team, developed this badge as our commitment to the protection of our ocean and our coastline. Under the banner of the Cape Whale Coast Hope Spot this "Blue Heart and Hands" shows the love that our people have for the ocean and our pledge to change our ways to ensure the protection and preservation of our Ocean, the Blue Heart of our Planet.

The Story Team's educational theatre productions was developed for the Overstrand to share to assist the municipality in exercising its legislative obligations to ensure a clean and safe environment for all the communities in the Overstrand. The programme promotes awareness of the necessity of personal responsibilities regarding the Environment of individuals and



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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communities in the Overstrand. By targeting a very young audience the programme will have a huge impact on the bigger community. By exposing and involving them to the visual, audio and emotional experience of the theatre, young learners will remember the message of Environmental and Marine Conservation. They would become the responsible adults of the future. Hoping to break a cycle of ignorance and creating a community that will care and protect the Overstrand for future generations.

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### A) TOP SERVICE DELIVERY PRIORITIES

**Approved Management Plans for our 2 Nature Reserves:** The Environmental Section is in the process of finalizing the Integrated Management Plan for the Fernkloof Nature Reserve.

The Fernkloof Management Plan will be discussed with FAB and CapeNature before final submission to council. The Management Plan for the Kleinmond Nature Reserve will be drafted after the Fernkloof Plan has been approved.

**Environmental and Heritage Overlay Zone:** An Environmental and Heritage Overlay Zone will give more protection to the environment without infringing on people's rights. The Overlay Zone will also identify all areas of conservation importance that need to be managed by the Environmental Section. The document will be submitted to council for adoption in 2017.

**Integrated Alien Clearing Strategy:** The Environmental Section needs to complete the draft Alien Clearing Strategy for the management of all invasive plants on Municipal property. The document will be drafted this financial year and submitted to DEA.

**Review of the Environmental Management System:** The Environmental Management System (EMS) was drawn up based on the principles of ISO standard 14001:2004 Environmental Management Systems. With the EMS, the municipality strives to manage specific operational activities in a manner that does not have a detrimental effect on the environment. In terms practical implementation of the EMS, a series of "Best practice" guidelines and "standard operating procedures" has been developed. This system was approved for implementation by Council in December 2016.

The 2004 ISO standard has been reviewed and the new standard is now known as ISO 14001:2015. In order for the municipal EMS to be in line with the ISO standard a review of the current EMS document is proposed. Environmental Management staff has already received training in the implementation of the new standard.

Under the EMS all sewer pump stations has been audited, with recommendations made to the relevant municipal departments. An audit has also been conducted on all the storm water outlets to the sea, estuaries and rivers. Recommendations will be discussed with respective Operational managers for each area.

### 3.8 COMPONENT G: SECURITY AND SAFETY

This component includes: traffic; law enforcement; fire and disaster management

#### 3.8.1 INTRODUCTION TO SECURITY AND SAFETY

The function of security and safety in the Overstrand Municipality is to provide a safe environment for the residents of the Overstrand and to ensure the safety of the personnel of the Overstrand Municipality through effective and efficient operationalisation of all relevant plans in conjunction with all public safety institutions.

#### 3.8.2 LAW ENFORCEMENT



Task Team members handing out soup and bread to Crèches in Hermanus area as part of the 67 minutes Mandela day initiative

#### A) INTRODUCTION TO LAW ENFORCEMENT

The aim of Law Enforcement in a municipality is to create an environment that will further the social and economic development of the community. Given that context the quality of life within a municipality depends to a large extent on the possibility that individuals and their families will be safe. They will also feel safe while using public open spaces and equipment and that conflicts within communities can be resolved peacefully. On a provincial level law is enforced by the South African Police Services. They have an extremely heavy workload and therefore certain laws (By-laws) and laws applicable only to a particular municipality are enforced by the Law Enforcement Officers appointed within its area of jurisdiction.

#### B) HIGHLIGHTS: LAW ENFORCEMENT

Highlights	Description
By-law training in the communities (Street Committees)	By-law trainings and campaigns were conducted to ensure that public members are well informed of Municipal By-laws

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Highlights	Description
	and the penalties. Information booklets were distributed in conjunction with the by-law trainings and campaigns.
Educational campaigns	Schools visits are conducted on a monthly basis by Law Enforcement officials to ensure that the youth is well informed regarding the Municipal By-laws and to help solve any problems or challenges they might be facing.
Fernkloof Nature Reserve	This function was transferred to the LED Directorate in 2016. Site visits were done by Law Enforcement on a regular basis.

**Table 173: Law Enforcement Highlights**



Special operation conducted in Kleinmond with local SAPS, POPS (Public Order Police Service) and Red Ants for the demolition of illegal structures.

### C) CHALLENGES: LAW ENFORCEMENT

Description	Progress in 2018/19 to address challenge
Staff capacity: The ratio of Law Enforcement officials on duty on a daily basis to the number of households in Overstrand is: 1 : 2154	Permanent Law Enforcement officials were assisted by EPWP & Chrysalis officials in attending By-law related complaints. By-law workshops and visits to schools are conducted in pursuit of public education and awareness's to inform citizens regarding the provisions of the By-laws.
Ignorance with regards to solid waste disposal. Problem animals damage waste containers and refuse bags and this leads to health hazards.	Notices are issued regarding the Integrated Waste Management By-law to educate residents and the public regarding the By-law. The notices serve as a warning and fines are also issued where required.
Vagrants: A number of vagrants are illegally occupying municipal land or are loitering in the central	Regular inspections are done at problem areas to minimize illegal occupation and other nuisances. 96 vagrant related complaints were received within the

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Description	Progress in 2018/19 to address challenge
business districts. This creates nuisances, fires and health hazards.	Overstrand area. Vagrants were removed from municipal properties and 29 vacant land inspections were done to prevent illegal squatters. The problem needs to be addressed by all role-players e.g. SAPS, social workers, community leaders and charity organisations.

**Table 174: Law Enforcement Challenges**

### D) SERVICE STATISTICS FOR LAW ENFORCEMENT

No.	Details	Law Enforcement			
		2015/16	2016/17	2017/18	2018/19
		Actual No.	Actual No.	Actual No.	Actual No.
1.	Number of by-law infringements attended	7308	7665	6730	7952
2.	Number of officers in the field on an average day	20	20	21	37
3.	Number of officers on duty on an average day	20	20	21	37
4.	Number of animals impounded	258	403	329	412
5.	Number of awareness initiatives	13	15	53	64

**Table 175: Law Enforcement Data**

Type of service	2015/16	2016/17	2017/18	2018/19
Monitoring of Bylaws contraventions	371	298	523	1109
	170	141	37	20
	7	1	5	2
	16	39	56	45
	549	588	204	134
	Function was transferred to LED directorate. Site visits were done on a daily basis.	Functions were transferred to LED directorate. Site visits were done on a daily basis.	Functions were transferred to LED directorate. Site visits were done on a daily basis.	Functions were transferred to LED directorate. Site visits were done on a daily basis.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Type of service	2015/16	2016/17	2017/18	2018/19
			were done on a daily basis.	Enforcement on a regular basis.
	1059 Sites visited and guarded by Law Enforcement Officials with Private guards on duty to protect municipal property on a daily basis.	1094, Sites visited and guarded by Law Enforcement Officials with Private guards, on duty to protect municipals property on a daily basis.	623, Sites visited and guarded by Law Enforcement Officials with Private guards, on duty to protect municipals property on a daily basis.	416 Sites visited and guarded by Law Enforcement Officials with Private guards on duty to protect municipal property on a daily basis.
	Regular patrols in conjunction with Directorate Community Services.  Assisted with demolishing of 8 structures.	Regular patrols in conjunctions with Directorate Community Services.  Assisted with demolishing of 27 structures.	Regular patrols in conjunctions with Directorate Community Services.  140 complaints received regarding illegal structures.  Assisted with demolishing of 7 structures	Regular patrols in conjunction with Directorate of Community Services.  495 complaints received regarding illegal structures.  Assisted with the demolishing of 70 illegal structures.

**Table 176: Additional performance information for Law Enforcement**

Employees: Law Enforcement							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0	0
4 - 6	13	13	0	0	0	0	0
7 - 9	7	7	4	31	24	7	22.6%
10 - 12	5	5	2	4	4	0	0
13 - 15	0	2	0	5	5	0	0
16 - 18	0	0	0	0	0	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>25</b>	<b>27</b>	<b>6</b>	<b>40</b>	<b>33</b>	<b>7</b>	<b>17.5%</b>

**Table 177: Employees: Law Enforcement**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Capital Expenditure 2018/19 Law Enforcement					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>					
* No capital budget for Law Enforcement in 2018/19					
Total project value represents the estimated cost of the project on approval by Council					

**Table 178: Capital Expenditure 2018/19: Law Enforcement**

### 3.8.3 TRAFFIC SERVICES



Traffic Officer Samantha van Vuuren hosting a Road Safety Talk with Wippie & Snippie

#### A) INTRODUCTION TO TRAFFIC SERVICES

The aim and function of the Traffic Department is to educate and create a culture of voluntary compliance with road traffic rules and regulations and to enhance courteous and tolerant road user behaviour. We operate on the legal mandate of the NRTA 93/96 & NLTA 5/2009. Our operational activities include roadblocks at strategic places, high visibility in hotspot areas, special intelligence driven operations, random vehicle check points, execution of traffic related warrants and enforcement of traffic laws. Our operational approaches is to co-ordinate and integrate operations, sporadic interventions in hotspot areas as per crime threat analysis e.g. offence patterns, etc. and special operations and speed enforcement in high accident frequency locations and high traffic offence locations.

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### B) HIGHLIGHTS: TRAFFIC SERVICES

Highlights	Description
Operational: Successful management of big events	Kalfieees, Fun Run from Gateway to Fisherhaven, Fun Run Event Newton & Johnson Farm, Mount Pleasant Primary Fun walk, Generations School Fun Walk, Hermanus Primary Fun Walk, Whale Festival Hermanus, Pringle Bay Fun Walk, Matric Farewell Qhayiya, Hawston & Hermanus High, Human Trafficking Awareness Day, Fun Walk Church Street, Build It Tournament, Wine & Whales Event, Mango Groove Event, Race To Stanford, Big Walk Family Event, Harley Davidson Event, Fish Festival, Beach Volley Ball (Grotto Beach) Festive Season Launch, Street Market Festival, Music Festival, Fin Global Fun Run, Colour Run Event, Kruis Stap Walk, Walkerbay Extreme Event, Herberg Old Age Walk (Pearly Beach), Western Cape Endurance Walk, Hawston cadets, Cape Epic Event

Table 179: Traffic Services Highlights



2018 Festive Season traffic operational launch, December 2018

### C) CHALLENGES: TRAFFIC SERVICES

Challenges	Progress made in 2018/19 to address challenge
<ul style="list-style-type: none"> <li>Shortage of staff when on study leave and sick leave.</li> <li>Maintenance and repair of faulty traffic signals (robots)</li> <li>Additional vehicles and hand radio's biggest challenge.</li> <li>Control room not operating effectively in case of emergencies.</li> </ul>	<p>In the process of upgrades on radio communication.</p> <p>Application and motivation for additional vehicles needed.</p>

Table 180: Traffic Services Challenges

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### D) SERVICE STATISTICS FOR TRAFFIC SERVICES

Traffic Services Data					
No.	Details	2015/16	2016/17	2017/18	2018/19
		Actual No.	Actual No.	Actual No.	Actual No.
1	Number of road traffic accidents during the year	236	161	163	198
2	Number of officers in the field on an average day	19	13	12	12
3	Number of officers on duty on an average day	13	13	12	15

**Table 181: Traffic Services Data**

Type of service	2015/16	2016/17	2017/18	2018/19
Motor vehicle licenses processed	43 033	48 057	51 425	69108
Learner driver licenses processed and issued	3 184	5388	4666	4 883
Driver licenses processed	1 790	1873	1400	1 530
Driver licenses issued	6 685	780	678	653
Fines issued for traffic offenses	24 652	23 017	122 751	136 538
R-value of fines collected	R 7 797 100	R 7 711 250	R 6 259 300	R 7 531 246
Roadblocks held	15	18	688	999
Special Functions – Escorts	84	115	60	81
Awareness initiatives on public safety	13	21	20	10

**Table 182: Additional performance information for Traffic Services**



Traffic Department Buckle UP Campaign with the Hawston Quadpara Association

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### E) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL29	The creation and maintenance of a safe and healthy environment	Collect R15,000,000 Public Safety Income by 30 June 2019 (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income	All	R 20,167,776	R 15,000,000	R 15,493,008.04	Target well met

Table 183: Service delivery indicators: Traffic services

Employees: Traffic Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	
0 – 3	2	2	1	1	1	0	0
4 – 6	25	24	22	20	19	1	5%
7 – 9	2	1	4	3	3	0	0
10 – 12	20	19	17	22	20	2	9.1%
13 – 15	1	2	3	3	2	1	33%
16 – 18	1	1	1	1	1	0	0
19 – 20	0	0	0	0	0	0	
<b>Total</b>	<b>51</b>	<b>49</b>	<b>48</b>	<b>50</b>	<b>46</b>	<b>4</b>	<b>8%</b>

Table 184: Employees: Traffic Services

Capital Expenditure 2018/19: Traffic Services					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>					

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Capital Expenditure 2018/19: Traffic Services					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
* No capital budget for Traffic Services in 2018/19					
<i>Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)</i>					

**Table 185: Capital Expenditure 2018/19: Traffic Services**

### F) MANPOWER: TRAFFIC, LAW ENFORCEMENT & SPECIAL TASK TEAM

<b>Assistant Chiefs</b>	1
<b>Senior Superintendents</b>	3
<b>Regional Inspectors</b>	2
<b>Superintendents</b>	4
<b>Senior Traffic Officers</b>	4
<b>Senior Law Enforcement Officers</b>	3
<b>Traffic Officers</b>	8
<b>Law Enforcement Officers</b>	22
<b>Learner Traffic Officers</b>	5
<b>Learner Law Enforcement Officers</b>	1
<b>Assistant Traffic Wardens</b>	3



Area : Rooi Els to Die Dam  
 Km : 1,708 km  
 Population : 104,932 (80,432: 2011 Census + 3,87% p/year)  
 Ratio : 1: 3,633

#### 3.8.4 FIRE SERVICES AND DISASTER MANAGEMENT



Collaboration to extinguish the peat fire at Camphill

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### A) INTRODUCTION TO FIRE SERVICES AND DISASTER MANAGEMENT

Fire Services is responsible for the following functions:

- Fire-fighting of structural fires, veld and bush fires and any other fire;
- Fire safety (the application of the National Building Regulations, Fire codes and municipal by-laws with regard to fire safety);
- Rescue services;
- Support services to municipal and other instances;
- Fire pre-planning and related preparedness plans;
- Testing and basic maintenance work on emergency vehicles and equipment; and
- Fire communications facilities for the particular service.

Our Disaster Management is a continuous and integrated multi-sectoral and multi-disciplinary process of planning and implementation of measures aimed at disaster prevention, -mitigation, -preparedness, -response, -recovery and –rehabilitation.

### B) HIGHLIGHTS: FIRE SERVICES AND DISASTER MANAGEMENT

Highlights	Description
IFFD 2019	<p>Members of Overstrand Fire Brigade assisted Stellenbosch Municipality with the planning and preparations of the International Fire-fighters Day which was hosted in Stellenbosch on Saturday 4 May 2019.</p> <p>Overstrand Municipality entered a team into the team challenge; our firefighters achieved 2<sup>nd</sup> place, mere split seconds behind Garden Route District Municipality.</p>
Risk Assessments	<p>Provincial Government conducted a Risk Assessment for the entire jurisdiction. Various risks were identified and the document was made available.</p>
Thank you events	<p>Various business organisations and community members showed their appreciation towards the firefighters and the department in its entirety.</p> <p>Once such event which was held was a luncheon, which included all other agencies which assisted over the festive season. Another event sought to raise funds which were donated to aid the fire department.</p> <p>Individuals and business organisations are sincerely thanked for their token of appreciation towards our services rendered.</p>
Firefighter 2: Awards & Recognition	<p>On 26 October 2018, three of Overstrand Municipality's employees passed out at the Firefighter 1 POP (Passing Out Parade) held at Cape Winelands District Municipality.</p>

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Highlights	Description
	One of the firefighters achieved "Best Academic Student" while an officer was recognized for Special Recognition as a contributor in the Training and Development Profession.
Major Incident Medical Management System (MIMMS)	On 23 May 2018, Overstrand Fire in conjunction with the WCEMS (Western Cape Emergency Medical Services (Division: Disaster Medicine)), hosted a Major Medical Incident at SOFCA Hermanus. Various role-players participated in the mock exercise to test the readiness of Overstrand Emergency Services to deal with a mass casualty incident.

**Table 186: Fire Services and Disaster Management Highlights**



Overstrand Fire and Rescue Fleet bolstered with three new vehicles and specialised tools purchased with funds received from the Provincial Fire Services Capacity Grant.



The runner ups at the International Firefighters Day Team Challenge, with Assistant Chief Angelo Aplon and Chief Fire Officer Lester Smith

### C) CHALLENGES: FIRE SERVICES AND DISASTER MANAGEMENT

Description	Progress made in 2018/19 to address challenge
Vehicles and Equipment	Overstrand Fire and Rescue, Disaster Management and Security Services remains in non-compliance with the SANS 10090: Community Protection Against Fires.  Our oldest vehicle is 37 years old, a Bush Pumper Type 1 Unimog Buffalo, is 22 years over the prescribed life expectancy. This vehicle is stationed in Pringle Bay.  Additional vehicles are required in order for the department to be in compliance.  After a fatal incident in the vicinity of Gansbaai, three sets of Jaws of Life were procured. The delivery of the equipment took place at the end of June 2019.
Staff compliment	The staff compliment in all spheres of the department need to be increased in order to build capacity for the department to function efficiently and effectively.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Description	Progress made in 2018/19 to address challenge
	<p>Capacity is required in the following spheres:</p> <ul style="list-style-type: none"> <li>○ Fire Safety</li> <li>○ Operational Department</li> <li>○ Disaster Management</li> <li>○ Security Services</li> </ul> <p>Additional staff members are required in order to be in compliance with the SANS 10090: Community Protection Against Fires.</p>
Closing of stations	<p>Kleinmond and Gansbaai stations remain under-staffed and therefore cannot function on a 24-hour basis like Hermanus station. The staff continue to work from Monday to Friday 07:45 to 16:30 and are subsequently placed on standby after hours, weekends and public holidays. The staff thus respond from home, increasing the response time to incidents.</p>
Water Scarcity	<p>The water restrictions imposed in the Hermanus area has an effect on the service delivery of the municipality. Concerned residents are unhappy about the fact that water is required for training purposes; the residents see this as unnecessarily wasting water.</p>
Social Conflict	<p>Social Conflict has become prevalent in various communities across Overstrand due to various reasons. Disaster Management &amp; Fire Services has played a role in the incidents.</p>
Peat Fire – Camphill	<p>The Peat Fire at Camphill had actively burning and / smouldering since 11 January 2019 and had been burning sub-surface for quite some time.</p> <p>Several attempts were made by the Fire Department to extinguish the fire, with little success.</p> <p>This operation turned into a project with the assistance from Overstrand Environmental Services, Enviro Wildfire Pty Ltd and WOF (Working on Fire), and experts were brought in to assist with the extinguishment of the fire.</p> <p>A WOF base camp was set up in the vicinity, and WOF members worked tirelessly to extinguish the fire in conjunction with Overstrand Firefighters. Because of the complexity of the fire, Overstrand will be showcased in a documentary which will be viewed on <i>international</i> television.</p>

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Description	Progress made in 2018/19 to address challenge
"Black Friday" , Friday 11 January 2019	<p>On Friday 11 January 2019, the department experienced a "Black Friday". A code red was declared to Provincial Government at approximately 12:30.</p> <p>Resources had been stretched beyond capacity due to major fires occurring in Betty's Bay, Masakhane &amp; Franskraal area as well as Karwyderskraal &amp; Hermanus.</p> <p>Aerial support, ground teams from various agencies, GoFPA (Greater Overberg Fire Protection Association) and FMU (Fire Management Units) members, other Municipalities stretching from West Coast District Municipality up until Garden Route District Municipality assisting with additional crew members and vehicles.</p> <p>The damages of the fire were in excess of R40 million</p>
Lack of infrastructure	Due to the increase of informal settlements, little or no infrastructure are available to assist the firefighters. These include fire hydrants and access roads.
Rapid expansion of Informal Settlements	<p>Overstrand Municipality has been experiencing a rapid influx of residents which resulted in the increase of the number of informal dwellings.</p> <p>New "settlements" such as Marikana &amp; Dubai were established during the 2018/19 financial year, and a noticeable expansion in areas such as Overhills &amp; Masakhane.</p> <p>This resulted in an increase in the attendance of informal settlement fires.</p>

**Table 187: Fire Services and Disaster Management Challenges**

### D) SERVICE STATISTICS FOR FIRE SERVICES

Fire Services Data					
No.	Details	2015/16	2016/17	2017/18	2018/19
		Actual No.	Actual No.	Actual No.	Actual No.
1	Total fires attended in the year	378	394	365	298
2	Total of other incidents attended in the year	356	280	254	258
3	Average turnout time - urban areas	3.05min	3.5min	4.47min	10.50min
4	Average turnout time - rural areas	13.13min	12.2min	6.47min	13.50min
5	Fire fighters in post at year end	36	35	34	35
6	Total fire appliances at year end	10	8	7	7
7	Average number of appliance off the road during the year	7	8	9	7

**Table 188: Fire Service Data**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### E) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL27	The creation and maintenance of a safe and healthy environment	Annually review and submit Disaster Management Plan to the District by the end of October 2018	Reviewed plan submitted	All	0	1	1	Target met

**Table 189: Service delivery indicators: Fire Services and Disaster Management**

Employees: Fire Services and Disaster Management							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0	0
4 - 6	31	29	29	30	30	0	0
7 - 9	6	6	8	9	9	0	0
10 - 12	1	6	1	2	1	1	50%
13 - 15	3	4	5	5	4	1	25%
16 - 18	1	1	1	1	1	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>42</b>	<b>46</b>	<b>44</b>	<b>47</b>	<b>45</b>	<b>2</b>	<b>4.25%</b>

**Table 190: Employees: Fire Services and Disaster Management**

Capital Expenditure 2018/19: Fire Services and Disaster Management					
R'					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total all</b>	<b>4 170 000</b>		<b>799 211.00</b>	<b>3 370 789.00</b>	<b>4 170 000</b>
Jaws of Life	800 000.00	0.00	799 211.00	0.00	0.00
Upgrading of Facilities – Fire Services Building	2 480 000.00	0.00	0.00	0.00	0.00
CCTV Cameras	100 000.00	0.00	0.00	0.00	0.00
CCTV / Security Entrance to Fisherhaven & Slipway	120 000.00	0.00	0.00	0.00	0.00

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<b>Capital Expenditure 2018/19: Fire Services and Disaster Management</b>					
<b>R'</b>					
<b>Capital Projects</b>	<b>2018/19</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
Safety Cameras at entrances of town	20 000.00	0.00	0.00	0.00	0.00
Safety Camera's at Entrances – Hangklip area	50 000.00	0.00	0.00	0.00	0.00
CCTV Cameras	100 000.00	0.00	0.00	0.00	0.00
CCTV Cameras	500 000.00	0.00	0.00	0.00	0.00
<i>Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)</i>					

**Table 191: Capital Expenditure 2018/19: Fire Services and Disaster Management**

Funds for the CCTV project were rolled over to the 2019/20 financial year for spending.

### 3.9 COMPONENT H: SPORT AND RECREATION

#### 3.9.1 INTRODUCTION TO SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.



Aerobic Marathon, 1 December 2018

#### A) HIGHLIGHTS: SPORT AND RECREATION

<b>Highlights</b>	<b>Description</b>
Overberg Regional Indigenous Games	Overberg District Games were hosted on the 11 May 2019 at Zwelihle Sports Field. This event was hosted in partnership with provincial Department of

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Highlights	Description
	Cultural Affairs and Sport. The following were activities of the day: iintonga (stick fighting, Kgati, Ncuva, Kho-kho, Gqaphu, Dibeke and Juskei).
Aerobic Marathon	The annual Aerobic Marathon was hosted on 1 December 2018 at Zwelihle Multi – Purpose Court. Fitness fanatics from all walks of life participated and facilitators from as far as Eastern Cape were part of the event. This event was co-hosted by Xsolies Aerobic Club and Overstrand Municipality.

Table 192: Sport and Recreation Highlights



Overberg District Indigenous Games. 11 May 2019

### B) CHALLENGES: SPORT AND RECREATION

Description	Progress made in 2018/19 to address challenge
Vandalism of Infrastructure	<ul style="list-style-type: none"> <li>There has been constant vandalism and stealing of contents at Zwelihle and Mt Pleasant Sport Field. Safety grids and new burglar bars were installed at Zwelihle Sports field.</li> <li>Mount Pleasant has security alarm installed. Process to close the entry points at Mt Pleasant sport field is under way and also an idea to have care caretaker residing at the affected sports field is on the table.</li> </ul>
Shrinking of Green or Open Spaces for training purposes due to various developments	Currently we are engaged in process of developing master plans for all areas, hopefully that process will also lead to identification of pockets of land for purposes of finding training grounds.
Over use of sport fields	The overuse of sport fields will continue being a challenge as long as we don't have control over unregistered structures operating at community sport fields. The sooner we get political support to disallow entry fee at soccer events the better.
Old/lack of poles at various sports fields	The matter is attended to through operational budget.

Table 193: Sport and Recreation Challenges

### C) SERVICE STATISTICS FOR SPORT AND RECREATION

Type of service	2015/16	2016/17	2017/18	2018/19
<b>Play parks</b>				

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Type of service	2015/16	2016/17	2017/18	2018/19
Number of parks with play park equipment	56	58	58	60
Number of wards with community parks	13	13	13	13
<b>Swimming pools</b>				
Number of visitors per annum	65 558	65 134	30 067	23 804
R-value collected from entrance fees	44 634.70	50 310	48 035	42 880
<b>Camp sites/ Resorts</b>				
Number of visitors per annum	14 955	16 808	11 092	21 499
R-value collected from visitation and/or accommodation fees	5 611 030.05	5 577 073.47	4 113 682.62	6 444 878.46
<b>Sports fields</b>				
Number of wards with sport fields	9	9	9	9
Number of sport clubs utilizing sport fields	88	92	92	92
R-value collected from utilization of sport fields	5 337	9 278.68	11 400.05	4 189.15
<b>Sport halls</b>				
Number of wards with sport halls	1	1	1	1
Number of sport associations utilizing sport halls	1	3	4	2
R-value collected from rental of sport halls	113 182.58	164 306.03	103 639.38	94 362.93

**Table 194: Additional performance information for Sport and Recreation**

<b>Capital Expenditure 2018/19: Sport and Recreation</b>					
<b>R'000</b>					
<b>Capital Projects</b>	<b>2018/19</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
<b>Total all</b>	<b>8 564 958</b>	<b>7 957 858</b>	<b>7 602 014</b>	<b>255 844</b>	<b>7 602 014</b>
Minor assets – Spaces for Sport	100	100	0	0	0
Hermanus Sports Complex Project Land Sales	4 017 184	4 017 184	4 017 184	0	4 017 184

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<b>Capital Expenditure 2018/19: Sport and Recreation</b>					
<b>R'000</b>					
<b>Capital Projects</b>	<b>2018/19</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
Sport Complex Project R/Over	1 000	1 000	1 000	0	1 000
Play Parks (ward 1)	80	80	77 921	2 079	77 921
Tidal Pool & Play Parks (ward 2)	50	50	49 754	246	49 754
Fencing of basketball Court (ward 12)	150	150	144 405	5 595	144 405
Roof for Zwelihle Boxing Gym and safety gates (ward06)	40	40	39 520	480	39 520
Play park equipment (ward 6)	60	60	59 838	162	59 838
Installation of Astro turf (ward 6)	100	100	71 659	28 341	71 659
Construction of play park equipment and sitting areas (ward 6)	60	60	50 328	9 672	50 328
Upgrade of play park at slipway (ward 8)	10	10	9 717	283	9 717
Upgrade of Hawston Sport Grounds phase 1(ward 8)	1 500	700	700	0	700
Outdoor Trim GYM – Main Beach (ward 9)	70	70	69 100	900	69 100
Fencing at Netball Court (ward 9)	30	30 900	30 757	143	30 757
Upgrade of public launching site (ward 11)	50	50	48 441	1 559	48 441
Containers for change rooms (ward 12)	70	70	63 324	6 676	63 324
Construction of Play equipment and sitting areas (ward 12)	80	80	70 795	9 205	70 795
Installation of an Astro Turf (ward 12)	100	100	99 850	150	99 850
Redesign of Onrus beach area	40	0	0	0	0
Vehicle –Parks	969 774	969 774	838 992	130 782	838 992
Storage containers (ward 8)		92	86 802	5 198	86 802

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Capital Expenditure 2018/19: Sport and Recreation					
R'000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Soccer Nets (ward 8)		28	7 900	20 100	7 900
Upgrading of ward 5 Play park		100	65 727	34 273	100
<i>Total project value represents the estimated cost of the project on approval by Council</i>					

**Table 195: Capital Expenditure 2018/19: Sport and Recreation**

### 3.10 COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: executive and council; financial services; human resource services; ICT services; legal services; and procurement services.

#### 3.10.1 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

#### A) HIGHLIGHTS: EXECUTIVE AND COUNCIL

Highlights	Description
Accolades in 2018/19	<p>Overstrand Municipality received the following accolades in 2018/19</p> <ol style="list-style-type: none"> <li>Clean Audit Certificate for 2017/18</li> <li>Clean Audit status for 6 consecutive years</li> <li>Certificate, trophy and cheque for R250 000.00 in the Local Municipality Category for 2018 of the Arbour City Awards</li> <li>Certificate of achievement for Excellence in the achievement of the Expanded Public Works Programme Work Opportunity Targets for the period 1 April 2017 to 31 March 2018 from the Western Cape Government: Transport &amp; Public Works.</li> </ol>

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Highlights	Description
Overstrand made it once again in 2018/19 on National Blue Flag list	Grotto Beach, Hawston and Kleinmond achieved yet again the Blue Flag status for 2018/19 as well as further status granted for a Pilot Blue Flag beach, namely Castle Beach in Pearly Beach near Gansbaai.

**Table 196: Executive and Council Highlights**



Overstrand Municipality, runner up in the 2018 Harbour City Awards

### B) CHALLENGES: EXECUTIVE AND COUNCIL

Description	Progress made in 2018/19 to address challenge
Unrest in the area	<ul style="list-style-type: none"> <li>Media releases of Mayor's message sent to all local newspapers continued.</li> <li>Meetings with different stakeholders and government departments to find a solution to the problem.</li> <li>Continued- Walk-about Visit by the mayor to business people and employees to listen to their concerns.</li> </ul>
Baboon problem and lack of funding	Not local government mandate. Executive Mayor held discussions with the responsible Provincial Minister to seek clarity on mandate. Discussions are continuing.

**Table 197: Executive and Council Challenges**

### C) SERVICE DELIVERY INDICATORS

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Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL7	The provision of democratic, accountable and ethical governance	Submit progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	All	4	4	3	No EMT held in December, Council in recess. Meeting held in March 2019.

Table 198: Service delivery indicators: Executive and Council

### 3.10.2 FINANCIAL SERVICES

#### A) INTRODUCTION: FINANCIAL SERVICES

##### FINANCIAL SERVICES

The application of sound financial management principles is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainable, economically and equitably to all communities.

The key objective of the Municipal Finance Management Act (2003) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services. Municipal financial management involves managing a range of interrelated components: planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting and oversight. Each component contributes to ensuring that expenditure is developmental, effective and efficient and that municipalities can be held accountable.

The Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. Encouragement of structured community participation in the matters of the municipality is an important focus area.

**Municipal Regulations on a Standard Chart of Accounts (mSCOA)** - Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe, by regulation such measures in terms of section 168 thereof.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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In terms of section 169(1)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Minister of Finance has signed into effect and subsequently published the Municipal Regulations on a Standard Chart of Accounts (mSCOA) in terms of Notice 312 of 2014, Government Gazette No. 37577 subsequent to formal consultation.

The publishing of the regulation on the Standard chart of Accounts (mSCOA) on 22 April 2014 has a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003. The mSCOA regulations take effect on 1 July 2017.

The following are extracts from the preamble to the regulations:

“Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards.” “These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities.”

The regulations contain amongst others, segment and classification framework for mSCOA, minimum business process and system requirements and responsibilities of municipal councils and accounting officers.

The segments classification consists of the following:

- i. Funding segment – This segment relates to the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending.
- ii. Function segment - This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government.
- iii. Municipal Functional classification Segment - This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed.
- iv. Project Segment - This segment provides for the classification of capital and operating projects on the basis of whether it relates to a specific project and if so, the type of project.

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- v. Regional Indicator Segment - This segment identifies and assigns government expenditure to the lowest relevant geographical region within which the intended beneficiaries of the service or capital investment are located.
- vi. Item Segment - This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.
- vii. Costing Segment - This segment provides for a classification structure for secondary cost elements with reference to departmental charges, internal billing etc. and acts as a cost collector in determining inter alia total cost of services.

The SCOA Regulation provided for a three year preparation and readiness window and all 278 municipalities and municipal entities must be compliant to the mSCOA classification framework by 1 July 2017. Overstrand municipality was identified as one of the official national pilot sites to early implement mSCOA and to pilot the Bytes SAMRAS system. This was first implemented for the 2015/2016 financial year and has been continued since then as a dedicated project. The 2015/2016, the 2016/2017, 2017/2018 and the 2018/2019 MTREF Budgets have been compiled and approved by Council on 27 May 2015, on 25 May 2016, 31 May 2017, on 30 May 2018 and 29 May 2019 respectively, according to the mSCOA classification framework.

As required by National Treasury, the mSCOA Project went live on 01 July 2017 for all municipalities on a national level, based on the mSCOA Release Version 6.1. Although the core financial system is currently fully operational and functional, primarily due to the collective efforts and competence of the Overstrand municipal officials involved with the implementation of mSCOA. There are however still issues and constraints that are managed on an on-going basis.

The outcome of the 2017/2018 audits of municipalities confirmed concerns with regard to the effect of the implementation of mSCOA in so far as conversions/adjustments to financial management systems in operation at municipalities, had to be attended to. Before-mentioned had a much wider implication and effect on operations due to before-mentioned. Although the core financial system at Overstrand Municipality is currently fully operational and functional, primarily due to the collective efforts and competence of the Overstrand municipal officials involved with the implementation of mSCOA, here are however still issues and constraints that are managed on an on-going basis.

The implementation of mSCOA Regulations from 01 July 2017 on version 6.1 of the chart revealed some of the challenges that had to be addressed. As a result of this, the chart was updated and version 6.2 was released with the 2018/19 MFMA Budget Circular no. 89. Version 6.2 of the chart was effective from 2018/19 and was also used to compile the 2018/19 MTREF.

Due to before-mentioned continued revision of the chart by National Treasury, the chart was subsequently again updated as version 6.3, released on 7 December 2019 with the 2019/20 MFMA Budget Circular no. 93. Version 6.3 of the chart will be effective from 2019/20 and was recently used to compile and finalise the 2019/20 MTREF.

The phenomenon unfolding from an advanced stage of mSCOA implementation, to a continued phase of system conversion/migration to re-developed systems on a national level, is still causing disruption in the municipal sphere.

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The municipality will keep the Council and National Treasury informed of any changes to the current status.

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### THE MANAGEMENT OF KEY FINANCIAL AND GOVERNANCE AREAS IS ACHIEVED BY FOCUSING ON:

- reducing the levels of outstanding debt owed to the Municipality, to assist with service delivery spending and maintaining a healthy cash flow;
- maintaining an unqualified audit for the Municipality by resolving audit findings and improving financial governance and over and above before-mentioned, also upholding our Clean Audit status since in 2013/2014;
- maintaining a good credit rating to ensure favourable lending rates and terms; and
- successfully implementing the Standard Chart of Accounts (SCOA) as promulgated
- Spending budgets to maximise delivery.

The Municipality's annual budget comprises an operating budget and a capital budget. The operating budget funds employee salaries, operating costs, purchases and assistance for the poor, such as free basic water and sanitation. The Municipality's business and service delivery priorities were reviewed and where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. The focus is to critically review expenditure on non-core items.

The capital budget is set aside for spending on infrastructure and services, such as roads, water and electricity as well as the many other utilities and services that Overstrand needs in order to function, grow and offer opportunities to its residents.

The entire budget amount per annum is based on the income that the Municipality expects to derive from rates, service charges, and grants and subsidies. During the 2018/19 financial year, the Municipality managed to attain 100.21% of its capital budget (audit outcome), 96.02% of its operating budget (audit outcome) and raised 105.63% of the total revenue budget.

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### FINANCIAL MANAGEMENT REFORMS

In order to achieve our objectives, the Municipality has implemented the following financial management reforms to ensure that resources are used efficiently:

- Efficient costing of services and projects by identifying and managing the cost drivers, inclusive of a sustained focus on cost containment, also in view of the promulgation of the Municipal Cost Containment Regulations on 7 June 2019 by the Minister of Finance, in concurrence with the Minister of Cooperative Governance and Traditional Affairs, in an attempt to "ensure that resources of a municipality and municipal entity are used effectively, efficiently and economically".
- Active use of forecasts and projections to manage cash flow efficiently.
- Active monitoring of income and expenditure against pre-determined budget targets/projections.
- Set financial benchmarks and monitor performance against them.
- Development of a feasible capital funding strategy.

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- Development of a feasible cash and investment strategy.
- Exploring additional funding sources.

### B) HIGHLIGHTS: FINANCIAL SERVICES

Highlights	Description
mSCOA	<p>The SCOA Regulation originally provided for a three year preparation and readiness window, and all 278 municipalities and municipal entities had to be compliant to the mSCOA classification framework by 1 July 2017. Overstrand municipality was identified as one of the official national pilot sites to early implement mSCOA and to pilot the Bytes SAMRAS system. This was first implemented for the 2015/2016 financial year and has been continued since then as a dedicated project under the leadership of the mSCOA Work group with senior Finance Directorate staff and representatives of other directorates as members. This work group is still actively monitoring the status of the process which are not fully completed, due to the phenomenon unfolding from an advanced stage of mSCOA implementation, to a continued phase of system conversion/migration to re-developed systems on a national level, is still causing disruption in the municipal sphere, as mentioned earlier in this report. The municipality is awaiting updated project information, in order to consider the status, appropriate approach and planning in this regard.</p> <p>To date the core financial system of the municipality is functional and operational, primarily due to the collective efforts and competence of the Overstrand municipal officials involved with the implementation of mSCOA.</p>

**Table 199: Financial Services Highlights**

### C) CHALLENGES: FINANCIAL SERVICES

Description	Progress made in 2018/19 to address challenge
Priorities in terms of Management Information Systems	<p>In view of the updated status provided under mSCOA above, the relevance still as follows:</p> <p>on-going process to identify optimal solutions, with an emphasis on value for money, with reference to the Municipal Regulations on a Standard Chart of Accounts (mSCOA) in terms of Notice 312 of 2014, Government Gazette No. 37577, which defines as follows: "minimum system requirements" means those specifications for an integrated software solution, incorporating an enterprise resource management system determined in terms of regulation 7;"</p>

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Description	Progress made in 2018/19 to address challenge
Strategic considerations	In view of the updated status provided under mSCOA above, the relevance still as follows: A review of existing systems and procedures within the directorate is identified as a priority, in order to ensure increased productivity and efficiency.

**Table 200: Financial Services Challenges**

Details of the types of account raised and recovered	Debt Recovery								
	R'000								
	2016/17			2017/18			2018/19		
	Billed in Year	Actual for accounts billed in year	Pro-portion of accounts value billed that were collected in the year	Billed in Year	Actual for accounts billed in year	Pro-portion of accounts value billed that were collected in the year	Billed in Year	Actual for accounts billed in year	Pro-portion of accounts value billed that were collected in the year
		%			%			%	
Property Rates	197 047 196	195 158 990	99,04	214 845 385	213 384 822	9932,02%	233 274 257	230 322 833	98,73
Electricity	355 476 323	354 401 955	99,70	349 693 288	348 146 584	9955,77%	378 668 312	376 429 665	99,41
Water	123 708 772	122 343 038	98,90	111 191 772	111 908 842	10064,49 %	129 971 486	125 970 634	96,92
Sanitation	79 176 929	79 021 101	99,80	72 064 166	71 898 603	9977,03%	77 771 868	76 064 402	97,80
Refuse	66 215 293	66 083 039	99,80	57 740 545	57 333 229	9929,46%	61 788 413	61 011 312	98,74

**Table 201: Debt recovery**

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### D) SERVICE DELIVERY INDICATORS

Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL1	The provision of democratic, accountable and ethical governance	98% of the operational conditional grant (Libraries) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries)	All	93%	98%	100%	Target well met
TL15	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg. 10 (g))	Ratio achieved	All	6.56	3	9.15	Target extremely well met
TL16	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (%) (MPPMR Reg. 10 (g))	Ratio achieved	All	19.79%	12%	22.32%	Target extremely well met

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Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL17	The provision of democratic, accountable and ethical governance	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPMR Reg. 10 (g))	% achieved	All	10.55%	12.20%	11.30%	Target extremely well met
TL18	The provision of democratic, accountable and ethical governance	Financial statements submitted to the Auditor-General by 31 August 2018	Financial statements submitted	All	1	1	0	<p>The annual financial statements (AFS) was submitted for auditing to the Auditor-General on 01 September 2018 at 03h44, 3 hours and 44 minutes after 30 June 2018, thus it was not submitted within two months after the end of the financial year (31 August 2018) as required by section 126(1)(a) of the MFMA.</p> <p>The Office of the Auditor-General has however considered the matter and the outcome in the Audit Report confirmed that the Overstrand Municipality has sustained a clean audit outcome for the 2017/2018 financial year.</p>
TL19	The provision of democratic, accountable and ethical governance	Submit a reviewed long term financial plan by end of October 2018	Submission of long term financial plan	All	1	1	1	Target met

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Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL22	The provision of democratic, accountable and ethical governance	The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan (Actual expenditure divided by the budget allocated) (MPPMR Reg. 10 (f))	% of the training budget spent on implementation of the WSP	All	99.87%	100%	100%	Target met
TL35	The provision and maintenance of municipal services	Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements (MPPMR Reg. 10 (b))	Number of Indigent households	All	7,385	7,400	7,630	Target well met
TL36	The provision and maintenance of municipal services	Percentage of a municipality's capital budget actually spent on capital projects identified for 2018/19 in terms of the municipality's IDP {(Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100} (MPPMR Reg. 10 (c))	% of the capital budget spent	All	90.13%	95%	100.21 %	Target well met
TL39	The provision and maintenance of municipal services	100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2019 (Actual MIG expenditure/Allocation received)	% expenditure of allocated MIG funds	All	100%	100%	100%	Target met

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Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL40	The provision of democratic, accountable and ethical governance	Achieve a debt recovery rate not less than 96% (Receipts/total billed for the 12 month period x 100)	% Recovered	All	99.64%	96%	98.67%	Target well met
TL48	The provision of democratic, accountable and ethical governance	Submit the Final MTREF budget by the end of May 2019	Budget submitted	All	1	1	1	Target met

Table 202: Service delivery indicators: Financial services

Employees: Financial Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0	0
4 - 6	41	40	43	43	40	3	7%
7 - 9	22	24	22	22	20	2	9%
10 - 12	21	23	23	23	22	1	4.34%
13 - 15	11	12	12	12	12	0	0
16 - 18	4	4	4	4	4	0	0
19 - 20	1	2	1	1	1	0	0
<b>Total</b>	<b>100</b>	<b>102</b>	<b>105</b>	<b>105</b>	<b>99</b>	<b>6</b>	<b>5.7%</b>

Table 203: Employees: Financial Services

### 3.10.3 HUMAN RESOURCES SERVICES

#### A) INTRODUCTION TO HUMAN RESOURCES SERVICES

The Human Resources Department resort under the Director: Management Services and is responsible for the following functions:

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- Strategic Human Resources
- Human Resources Administration
- Recruitment and Selection
- Labour Relations.
- Performance Management
- Occupational Health and Safety
- Training and Development

The challenge is to move from Human Resources Management to Human Capital Management.

### B) SERVICE DELIVERY PRIORITIES

#### STRATEGIC HUMAN RESOURCES

To provide management with effective and efficient strategic advice and support with reference to new and amended legislation, interpretation of policies; organizational change, sound labour relation practices and health and safety environment.

#### RECRUITMENT AND SELECTION

To ensure that the right persons are appointed at the right time in the right positions are one of the most important challenges. This priority challenges in terms of legislation, cost and service delivery.

#### LABOUR RELATIONS

To apply sound labour relations within the work place. Inform and advise management on the application of disciplinary code and procedures in order to comply with the necessary legislation and Bargaining Council Agreements.

### C) HIGHLIGHTS: HUMAN RESOURCES

Highlights	Description
Health and Wellness days	Health and Wellness days were held on the following dates at the various administrations: <ul style="list-style-type: none"><li>○ Wednesday, 10 October 2018: Kleinmond:</li><li>○ Thursday, 11 October 2018: Gansbaai &amp; Stanford</li><li>○ Friday, 12 October 2018: Hermanus</li></ul>

Table 204: Human Resources Highlights

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### D) CHALLENGES: HUMAN RESOURCES

Description	Progress made in 2018/19 to address challenge
<p>Hosting of Employee Wellness days: The hosting of employee wellness day still remains a challenge, as the accredited Medical Aid funds are not keen to participate in our program, due to increased costs of testing of staff members.</p> <p>90% of employees do not belong to medical aid funds. Medical aid funds do not want to sponsor non-medical aid members.</p>	<p>Human Resources make budgetary provision for the appointment of Registered Nurses to assist at the Wellness Days.</p>
<p>Performance Management:</p> <ul style="list-style-type: none"> <li>○ Communication break-down between Managers and subordinates regarding performance appraisal. Also lack of feedback from managers to subordinates when evaluations are finalized.</li> <li>○ Lack of responsibility of relevant managers to ensure that the evaluation documents are submitted by their subordinates.</li> <li>○ Compliance rate is poor in certain directorates.</li> <li>○ Certain employees and managers are reluctant to change their attitude towards performance management, resulting in them refusing to sign-off the performance documents.</li> </ul>	<p>One-on-One discussions need to take place between managers and subordinates</p> <p>Managers must ensure that the required performance management documentation is submitted timeously by familiarizing themselves with the due dates of the Performance Management Calendar.</p> <p>Managers must familiarize and keep to submission dates of the Performance Management Calendar in order to be compliant. Managers need to attend to communication from Human Resources regarding outstanding performance management documentation.</p> <p>Employees and managers need to acquaint themselves with the content of the Performance Management Framework Policy of the municipality in order to be compliant with the mentioned policy. Furthermore employees and managers must enquire from the Human Resources department in the event of uncertainties of queries regarding Performance Management</p>

**Table 205: Human Resources Challenges**

### E) SERVICE DELIVERY INDICATORS

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Ref	Strategic Objective	KPI	Unit of Measurement	Wards	Actual 2017/2018	Overall Performance 2018/2019		
						Target	Actual	Corrective Measures
TL23	The provision of democratic, accountable and ethical governance	Review the Municipal Organisational Staff Structure by the end of June 2019	Structure reviewed	All	1	1	1	Target met
TL25	The provision of democratic, accountable and ethical governance	92% of the approved and funded organogram filled {(actual number of posts filled divided by the funded posts budgeted) x100}	% filled	All	93.40%	92%	92.30%	Target well
TL26	The provision of democratic, accountable and ethical governance	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (MPPMR Reg. 10 (e))	The number of people from EE target groups employed	All	70	66	68	Target well

**Table 206: Service delivery indicators: Human resources**

Employees: Human Resources Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	2	2	2	2	2	0	0%
4 - 6	4	4	1	1	1	0	0%
7 - 9	0	0	2	2	2	0	0%
10 - 12	9	9	10	10	10	0	0%
13 - 15	1	1	2	2	2	0	0%
16 - 18	1	1	1	1	1	0	0%

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<b>Employees: Human Resources Services</b>							
<b>Job Level</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>			
	<b>Employees</b>	<b>Employees</b>	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
19 - 20	0	0	0	0	0	0	0%
<b>Total</b>	<b>17</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>0</b>	0%

**Table 207: Employees: Human Resources services**

### 3.10.4 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

#### A) INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The traditional role of ICT Departments in local government from being primarily a technical support function and to assist business on a re-active basis to resolve problems of a technical nature is long gone. For municipalities to deliver an on-going, cost effective and quality service to all its communities it is imperative that the ICT Services Division becomes an equal partner with all Directorates in the municipality when alternative opportunities for improved service delivery mechanisms are contemplated.

The emergence of new ICT technology solutions to enable more effective service delivery while driving costs down necessitates even more than ever before, a sound and strategic alliance between lines of business and the ICT Services Division in the municipality.

The ICT Services Division in the Overstrand Municipality is well positioned with a fully functional ICT Steering Committee that ensures proper governance and management of all ICT related initiatives, decisions and ICT work processes, including working towards fully implementing the Department of Local Government ICT Governance Framework.

In addition to the Business and Operation reporting done at the ICT Steering Committee, it also serves also the platform where the ICT Services Division can:

- Share information with Councilors, Executive management and management on emerging trends in the ICT Industry;
- Present to business, opportunities to exploit emerging ICT technologies to improve service delivery;
- To get approval and authorise for Overstrand Wide, cross directorate projects or systems, and
- To demonstrate to the continued alignment between lines of business and ICT and the value adds that can be achieved through on-going alignment and collaboration.

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### B) HIGHLIGHTS: ICT SERVICES

Highlights	Description
Upgrade of Helpdesk Licensing	Upgrade the Existing Helpdesk system licensing with a view to add all core systems to a global helpdesk system Overstrand Wide.
ICT Hosting Server and Disk Subsystem upgrade.	ICT Virtual Host subsystem upgrade and upgrade of the Disk subsystem for Production Data centre.
Time and Attendance Software upgrade	To enable greater granularity of Time and Attendance reporting structures.
PABX Power over Ethernet (PoE) switches	The upgrade to the PABX systems requires a new PoE switches to replace the existing non- PoE switches. This will enable a fully Voice Over IP enabled PABX system to be rolled out, to take advantage of ongoing cost reduction in call and telephony costs.

**Table 208: ICT Service Highlights**

### C) CHALLENGES: ICT SERVICES

Description	Progress made in 2018/19 to address challenge
Global Service Desk	Scoping and gathering requirements that will enable the core municipal systems to have a singular helpdesk, so as to increase communication, response, collaboration and problem resolution. Also seeks to clearly define responsibility, accountability and urgency.
Funds for new PC's	Investigating alternative forms of finance to procure needed PC's and investigates alternative options to present standardised workstation and access to employees.
Telecoms systems and infrastructure	Ensure viable Telecoms infrastructure in terms of future sustainability, lowering fixed costs and driving down usage costs.
Infrastructure monitoring tools	Managing and monitor Network Toolsets (RF and LAN/WAN), Application usage and consumption as well as Virtual Environment (Server and Storage) optimisation.
Security of Systems and Computers	As the municipality becomes more technologically enabled, new threats are constantly presenting themselves and the municipality needs to put tools into place to further protect its data assets and systems.

**Table 209: ICT Service Challenges**

Employees: ICT Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0	0
0-3	0	0	0	0	0	0	0
4 - 6	0	0	0	0	3	2	1

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Employees: ICT Services							
Job Level	2015/16	2016/17	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
7 - 9	1	1	2	3	3	3	0
10 - 12	4	3	3	3	1	1	0
13 - 15	0	1	1	1	2	2	0
16 - 18	2	2	2	2	0	0	0
19 - 20	0	0	0	0	0	0	0
ICT Interns	0	0	0	0	9	8	1
<b>Total</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 210: Employees: ICT Services

CAPITAL EXPENDITURE 2018/19 ICT SERVICES						
R'						
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Total Project Value	Budget Variance	
					R	0%
<b>TOTAL ALL</b>	4 050 000.00	4 015 744.12	3 983 681.85	4 050 000.00	37 917.5	0.009%
ICT -PABX Telephony Devices						
ICT -Wi-Fi Projects to see the viability of offering services to the community						
ICT -Manage Engine Licenses						
ICT -Disk Storage						
ICT -Kronos: Manager For Workforce Central Licenses						
ICT -Replace Hosting Servers						
Minor Assets-ICT-Organization Wide						

Table 211: Capital Expenditure 2018/19: ICT Services

99% of the capital budget for ICT for 2018/19 was spent.

For the financial year 2018/2019, there were two four primary capital funded projects to address; the upgrade of the data centre Host Servers, the upgrade of the Disk Storage subsystem for the core application and financial system, including SQL and to comply with Disaster Recovery operating system licensing, the helpdesk system upgrade, and purchase of Switches in preparation for a Power Over Ethernet PABX System.

Additionally the funding also went towards additional Time and Attendance license for reporting lines, the purchasing of Microsoft software licenses for compliance and Minor Asset purchases.

3.10.5 LEGAL SERVICES

A) HIGHLIGHTS: LEGAL SERVICES

Highlights	Description
Revenue for the Additional Court increased on a month by month basis	The months of March 2019 exceeded all revenue generated in the same period since date of inception of the Additional Court
The number of cases on the additional court roll	The Additional Court generated 4647 matters on the court roll for the period July 2018 to June 2019. In terms of the classification of charges 3287 were traffic offences, and 1036 by – law charges went through the Additional Court. It is clear that the generated by – law offences going through the Additional Court well exceeded the 2017 / 2018 financial period.

Table 212: Legal Services Highlights

B) CHALLENGES: LEGAL SERVICES

Description	Progress made in 2018/19 to address challenge
Ensure that the Additional Court is a success	<p>The remaining challenge of capacity still persist in the enforcement of municipal by – laws specifically building and land use planning contraventions. Various discussions have taken place, and it seems that interventions are taking place to address the challenge of capacity. Non – Traffic offences (by – law offences) did however breach the 1000 mark during the 2018 / 2019 financial period.</p> <p>The issuing of summonses outside of our jurisdiction is a challenge. Possible solutions have been discussed with Protection Services to mitigate the challenge.</p> <p>The challenge of matters being withdrawn from the court roll due to mistakes on the control documents have been identified and addressed through training interventions and workshops.</p>

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Description	Progress made in 2018/19 to address challenge
Ensure that legal service maintain its existing standard of objectivity and focus on corporate governance, irrespective of external and internal pressure	The legal services department pride itself in providing objective legal opinions which is based on common law principles, legislation and case law. We have informed senior management to pro – actively engage with our office to ensure that any legal risk is addressed before it transpire.
The provision of detailed information by affected line departments in relation to court proceedings in a time manner	We have informed all relevant line departments to provide us with a full chronology of all the facts with the time lines of matters to ensure that proper assessments are made and quality pleading documents are formulated and filed in accordance with the uniform rules of court.

Table 213: Legal Services Challenges

Employees: Legal Services							
Job Level	2015/16	2016/17	2018/19	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0	0
4 - 6	0	0	0	0	0	0	0
7 - 9	3	3	4	4	4	0	0
10 - 12	1	1	1	1	1	0	0
13 - 15	1	2	2	2	2	0	0
16 - 18	1	1	1	1	1	0	0
19 - 20	0	0	0	0	0	0	0
<b>Total</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>0</b>

Table 214: Employees - Legal Services

### 3.10.6 PROCUREMENT SERVICES

#### A) HIGHLIGHTS: PROCUREMENT SERVICES

Highlights	Description
No successful appeals or objections	The municipality processed 100 tenders, formal written price quotations in excess of R30 000, transversal contracts and amendment of contracts during the 2018/2019 financial year. Out of these we only received four (4) Section 62 appeals of which two were dismissed by the relevant Appeals Authority

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Highlights	Description
	and two were successful on the basis of the appeals, however the awards to the successful bidders were upheld.

Table 215: Procurement Services Highlights

### B) CHALLENGES: PROCUREMENT SERVICES

Description	Progress made in 2018/19 to address challenge
The implementation of Clause 44 & 45 of the Overstrand Municipality's Supply Chain Management Policy (SCMP). The Municipality does not have a database of persons in the service of the state, despite making every attempt to achieve 100% compliance with the SCMP.	No database exists that is regularly updated and maintained that is available to Local Government. Continuous engagement with Provincial Treasury and other role players to ensure that a viable solution to address the problem is found. National Treasury introduced the Central Supplier Database, but it also does not provide the solution to pro-actively identify persons who may be in the service of the state.
The eradication of the occurrence of irregular expenditure.	Strengthening of the control environment to ensure that irregular expenditure is effectively detected and prevented. Creating continuous awareness of the risks of non-compliance and the controls that have been implemented to ensure that we obtain the "buy-in" of all the relevant role players.
Local Content and Production	The practical implementation of the local content and production requirements is still a challenge and a few tenders have been cancelled due to no acceptable bids received.

Table 216: Procurement Services Challenges

### C) SERVICE STATISTICS FOR PROCUREMENT SERVICES

- The Buyers Division processed transactions as follows from the 2016/17 financial year.

Buyer's Section	Activities	Total No	Monthly Average	Daily Average
2016/17	Requests processed	8073	673	32
2016/17	Orders processed	7528	627	30
2017/18	Requests processed	9119	760	63

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Buyer's Section	Activities	Total No	Monthly Average	Daily Average
<b>2017/18</b>	Orders processed	8510	710	34
<b>2018/19</b>	Requests processed	8775	731	37
<b>2018/19</b>	Orders processed	8052	671	34

**Table 217: Activities of the Buyer's Section**

2. The Procurement Division is primarily responsible for the formal bidding processes through the bid committee system and has processed the following transactions:

Bids awarded 2018/19	Total	Monthly average	Value R
Requests registered	92	7.66	n/a
Requests cancelled or referred back	4	0.33	n/a
Extensions	10	0.83	R 29,828,022
Bids received (number of documents)	473	40	n/a
Bids awarded	100	8.33	R 1,713,641,206
Bids awarded ≤ R200 000	43	3.58	R 3,125,722
Appeals registered	4	0.33	n/a
Successful Appeals	2	0.08	n/a

**Table 218: Transactions processed by the Procurement Division**

3. Deviations from Council's Supply Chain Management Policy can be analysed as follows:

Type of deviation	Number of deviations	%	Value of deviations	Percentage of total deviations value
Clause 36(1)(a)(i)- Emergency	69	11.75%	R 6 377 747.01	30.43%
Clause 36(1)(a)(ii)- Sole Supplier	18	3.07%	R 2 126 384.66	10.14%
Clause 36(1)(a)(iii)- Unique arts	0	0%	R0	0%
Clause 36(1)(a)(v)- Impractical / impossible	500	85.18%	R 12 456 573.28	59.43%
<b>Total</b>	<b>587</b>	<b>100%</b>	<b>R 20 960 704.96</b>	<b>100%</b>

**Table 219: Statistics of deviations from the SCM Policy**

### 3.11 COMPONENT L: SERVICE DELIVERY PRIORITIES FOR 2019/20

The main development and service delivery priorities for 2019/20 forms parts of the Municipality's Top layer SDBIP for 2019/20 and are indicated in the table below:

#### 3.11.1 BASIC SERVICE DELIVERY

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL1	98% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDW)	All	98%
TL2	m <sup>2</sup> of roads patched and resealed according to Pavement Management System within available budget	m <sup>2</sup> of roads patched and resealed	All	100,000
TL3	Quality of effluent comply 90% with licence and/ or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	All	90%
TL4	Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	All	95%
TL5	Limit unaccounted water to less than 20% $\{(Number\ of\ kilolitre\ water\ purified - Number\ of\ kilolitre\ water\ sold)/Number\ of\ kilolitre\ purified\ \times\ 100\}$	% of water unaccounted for	All	19%
TL18	Limit electricity losses to 7.5% or less $\{(Number\ of\ Electricity\ Units\ Purchased - Number\ of\ Electricity\ Units\ Sold) / Number\ of\ Electricity\ Units\ Purchased\ and/or\ Generated\} \times\ 100\}$	% of electricity unaccounted for	All	7.50%
TL19	Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	All	1
TL29	Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg.10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded land unsuitable for housing and private land)	All	253

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Ref	KPI	Unit of Measurement	Wards	Annual Target
TL30	Provision of cleaned piped water to all formal households within 200 m from households (MPPMR Reg. 10 (a))	No of formal households that meet agreed service standards for piped water	All	29 174
TL31	Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS)) (MPPMR Reg. (a))	Number of formal households for which refuse is removed at least once a week	All	32 695
TL32	Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg. 10 (a))	Number of weekly removal of refuse in informal households (Once per week = 52 weeks per annum)	All	52
TL33	Provision of Electricity: Number of metered electrical connections in formal areas (Eskom Areas excluded) (Definition: Refers to residential households (RE) and pensioners (PR) as per Finance departments billed households) (MPPMR Reg. 10 (a))	Number of formal households that meet agreed service standards	All	21 048
TL34	Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements (MPPMR Reg. 10 (b))	Number of Indigent households	All	7 450
TL35	Percentage of a municipality's capital budget actually spent on capital projects identified for 2019/20 in terms of the municipality's IDP {(Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100} (MPPMR Reg. 10 (c))	% of the capital budget spent	All	95.00%
TL36	The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilet to 5 households (MPPMR Reg. 10 (a))	The number of toilet structures provided in relation to the number of informal households (excluding invaded land unsuitable for housing and private land)	All	790

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Ref	KPI	Unit of Measurement	Wards	Annual Target
TL37	Provision of sanitation services to formal residential households (A household is defined as a residential unit billed for the particular services rendered by way of the financial system (SAMRAS)) (MPPMR Reg. 10 (a))	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	All	29 165
TL38	100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2020 (Actual MIG expenditure/Allocation received)	% expenditure of allocated MIG funds	All	100.00%
TL48	Provision of water to informal households on invaded land with available funding  ("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of taps installed for informal households on invaded land with available funding		84
TL49	The provision of sanitation services to informal households on invaded land with available funding  ("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of toilets provided for informal households on invaded land with available funding		120

**Table 220: Service Delivery Priorities for 2019/20 - Basic Service Delivery**

### 3.1.1.2 GOOD GOVERNANCE

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL6	Ward committee meetings held to facilitate consistent and regular communication with residents	Number of ward committee meetings per annum	All	117
TL7	Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	All	4

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Ref	KPI	Unit of Measurement	Wards	Annual Target
TL20	The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan (Actual expenditure divided by the budget allocated) (MPPMR Reg. 10 (f))	% of the training budget spent on implementation of the WSP	All	100%
TL21	Review the Municipal Organisational Staff Structure by the end of June 2020	Structure reviewed	All	1
TL22	Revise the Section 14 Access to Information Manual by the end of June 2020 to ensure compliant and up to date policies	Manual revised	All	1
TL23	92% of the approved and funded organogram filled {(actual number of posts filled divided by the funded posts budgeted) x100}	% filled	All	92%
TL24	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (MPPMR Reg. 10 (e))	The number of people from EE target groups employed	All	67
TL41	Sign section 56 performance agreements with all directors by the end of July 2019	Number of agreements signed	All	6
TL42	Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit quarterly progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	All	4
TL43	Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2019 to be completed by Sept 2019 and the current period October to December 2019 to be completed by February 2020.	Number of appraisals	All	12
TL44	Submit the final Annual report and oversight report of Council before 31 March 2020	Final Annual report and oversight report completed	All	1
TL45	Prepare the final IDP for submission to Council by the end of May 2020	Final IDP submitted	All	1
TL46	Draft the annual report and submit to the Auditor-General by the end of August 2019	Draft Annual report completed	All	1

**Table 221: Service Delivery Priorities for 2019/20 - Good Governance**

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### 3.11.3 OPTIMIZATION OF FINANCIAL RESOURCES

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL13	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg. 10 (g))	Ratio achieved	All	3
TL14	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (%) (MPPMR Reg. 10 (g))	Ratio achieved	All	12%
TL15	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPMR Reg. 10 (g))	% achieved	All	12.20%
TL16	Financial statements submitted to the Auditor-General by 31 August 2019	Financial statements submitted	All	1
TL17	Submit a reviewed long term financial plan by end of October 2019	Reviewed long term financial plan submitted	All	1
TL39	Achieve a debt recovery rate not less than 96% (Receipts/total billed for the 12 month period x 100)	% Recovered	All	96%
TL47	Submit the Final MTREF budget by the end of May 2020	Budget submitted	All	1

**Table 222: Service Delivery Priorities for 2019/20 - Optimization of financial resources**

### 3.11.4 SAFE AND HEALTHY ENVIRONMENT

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL25	Annually review and submit Disaster Management Plan to Council by the end of October 2019	Reviewed plan submitted	All	1
TL26	Review Community Safety Plan in three year cycle by end of June of the third year in conjunction with the Department of Community Safety	Plan reviewed	All	1
TL27	Arrange public awareness sessions on Protection Services	Number of sessions held	All	100
TL28	Collect R16,500,000 Public Safety Income by 30 June 2020 (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income	All	R 16,500,000

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Table 223: Service Delivery Priorities for 2019/20 - Safe and Healthy environment

### 3.1.1.5 SOCIAL UPLIFTMENT AND ECONOMIC DEVELOPMENT

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL8	Provide four progress reports on LED, Social Development and Tourism initiatives to Council by end June 2020 (Refers to the 4th quarter report of previous financial year and three progress reports for the 2019/20 financial year)	Number of progress reports on LED, Social Development & Tourism initiatives	All	4
TL9	Provide a schedule of funded events to the Executive Mayor for sign off by end of July 2019	Number of schedules submitted	All	1
TL10	Support 120 SMME's in terms of the SMME Development Programme by 30 June 2020	Number of SMME's supported	All	120
TL11	Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism	Number of projects / initiatives collaborated on	All	12
TL12	The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1020 work opportunities) (MPPMR Reg. 10 (d))	Number of temporary jobs created	All	1,020
TL40	Support 50 SMME's in terms of the Emerging Contractor Development Programme by 30 June 2020	Number of Emerging Contractors supported	All	50

Table 224: Service Delivery Priorities for 2019/20- Social Upliftment and Economic Development

# CHAPTER 4

## ORGANISATIONAL DEVELOPMENT PERFORMANCE



Executive Mayor handing over Overstrand draw string bags to municipal staff

### 4.1 NATIONAL KEY PERFORMANCE INDICATORS- MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

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

KPA & Indicators	Municipal Achievement	Municipal Achievement	Municipal Achievement	Municipal Achievement
	2015/16	2016/17	2017/18	2018/19
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	62	63	70	68
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	99.70	99.50	99.87	99.88

Table 225: National KPI's - Municipal Transformation and Organisational Development

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.2 INTRODUCTION TO MUNICIPAL WORKFORCE

For the 2018/19 financial year Overstrand Municipality employed **1074** (excluding non-permanent positions) officials (**63** new appointees during 2018/19), who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

#### 4.2.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan".

The Employment Equity targets and goals are presented to Management at shortlisting's during the recruitment and selection process. Employment Equity targets and goals which include the three highest levels of Management are provided to Directors on a monthly basis to create awareness of targets and goals set within the Employment Equity Plan. Employment Equity meetings are set to outline the targets and goals achieved during the year.

#### A) EMPLOYMENT EQUITY TARGETS/ACTUAL

African		Coloured		Indian		White	
Target June	Actual June	Target June	Actual June	Target June	Actual June	Target June	Actual June
9	6	19	23	0	0	38	39

Table 226: 2018/19 EE targets/ Actual by racial classification (3 highest levels of management)

African		Coloured		Indian		White	
Target June	Actual June	Target June	Actual June	Target June	Actual June	Target June	Actual June
330	324	507	533	2	3	222	214

Table 227: 2018/19 EE targets/ Actual by racial classification (Total Workforce)

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Male (Including Disabilities)		Female (Including Disabilities)	
Target June	Actual June	Target June	Actual June
733	755	328	319

Table 228: 2018/19 EE targets/ actual by gender classification

### B) EMPLOYMENT EQUITY VS. POPULATION

Description	African	Coloured	Indian	White	Total
Population numbers (Provincial)	1 912 547	2 840 404	60 761	915 053	5 728 765
<b>% Population</b>	31.3	52.4	0.3	16	100
Number for positions filled	324	533	3	214	1074
<b>% for Positions filled</b>	30.17	49.62	0.28	19.93	100

Table 229: EE population 2018/19

### C) OCCUPATIONAL LEVELS – RACE

The table below categories the number of employees by race within the occupational levels:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	1	2	0	2	0	1	0	1	7
Senior management	0	1	0	2	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management	2	14	0	23	3	5	0	11	58
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	12	67	0	44	9	26	1	44	203
Semi-skilled and discretionary decision making	85	151	0	26	33	83	1	47	426
Unskilled and defined decision making	157	154	1	11	22	29	0	3	377
Total permanent	257	389	1	108	67	144	2	106	1074
Non- permanent employees	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>257</b>	<b>389</b>	<b>1</b>	<b>108</b>	<b>67</b>	<b>144</b>	<b>2</b>	<b>106</b>	<b>1074</b>

Table 230: Occupational Levels

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.2.2 VACANCY RATE

The approved organogram for the municipality had **1165** posts for the 2018/2019 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. **91** Posts were vacant at the end of (2018/19), resulting in a vacancy rate of **7.81%**.

Vacant posts are budgeted for: **91**

Below is a table that indicates the vacancies within the municipality:

Per Post Level		
Post level	Filled	Vacant
MM &MSA section 57 & 56	7	0
Middle management (T14-T19)	62	5
Admin Officers (T4-T13)	635	77
General Workers (T3)	370	9
<b>Total</b>	<b>1074</b>	<b>91</b>
Per Functional Level		
Functional area	Filled	Vacant
Municipal Manager	12	0
Management Services	50	4
Financial Services	105	8
Community Services	654	40
Protection Services	126	13
Infrastructure and Planning Services	120	17
Economic Development Services	7	9
<b>Total</b>	<b>1074</b>	<b>91</b>

Table 231: Vacancy rate per post and functional level

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

Salary Level	Number of current critical vacancies	Total posts as per organogram	Vacancy job title	Vacancies (as a proportion of total posts per category)
Municipal Manager	0	1	N/A	N/A
Chief Financial Officer	0	1	N/A	N/A
Other Section 57 Managers	0	5	N/A	N/A
Highly skilled supervision (T4-T13)	1	16	Accountant: Revenue	6.25%
	2	21	Artisan Electrical	9.52%
	2	18	Artisan Plumber	11.11%
	1	1	Planning Inspector	100%
<b>Total</b>	<b>6</b>	<b>56</b>		<b>126.88%</b>

Table 232: Vacancy rate per salary level

### 4.2.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate shows a **decrease** from **3.65%** in **2017/18** to **3.01%** in **2018/19**.

Terminations during 2018/19 were mostly due to: 37.14% resignations; 45.72% early retirement & retirement; 5.71% dismissal; 0% death and 11.43% disability.

The table below indicates the turn-over rate for the past three financial years:

Financial year	Total no appointments at the end of each Financial Year	New appointments	No Terminations during the year	Turn-over Rate
2016/17	83	37	52	4.55%
2017/18	106	72	41	3.65%
2018/19	99	63	35	3.01%

Table 233: Turnover Rate

### 4.3 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analyzing and coordinating employee behaviour.

#### 4.3.1 INJURIES

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate remains the same for the 2018/19 financial year with **197** employees injured. Due to the nature of the injuries the duration of absenteeism due to Injury on duty (IOD) is lengthy in terms of IOD leave.

The table below indicates the total number of injuries within the different directorates:

Directorates	2015/16	2016/17	2017/18	2018/19
Municipal Manager	0	0	0	0

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Directorates	2015/16	2016/17	2017/18	2018/19
Management Services	8	4	6	8
Financial Services	2	1	2	5
Community Services	120	122	136	149
Protection Services	14	19	28	28
Infrastructure and Planning Services	19	12	13	7
Economic Development, Social development and Tourism Services	1	4	0	0
<b>Total</b>	<b>164</b>	<b>162</b>	<b>185</b>	<b>197</b>

Table 234: Injuries

### 4.3.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of sick leave days taken by employees during the 2018/19 financial year shows a 6,57% **decrease** when comparing it with the 2017/18 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Department	2015/16	2016/17	2017/18	2018/19
Municipal Manager	22	12	19	25
Management Services	164	190	315	233
Financial Services	392	356	638	611
Community Services	3395	3056	4242	4136
Protection Services	418	585	781	712
Infrastructure and Planning Services	608	426	756	588
Economic Development , Social Development and Tourism Services	17	37	26	27
<b>Total</b>	<b>5167</b>	<b>6965</b>	<b>6777</b>	<b>6332</b>

Table 235: Sick Leave

### 4.3.3 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

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The table below shows the HR policies and plans that are approved and that still needs to be developed:

Approved policies	
Name of policy	Date approved/ revised
Revised Time and Attendance	26 June 2019
External Bursary Programme	26 June 2019
Revised Study Aid Policy	29 May 2019
Policies still to be developed/ reviewed	
Name of policy	Proposed date of approval
Sexual Harassment	In progress
Uniform/ Protective Clothing	In progress
HIV/ AIDS	In progress

Table 236: HR policies and plans

### 4.4 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

#### 4.4.1 SKILLS MATRIX

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year (2018/19)	Number of Employees that received training (2018/19)
MM and S57	Female	0	0
	Male	0	0
Legislators, senior officials and managers	Female	27	5
	Male	43	11
Associate professionals and Technicians	Female	12	2
	Male	12	8
Professionals	Female	18	15
	Male	7	6
Clerks	Female	66	82
	Male	15	47

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Management level	Gender	Number of employees identified for training at start of the year (2018/19)	Number of Employees that received training (2018/19)
Service and sales workers	Female	19	13
	Male	74	73
Craft and related trade workers	Female	2	1
	Male	67	16
Plant and machine operators and assemblers	Female	0	0
	Male	44	5
Elementary occupations	Female	6	22
	Male	232	76
<b>Sub total</b>	<b>Female</b>	<b>150</b>	<b>140</b>
	<b>Male</b>	<b>494</b>	<b>242</b>
<b>Total</b>		<b>644</b>	<b>382</b>

Table 237: Skills Matrix

### 4.4.2 SKILLS DEVELOPMENT – TRAINING PROVIDED

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Training provided in 2018/19						
		Learnerships		Skills programmes & other short courses		Total		
		Actual	Target	Actual	Target	Actual	Target	% Variance
Technicians and associate professionals	Female			2	12	2	12	-83.33
	Male			8	12	8	12	-33.33
Clerks	Female			82	66	82	66	24.24
	Male			47	15	47	15	213.33
Service and sales workers	Female			13	19	13	19	-31.58
	Male			73	74	73	74	-1.35
Craft and related trade workers	Female			1	2	1	2	-50
	Male			16	67	16	67	-76.12
Plant and machine operators and assemblers	Female			0	0	0	0	0
	Male			5	44	5	44	-88.64
Elementary occupations	Female			22	6	22	6	266.66
	Male			76	232	76	232	-67.24
<b>Sub total</b>	<b>Female</b>			<b>120</b>	<b>105</b>	<b>120</b>	<b>105</b>	<b>14.29</b>
	<b>Male</b>			<b>225</b>	<b>444</b>	<b>225</b>	<b>444</b>	<b>-49.32</b>
<b>Total</b>				<b>345</b>	<b>549</b>	<b>345</b>	<b>549</b>	<b>-37.16</b>

Table 238: Skills Development

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.4.3 SKILLS DEVELOPMENT – BUDGET ALLOCATION

The table below indicates that a total amount of **R1 928 354.00** were allocated to the workplace skills plan and that **99.88%** of the total amount was spent in the (2018/19) financial year:

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
2011/12	R193 778 285	R3 171 200	R3 171 200	100%
2012/13	R 824 059 000.00	R2 41476 000.00	R2 412 976.34	99.87%
2013/14	R260 431 000.00	R2 010 000.00	R2 010 000.00	100%
2014/15	R291 593 000.00	R2 222 400	R 2 216 101,89	99.64 %
2015/16	R314 204 000.00	R2 000 000.00	R1 994 015.20	99.70%
2016/17	R332 740 000.00	R2 191 500.00	R2 179 789.82	99.47%
2017/18	R339 417 641.00	R1 981 500.00	R1 978 826.20	99.87%
2018/19	R385 086 003.00	R1 928 354.00	R1 926 041.96	99.88%

**Table 239: Budget allocated and spent for skills development**

### 4.4.4 MFMA COMPETENCIES

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management.

National treasury circular 6 extended the deadline and in terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013, employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

Status of Municipal Minimum Competency (MMC) qualification as at 30.06.2019		
In progress	0	
Left the municipality's employment	5	3 Pensioned & 2 Resigned
Completed	35	
Not completed	3	New appointments
Still need to complete outstanding unit standards	3	New appointments

**Table 240: Status of MMC qualification, 30.6.2019**

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.5 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

#### 4.5.1 PERSONNEL EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past three financial years and that the municipality is well within the national norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances (R'000)	Total Operating Expenditure (R'000)	Percentage
	R'000	R'000	
2014/15	277,924	924,126	30.07%
2015/16	283,284	937,335	30.22%
2016/17	311,628	986,890	31.58%
2017/18	306,820	997,156	30.77%
2018/19	378,431	1,108,572	34.14%

Table 241: Personnel Expenditure

Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2015/16	2016/17	2017/18	2018/19	
Description	Actual	Actual	Actual	Original Budget	Actual
<b><u>Councillors (Political Office Bearers plus Other) – R'000</u></b>					
Salary Package	7 960	8 608	9 057	9 862	9 467
Cell phone allowance	606	657	1 081	1 110	1 106
<b>Sub Total</b>	<b>8 566</b>	<b>9 265</b>	<b>10 138</b>	<b>10 972</b>	<b>10 573</b>
<b>% Increase</b>	5.70%	8.16%	9.42%		4.29%
<b><u>Senior Managers of the Municipality – R'000</u></b>					
Salary Package	9 543	9 944	10 489	11 164	11 036
Cell phone allowance	154	159	187	194	187
<b>Sub Total</b>	<b>9 697</b>	<b>10 103</b>	<b>10 676</b>	<b>11 358</b>	<b>11 223</b>
<b>% increase</b>	3.86%	4.19%	5.67%		5.12%
<b><u>Other Municipal Staff – R'000</u></b>					
Basic Salaries and Wages	161 469	176 167	191 230	225 106	214 176

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Financial year	2015/16	2016/17	2017/18	2018/19	
Description	Actual	Actual	Actual	Original Budget	Actual
Pension Contributions	33 559	44 495	11 484	39 574	48 930
Medical Aid Contributions	9 829	10 523	11 195	13 679	12 035
Motor vehicle allowance	7 222	7 602	10 890	8 203	11 455
Cell phone allowance	1 428	1 483	1 827	2 049	1 887
Housing allowance	4 608	5 064	2 443	2 542	2 350
Overtime	15 732	15 610	18 400	23 606	25 089
Other benefits or allowances	31 174	31 316	38 537	40 908	40 713
<b>Sub Total</b>	<b>265 021</b>	<b>292 260</b>	<b>286 006</b>	<b>355 667</b>	<b>356 635</b>
<b>% increase</b>	1.74%	10.28%	(2.14)%		24.69%
<b>Total Municipality</b>	<b>283 284</b>	<b>311 628</b>	<b>306 820</b>	<b>377 997</b>	<b>378 431</b>
<b>% increase</b>	1.93%	10.01%	(1.54)%		23.34%

**Table 242: Personnel Expenditure**

# CHAPTER 5

## FINANCIAL PERFORMANCE

This chapter provides details regarding the financial performance of the municipality for the 2018/19 financial year.

The municipality takes inflationary pressures into account when tariffs and operational expenditure are budgeted for.

The table below shows the 5 most expensive consultancy arrangements for the 2018/19 financial year:

Consultant arrangement	Cost	Reason for this engagement
Worley Parsons	R 7 242 119	Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area
Gibb (Pty) Ltd (Arcus Gibb)	R 5 140 391	Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area
Neil Lyners and Associates	R 4 957 737	Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area
Nextec Industrial Technologies	R 4 614 924	Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area
Umvoto Africa	R 2 486 759	Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area
Element Consulting Engineers	R 1 939 153	Appointment of consultants for various engineering and groundwater projects in the Overstrand municipal area

**Table 243: 5 most expensive consultants for the 2018/19 financial year**

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

### 5.1 FINANCIAL SUMMARY

The table below indicates the summary of the financial performance for the 2018/19 financial year:

## CHAPTER 5: FINANCIAL PERFORMANCE

Financial Summary							
R'000							
Description	2016/17	2017/18	2018/19			2018/19	
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Financial Performance</b>							
Property rates	197 104	215 763	234 998	234 998	233 274	-0,7%	-0,7%
Service charges	571 114	590 112	613 718	624 718	648 200	5,3%	3,6%
Investment revenue	23 018	34 175	21 001	29 201	45 960	54,3%	36,5%
Transfers recognised - operational	114 411	116 458	130 566	118 186	118 976	-9,7%	0,7%
Other own revenue	87 147	115 683	79 944	76 194	75 238	-6,3%	-1,3%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>992 795</b>	<b>1 072 189</b>	<b>1 080 228</b>	<b>1 083 298</b>	<b>1 121 649</b>		
						<b>3,7%</b>	<b>3,4%</b>
Employee costs	302 363	296 682	367 024	374 114	367 858	0,2%	-1,7%
Remuneration of councillors	9 265	10 138	10 972	10 972	10 573	-3,8%	-3,8%
Depreciation & asset impairment	132 532	134 846	130 362	130 362	131 104	0,6%	0,6%
Finance charges	45 913	46 129	47 834	47 834	44 921	-6,5%	-6,5%
Materials and bulk purchases	266 341	266 744	296 190	290 619	289 705	-2,2%	-0,3%
Transfers and grants	1 898	1 800	500	500	486	-2,9%	-2,9%
Other expenditure	236 710	240 817	281 361	300 074	263 925	-6,6%	-13,7%
<b>Total Expenditure</b>	<b>995 023</b>	<b>997 156</b>	<b>1 134 245</b>	<b>1 154 476</b>	<b>1 108 572</b>	<b>-2,3%</b>	<b>-4,1%</b>
<b>Surplus/(Deficit)</b>	<b>(2 228)</b>	<b>75 034</b>	<b>(54 017)</b>	<b>(71 179)</b>	<b>13 077</b>	<b>513,1%</b>	<b>644,3%</b>
Transfers recognised - capital	33 681	64 263	61 968	66 072	66 060	6,2%	0,0%
Contributions recognised - capital & contributed assets	10 134	4 834	-	-	26 418		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>41 587</b>	<b>144 131</b>	<b>7 951</b>	<b>(5 106)</b>	<b>105 555</b>		
						<b>92,5%</b>	<b>104,8%</b>
Share of surplus/ (deficit) of associate	41 587	144 131	7 951	(5 106)	105 555	92,5%	104,8%
<b>Surplus/(Deficit) for the year</b>	<b>41 587</b>	<b>144 131</b>	<b>7 951</b>	<b>(5 106)</b>	<b>105 555</b>	<b>92,5%</b>	<b>104,8%</b>
<b>Capital expenditure &amp; funds sources</b>							
<b>Capital expenditure</b>	<b>91 868</b>	<b>105 255</b>	<b>194 237</b>	<b>174 748</b>	<b>175 110</b>	<b>-10,9%</b>	<b>0,2%</b>
Transfers recognised - capital	33 211	64 263	61 968	66 072	66 060	6,2%	0,0%
Public contributions & donations	10 011	4 250	100	100	25 546	99,6%	99,6%
Borrowing	35 839	19 199	68 650	53 624	36 495	-88,1%	-46,9%
Other	-	-	-	-	-	0,0%	0,0%
Internally generated funds	12 806	17 543	63 519	54 952	47 008	-35,1%	-16,9%
<b>Total sources of capital funds</b>							
<b>Financial position</b>							
Total current assets	404 764	625 093	523 717	656 395	710 826	26,3%	7,7%
Total non-current assets	3 702 225	3 635 642	3 718 075	3 685 955	3 688 101	-0,8%	0,1%

## CHAPTER 5: FINANCIAL PERFORMANCE

Financial Summary							
R'000							
Description	2016/17	2017/18	2018/19			2018/19	
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Total current liabilities	180 206	221 509	215 151	214 102	222 765	3,4%	3,9%
Total non-current liabilities	629 633	613 708	673 454	644 964	645 090	-4,4%	0,0%
Community wealth/Equity	3 297 149	3 425 517	3 353 187	3 483 283	3 531 072	5,0%	1,4%
<b>Cash flows</b>							
Net cash from (used) operating	168 384	243 897	175 190	173 153	218 314	19,8%	20,7%
Net cash from (used) investing	(86 528)	(28 775)	(201 351)	(180 689)	(180 645)	-11,5%	0,0%
Net cash from (used) financing	3 178	31	23 944	21 583	20 552	-16,5%	-5,0%
<b>Cash/cash equivalents at the year end</b>	<b>259 814</b>	<b>474 967</b>	<b>380 242</b>	<b>489 014</b>	<b>533 188</b>	<b>28,7%</b>	<b>8,3%</b>
<b>Cash backing/surplus reconciliation</b>							
Cash and investments available	297 796	519 562	430 789	539 560	583 711	26,2%	7,6%
Application of cash and investments	12 230	28 752	16 883	39 185	12 841	-31,5%	-205,2%
<b>Balance - surplus (shortfall)</b>	<b>285 566</b>	<b>490 810</b>	<b>464 453</b>	<b>500 376</b>	<b>500 376</b>	<b>7,2%</b>	<b>0,0%</b>
<b>Asset management</b>							
Asset register summary (WDV)	3 664 217	3 591 027	3 667 519	3 635 398	3 637 568	-0,8%	0,1%
Depreciation & asset impairment	132 532	134 846	130 362	130 362	131 104	0,6%	0,6%
Renewal of Existing Assets	20 205	10 265	-	-	-	#DIV/0!	#DIV/0!
Repairs and Maintenance	120 695	160 036	225 212	231 959	215 024	-4,7%	-7,9%
<b>Free services</b>							
Cost of Free Basic Services provided	54 287	62 339	79 256	79 256	79 256	0,0%	0,0%
Revenue cost of free services provided	54 287	55 915	111 180	111 180	111 180	0,0%	0,0%
<b>Households below minimum service level</b>							
Water:	-	-	-	-	-		
Sanitation/sewerage:	-	-	-	-	-		
Energy:	-	-	-	-	-		
Refuse:	-	-	-	-	-		
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1</i>							

**Table 244: Financial Performance 2018/19**

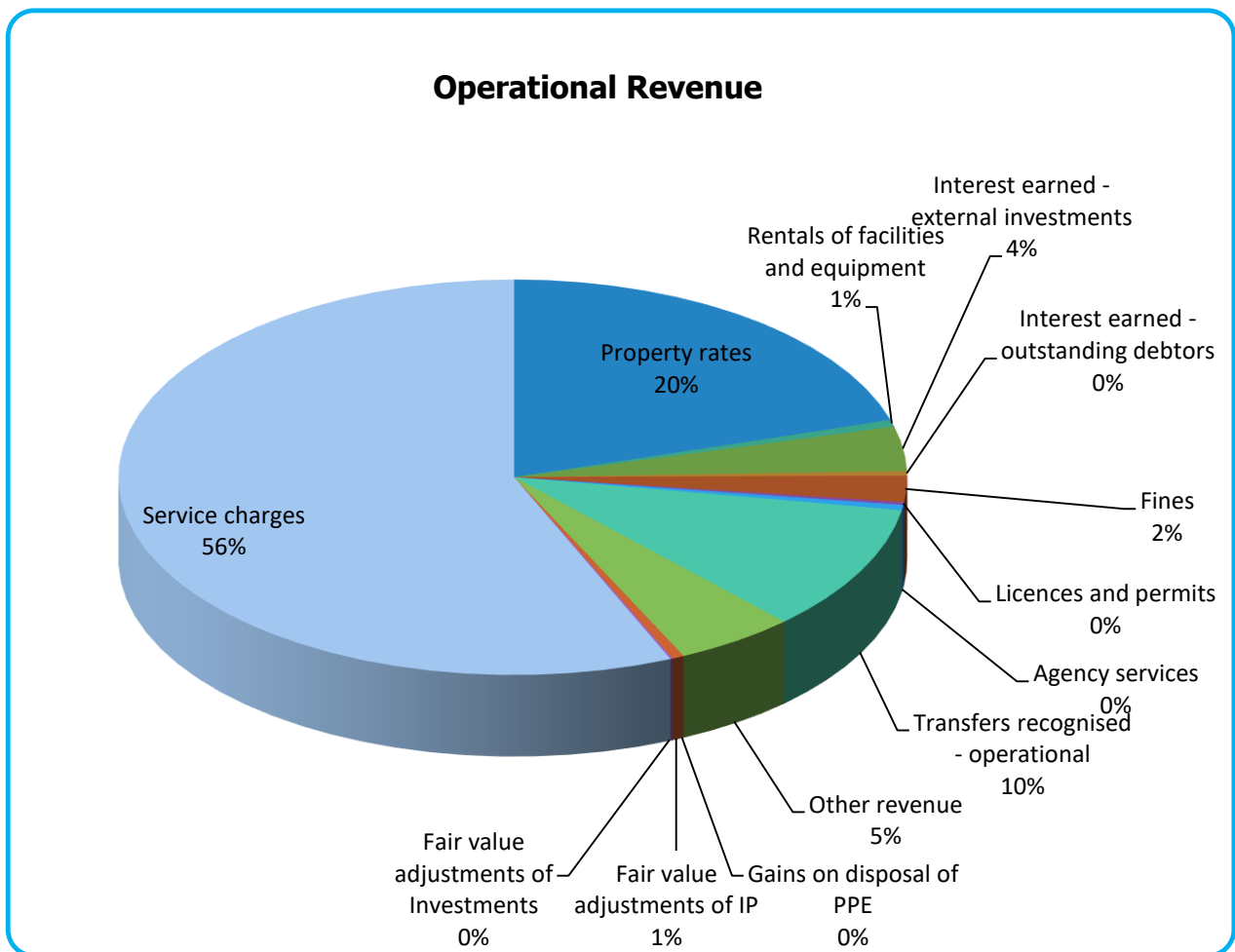
## CHAPTER 5: FINANCIAL PERFORMANCE

The table below shows a summary of performance against the budgets:

Financial Year	Revenue				Operating expenditure			
	Budget R'000	Actual R'000	Diff. R'000	%	Budget R'000	Actual R'000	Diff. R'000	%
2016/17	1 004 305	992 795	11 510	-1,16%	1 072 964	995 023	77 941	-8%
2017/18	1 047 640	1 072 189	(24 549)	2,29%	1 052 197	997 156	55 041	-6%
2018/19	1 083 298	1 121 649	(38 351)	3,42%	1 154 476	1 108 572	45 905	-4%

**Table 245: Performance against budgets**

The following graph indicates the various types of revenue items in the municipal budget for 2018/19



**Figure 27: Revenue**

## CHAPTER 5: FINANCIAL PERFORMANCE

The following graph indicates the various types of expenditure items in the municipal budget for 2018/19

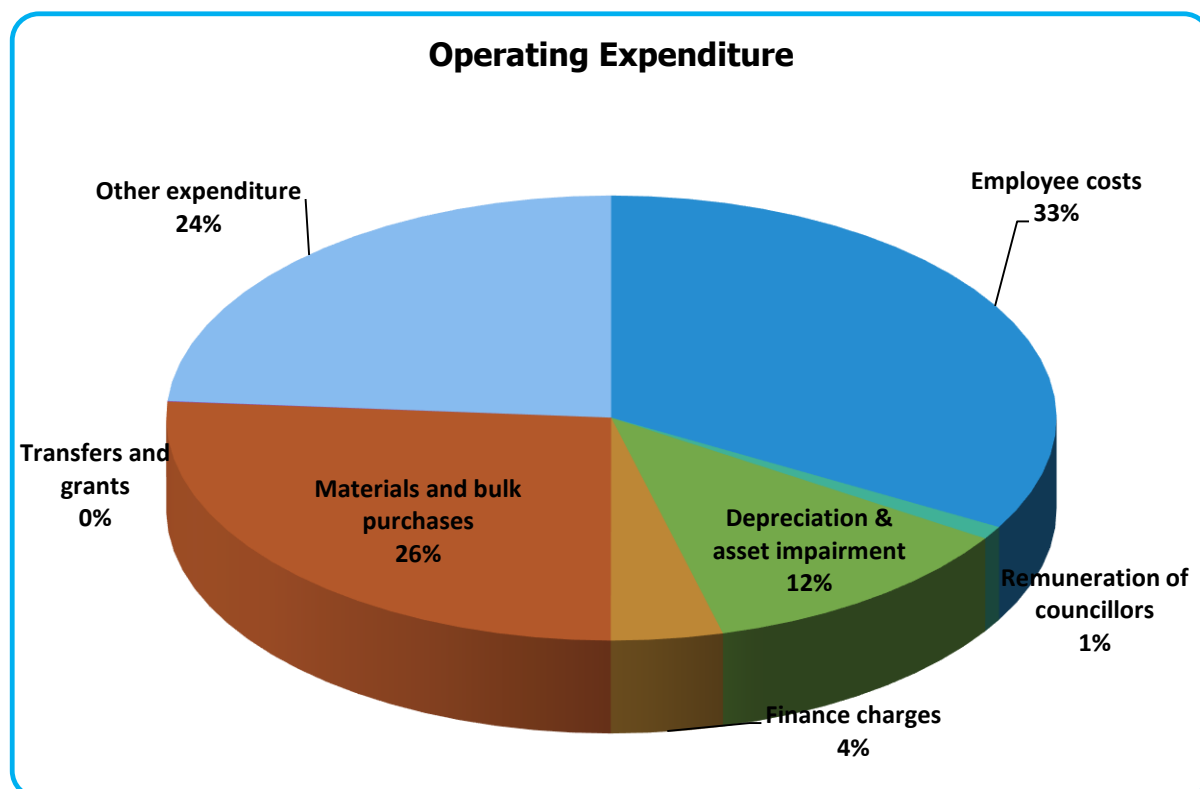


Figure 28: Operating expenditure

### 5.1.1 REVENUE COLLECTION BY VOTE

The table below indicates the Revenue collection performance by Vote:

Vote Description	2016/17	2017/18	2018/19		2018/19		
	R'000						
	Actual	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Council	73 145	21 535	24 988	27 215	26 636	6,2%	-2,2%
Vote 2 - Municipal Manager	12	64	51	122	86	40,7%	-41,3%
Vote 3 - Management Services	2 031	867	584	584	1 070	45,4%	45,4%
Vote 4 - Finance	231 387	262 077	269 683	277 883	292 938	7,9%	5,1%
Vote 5 - Community Services	279 572	323 258	338 690	354 790	362 289	6,5%	2,1%
Vote 6 - Economic and Social Development & Tourism	3 556	2 788	2 226	2 226	2 030	-9,6%	-9,6%
Vote 7 - Infrastructure & Planning	402 391	489 261	464 077	448 453	496 809	6,6%	9,7%

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Vote Description	2016/17	2017/18	2018/19		2018/19		
	R'000						
	Actual	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 8 - Protection Services	44 515	41 438	41 896	38 096	32 267	-29,8%	-18,1%
<b>Total Revenue by Vote</b>	1 036 610	1 141 287	1 142 196	1 149 370	1 214 127	5,9%	5,3%

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3*

**Table 246: Revenue by Vote**

### 5.1.2 REVENUE COLLECTION BY SOURCE

The table below indicates the revenue collection performance by source for the 2018/19 financial year:

Description	2016/17	2017/18	2018/19		2018/19 Variance		
	R'000						
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	197 104	215 763	234 998	234 998	233 274	-0,7%	-0,7%
Service Charges - electricity revenue	334 765	349 298	362 784	362 784	378 668	4,2%	4,2%
Service Charges - water revenue	115 070	110 932	116 781	124 781	129 971	10,1%	4,0%
Service Charges - sanitation revenue	66 890	72 106	73 164	76 164	77 772	5,9%	2,1%
Service Charges - refuse revenue	54 389	57 775	60 990	60 990	61 788	1,3%	1,3%
Service Charges - other	-	-	-	-	-		
Rentals of facilities and equipment	11 613	5 616	3 679	3 679	6 341	42,0%	42,0%
Interest earned - external investments	20 347	30 322	21 001	29 201	41 768	49,7%	30,1%
Interest earned - outstanding debtors	3 153	3 853	3 700	3 705	4 192	11,7%	11,6%
Dividends received		-	-	-	-	0,0%	0,0%
Fines	38 233	31 638	34 965	30 165	24 734	-41,4%	-22,0%
Licences and permits	2 525	2 527	2 447	2 447	2 526	3,2%	3,2%
Agency services	3 480	4 149	3 726	4 526	4 913	24,2%	7,9%
Transfers recognised - operational	114 411	116 458	130 566	118 186	118 976	-9,7%	0,7%
Other revenue	40 948	48 492	31 427	31 672	63 142	50,2%	49,8%
Gains on disposal of PPE	-	28 096		-	-	#DIV/0!	#DIV/0!
<b>Total Revenue (excluding transfers and contributions)</b>	<b>1 002 928</b>	<b>1 077 023</b>	<b>1 080 228</b>	<b>1 083 298</b>	<b>1 148 067</b>	<b>5,9%</b>	<b>5,6%</b>

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*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.*

**Table 247: Revenue by Source**

### 5.1.3 OPERATIONAL SERVICES PERFORMANCE

The table below indicates the Operational services performance for the 2018/19 financial year:

Financial Performance of Operational Services							
R '000							
Description	2016/17	2017/18	2018/19			2018/19 Variance	
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Operating Cost</b>							
Water	(60 837)	(51 703)	(93 739)	(48 247)	(47 724)	-96,42%	-1,10%
Waste Water (Sanitation)	(48 533)	(40 536)	(38 318)	(30 364)	(31 063)	-23,36%	2,25%
Electricity	(271 632)	(263 998)	(279 235)	(277 336)	(270 746)	-3,14%	-2,43%
Waste Management	(56 415)	(49 445)	(51 530)	(56 556)	(55 166)	6,59%	-2,52%
Housing	18 655	41 014	28 788	17 532	28 886	0,34%	39,31%
Component A: sub-total	(418 761)	(364 669)	(434 035)	(394 971)	(375 813)	-15,49%	-5,10%
Waste Water (Storm water Drainage)	(9 130)	(1 067)	(12 430)	(6 687)	(5 980)	-107,88%	-11,84%
Roads	(79 628)	(82 231)	(101 324)	(93 415)	(94 405)	-7,33%	1,05%
Transport	–		–	–	–	0,00%	0,00%
Component B: sub-total	(88 758)	(83 298)	(113 755)	(100 102)	(100 385)	-13,32%	0,28%
Planning	(58 775)	(66 090)	(19 084)	(78 990)	(61 329)	68,88%	-28,80%
Local Economic Development	(6 664)	(6 725)	(12 934)	(9 307)	(8 238)	-57,00%	-12,98%
Component C: sub-total	(65 439)	(72 815)	(32 018)	(88 297)	(69 567)	53,97%	-26,92%
Community & Social Services	(21 790)	(29 631)	(9 339)	(27 979)	(26 170)	64,31%	-6,91%
Environmental Protection	(5 519)	(5 687)	(8 540)	(8 345)	(6 741)	-26,68%	-23,80%

## CHAPTER 5: FINANCIAL PERFORMANCE

Financial Performance of Operational Services							
R '000							
Description	2016/17	2017/18	2018/19			2018/19 Variance	
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Health	-		-	-	-	0,00%	0,00%
Security and Safety	(36 655)	(31 857)	(37 109)	(60 321)	(48 821)	23,99%	-23,55%
Sport and Recreation	(5 515)	(10 100)	(45 238)	(26 543)	(11 844)	-281,93%	-124,10%
Corporate Policy Offices and Other	(138 497)	(63 686)	(160 733)	(158 264)	(136 578)	-17,69%	-15,88%
Component D: sub-total	(207 976)	(140 962)	(260 958)	(281 453)	(230 155)	-13,38%	-22,29%
<b>Total Expenditure</b>	<b>(780 934)</b>	<b>(661 744)</b>	<b>(840 765)</b>	<b>(864 823)</b>	<b>(775 919)</b>	<b>-8,36%</b>	<b>-11,46%</b>

In this table operational income (but not levies or tariffs) is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

**Table 248: Operational Services Performance**

Total Net Expenditure variance between the original budget and actual was -8.36%. Total Net Expenditure variance between the amended budget and actual was -11.46%.

## 5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

### 5.2.1 WATER SERVICES

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	5 551	14 365	16 546	16 416	16 297	-0,7%
Expenditure:						
Employees	8 594	9 450	11 266	11 100	10 687	-3,9%
Contracted services and materials	6 904	6 654	48 280	7 740	7 486	-3,4%
Other	50 890	49 965	50 739	45 824	45 848	0,1%
<b>Total Operational Expenditure</b>	<b>66 388</b>	<b>66 068</b>	<b>110 285</b>	<b>64 663</b>	<b>64 021</b>	<b>-1,0%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(60 837)</b>	<b>(51 703)</b>	<b>(93 739)</b>	<b>(48 247)</b>	<b>(47 724)</b>	<b>-1,1%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 249: Financial Performance: Water Services**

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### 5.2.2 WASTE WATER (SANITATION)

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	3 115	12 063	27 776	27 102	26 811	-1,1%
Expenditure:						
Employees	14 907	15 686	16 501	17 585	18 070	2,7%
Contracted services and materials	10 367	10 155	21 769	12 981	12 090	-7,4%
Other	26 373	26 758	27 824	26 900	27 715	2,9%
<b>Total Operational Expenditure</b>	<b>51 648</b>	<b>52 600</b>	<b>66 094</b>	<b>57 466</b>	<b>57 875</b>	<b>0,7%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(48 533)</b>	<b>(40 536)</b>	<b>(38 318)</b>	<b>(30 364)</b>	<b>(31 063)</b>	<b>2,3%</b>
Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.						

**Table 250: Financial Performance: Waste Water (Sanitation) services**

### 5.2.3 ELECTRICITY

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	16 218	31 403	32 571	32 259	41 297	21,9%
Expenditure:						
Employees	18 968	19 777	23 548	22 234	21 543	-3,2%
Contracted services and materials	6 450	5 997	6 217	6 218	6 603	5,8%
Other	262 431	269 627	282 041	281 143	283 897	1,0%
<b>Total Operational Expenditure</b>	<b>287 850</b>	<b>295 401</b>	<b>311 806</b>	<b>309 595</b>	<b>312 043</b>	<b>0,8%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(271 632)</b>	<b>(263 998)</b>	<b>(279 235)</b>	<b>(277 336)</b>	<b>(270 746)</b>	<b>-2,4%</b>
Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.						

**Table 251: Financial Performance: Electricity**

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.4 WASTE MANAGEMENT

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	113	14 898	15 620	14 974	14 988	0,1%
Expenditure:						
Employees	23 585	26 450	29 133	30 131	30 697	1,8%
Contracted services and materials	21 621	23 239	27 811	28 255	27 164	-4,0%
Other	11 322	14 654	10 207	13 144	12 293	-6,9%
<b>Total Operational Expenditure</b>	<b>56 528</b>	<b>64 343</b>	<b>67 150</b>	<b>71 530</b>	<b>70 154</b>	<b>-2,0%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(56 415)</b>	<b>(49 445)</b>	<b>(51 530)</b>	<b>(56 556)</b>	<b>(55 166)</b>	<b>-2,5%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 252: Financial Performance: Waste Management**

### 5.2.5 HOUSING

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	41 412	56 244	59 762	45 346	47 185	3,9%
Expenditure:						
Employees	2 442	2 792	3 606	3 224	3 108	-3,7%
Contracted services and materials	20 267	12 366	27 311	24 523	15 128	-62,1%
Other	48	72	57	68	63	-7,3%
<b>Total Operational Expenditure</b>	<b>22 758</b>	<b>15 230</b>	<b>30 974</b>	<b>27 815</b>	<b>18 299</b>	<b>-52,0%</b>
<b>Net Operational (Service) Expenditure</b>	<b>18 655</b>	<b>41 014</b>	<b>28 788</b>	<b>17 532</b>	<b>28 886</b>	<b>39,3%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 253: Financial Performance: Housing**

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### 5.2.6 WASTE WATER (STORM WATER)

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	2 394	10 942	393	5 618	5 762	2,5%
Expenditure:						
Employees	2 519	3 012	3 372	3 004	2 866	-4,8%
Contracted services and materials	3 088	2 993	3 380	3 230	2 900	-11,4%
Other	5 918	6 004	6 071	6 071	5 975	-1,6%
<b>Total Operational Expenditure</b>	<b>11 524</b>	<b>12 009</b>	<b>12 823</b>	<b>12 305</b>	<b>11 741</b>	<b>-4,8%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(9 130)</b>	<b>(1 067)</b>	<b>(12 430)</b>	<b>(6 687)</b>	<b>(5 980)</b>	<b>-11,8%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 254: Financial Performance Waste Water (Storm water)**

### 5.2.7 ROADS

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	10 419	8 970	46 648	6 377	6 229	-2,4%
Expenditure:						
Employees	19 457	20 730	45 653	25 431	24 946	-1,9%
Contracted services and materials	35 416	34 110	44 948	37 851	38 391	1,4%
Other	35 173	36 361	57 371	36 510	37 297	2,1%
<b>Total Operational Expenditure</b>	<b>90 046</b>	<b>91 200</b>	<b>147 972</b>	<b>99 791</b>	<b>100 634</b>	<b>0,8%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(79 628)</b>	<b>(82 231)</b>	<b>(101 324)</b>	<b>(93 415)</b>	<b>(94 405)</b>	<b>1,0%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 255: Financial Performance: Roads**

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### 5.2.8 PLANNING

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	10 132	11 537	9 222	9 523	25 303	62,4%
Expenditure:						
Employees	22 537	24 815	20 663	25 039	24 447	-2,4%
Contracted services and materials	44 434	50 280	2 119	55 461	55 471	0,0%
Other	1 936	2 532	5 524	8 013	6 713	-19,4%
<b>Total Operational Expenditure</b>	<b>68 907</b>	<b>77 627</b>	<b>28 307</b>	<b>88 513</b>	<b>86 632</b>	<b>-2,2%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(58 775)</b>	<b>(66 090)</b>	<b>(19 084)</b>	<b>(78 990)</b>	<b>(61 329)</b>	<b>-28,8%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 256: Financial Performance: Planning**

### 5.2.9 LOCAL ECONOMIC DEVELOPMENT

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	3 556	2 758	2 226	2 226	2 030	-9,6%
Expenditure:						
Employees	6 907	6 559	10 125	7 934	7 576	-4,7%
Contracted services and materials	908	693	3 577	2 530	1 047	-141,7%
Other	2 406	2 231	1 457	1 068	1 645	35,0%
<b>Total Operational Expenditure</b>	<b>10 220</b>	<b>9 484</b>	<b>15 160</b>	<b>11 533</b>	<b>10 268</b>	<b>-12,3%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(6 664)</b>	<b>(6 725)</b>	<b>(12 934)</b>	<b>(9 307)</b>	<b>(8 238)</b>	<b>-13,0%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 257: Financial Performance: Local Economic Development**

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.10 COMMUNITY & SOCIAL SERVICES

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	9 747	4 223	7 413	11 972	12 419	3,6%
Expenditure:						
Employees	25 588	27 054	13 519	30 863	29 976	-3,0%
Contracted services and materials	4 532	5 317	3 460	7 587	7 180	-5,7%
Other	1 418	1 482	(227)	1 501	1 432	-4,8%
<b>Total Operational Expenditure</b>	<b>31 538</b>	<b>33 854</b>	<b>16 752</b>	<b>39 951</b>	<b>38 588</b>	<b>-3,5%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(21 790)</b>	<b>(29 631)</b>	<b>(9 339)</b>	<b>(27 979)</b>	<b>(26 170)</b>	<b>-6,9%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 258: Financial Performance: Community & Social Services**

### 5.2.11 ENVIRONMENTAL PROTECTION

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	9	22	0	0	45	99,1%
Expenditure:						
Employees	3 546	3 592	5 350	4 986	4 662	-7,0%
Contracted services and materials	1 481	1 870	2 970	3 072	1 843	-66,6%
Other	501	247	220	288	281	-2,6%
<b>Total Operational Expenditure</b>	<b>5 528</b>	<b>5 709</b>	<b>8 540</b>	<b>8 346</b>	<b>6 786</b>	<b>-23,0%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(5 519)</b>	<b>(5 687)</b>	<b>(8 540)</b>	<b>(8 345)</b>	<b>(6 741)</b>	<b>-23,8%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 259: Financial Performance: Environmental Protection**

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.12 SECURITY AND SAFETY

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	44 515	41 438	1 272	38 096	32 267	-18,1%
Expenditure:						
Employees	33 381	39 054	26 879	50 348	48 590	-3,6%
Contracted services and materials	14 237	15 723	10 446	22 549	16 568	-36,1%
Other	33 552	18 518	1 055	25 520	15 931	-60,2%
<b>Total Operational Expenditure</b>	<b>81 170</b>	<b>73 295</b>	<b>38 381</b>	<b>98 417</b>	<b>81 089</b>	<b>-21,4%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(36 655)</b>	<b>(31 857)</b>	<b>(37 109)</b>	<b>(60 321)</b>	<b>(48 821)</b>	<b>-23,6%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 260: Financial Performance: Security and Safety**

### 5.2.13 SPORT AND RECREATION

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	10 371	8 216	13 000	8 396	8 587	2,2%
Expenditure:						
Employees	10 475	11 992	32 741	14 992	13 776	-8,8%
Contracted services and materials	4 849	5 556	12 320	7 211	5 843	-23,4%
Other	562	767	13 177	12 736	813	1466,7%
<b>Total Operational Expenditure</b>	<b>15 886</b>	<b>18 316</b>	<b>58 238</b>	<b>34 939</b>	<b>20 432</b>	<b>-71,0%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(5 515)</b>	<b>(10 100)</b>	<b>(45 238)</b>	<b>(26 543)</b>	<b>(11 844)</b>	<b>-124,1%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 261: Financial Performance: Sport and Recreation**

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.1.4 CORPORATE POLICY OFFICES & OTHER

Description	2016/17	2017/18	2018/19			
	R'000					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	113 685	117 810	61 030	71 348	93 421	23,6%
Expenditure:						
Employees	117 182	85 725	135 639	138 217	136 069	-1,6%
Contracted services and materials	29 988	32 817	36 631	40 066	36 140	-10,9%
Other	105 013	62 955	49 492	51 330	57 790	11,2%
<b>Total Operational Expenditure</b>	<b>252 182</b>	<b>181 496</b>	<b>221 763</b>	<b>229 612</b>	<b>229 999</b>	<b>0,2%</b>
<b>Net Operational (Service) Expenditure</b>	<b>(138 497)</b>	<b>(63 686)</b>	<b>(160 733)</b>	<b>(158 264)</b>	<b>(136 578)</b>	<b>-15,9%</b>

Net expenditure to be consistent with summary table T 5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual.

**Table 262: Financial Performance: Corporate Policy Offices & Other**

## 5.3 GRANTS

### 5.3.1 GRANT PERFORMANCE

The municipality had a total amount of R66.1 million for infrastructure and other capital projects available that was received in the form of grants from the National and Provincial Governments during the 2018/19 financial year. The performance in the spending of these grants is summarised as follows:

Grant Performance							
R' 000							
Description	2016/17	2017/18	2018/19			2018/19 Variance	
	Actual	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Capital Transfers and Grants</b>							
<b>National Government:</b>	<b>26 030</b>	<b>21 786</b>	<b>25 901</b>	<b>30 445</b>	<b>30 445</b>	14,9%	0,0%
Financial Management Grant	–	–	–	–	–		
Municipal Systems Improvement	–	–	–	–	–		
Municipal Infrastructure Grant	21 030	17 786	21 639	26 183	26 183	17,4%	0,0%
Regional Bulk Infrastructure Grant	–	–	–	–	–		
Integrated National Electrification Program	5 000	4 000	4 262	4 262	4 262	0,0%	0,0%

## CHAPTER 5: FINANCIAL PERFORMANCE

Grant Performance							
R' 000							
Description	2016/17	2017/18	2018/19			2018/19 Variance	
	Actual	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Neighbourhood Development Partnership Grant	-	-	-	-	-		
<b>Provincial Government:</b>	<b>7 651</b>	<b>42 477</b>	<b>36 067</b>	<b>35 628</b>	<b>35 615</b>	-1,3%	0,0%
Library subsidies	-	1 141	600	1 129	1 117	46,3%	-1,1%
Housing	7 651	34 180	35 467	34 108	34 108	-4,0%	0,0%
Community Development Workers Grant		15	-	-	-	100,0%	100,0%
Development of Sport & Recreation Facilities	-	1 171	-	-	-	0,0%	0,0%
Fire Services Capacity Grant	-	2 000	-	-	-	0,0%	0,0%
Public Transport Non-Motorised Infrastructure	-	3 610	-	390	390	100,0%	0,0%
Municipal Service Delivery and Capacity Building Grant		360		-	-	0,0%	0,0%
Financial Management Support Grant	-	-	-	-	-		
<b>Total Capital Transfers and Grants</b>	<b>33 681</b>	<b>64 263</b>	<b>61 968</b>	<b>66 072</b>	<b>66 060</b>	<b>6,2%</b>	<b>0,0%</b>

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

**Table 263: Grant Performance for 2018/19**

### 5.3.2 CONDITIONAL GRANTS (EXCLUDING MIG)

Conditional Grants: excluding MIG - 2018/19						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Financial Management Grant	1 550	1 550	1 550	0,0%	0,0%	To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA) As part of strengthening financial and asset management in municipalities, the grant provides funding for water and energy internship programme to graduates in selected water boards and municipalities

## CHAPTER 5: FINANCIAL PERFORMANCE

Conditional Grants: excluding MIG - 2018/19						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Municipal Systems Improvement Grant	–	–	–	0,0%	0,0%	To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation, policies and local government turnaround strategy
Integrated National Electrification	4 262	4 262	4 262	0,0%	0,0%	To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply
Expanded Public Works Programme	1 926	1 926	1 926	0,0%	0,0%	To incentivise municipalities to increase job creation efforts in infrastructure, environment and culture programmes through the use of labour-intensive methods and the expansion of job creation in line with the Expanded Public Works Programme (EPWP) guidelines
Library subsidy	6 747	7 276	7 276	7,8%	0,0%	To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives
Community Development Workers	74	–	–	-100,0%	#DIV/0!	To provide financial assistance to municipalities to cover the operational costs pertaining to the line functions of the community development workers including regional coordinators.
Housing	59 100	44 964	46 796	-20,8%	4,1%	To provide funding for the creation of sustainable human settlements

## CHAPTER 5: FINANCIAL PERFORMANCE

Conditional Grants: excluding MIG - 2018/19						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Main Road subsidy	137	137	137	0,0%	0,0%	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.
Local Government Graduate Internship Grant	51	122	86	68,7%	-29,2%	To provide financial assistance to municipalities in support of capacity building for the future by means of a graduate internship programme
Public Transport Non-Motorised Infrastructure	–	390	390	#DIV/0!	0,0%	To assist with the provision of public transport facilities in rural communities
Municipal Service Delivery and Capacity Building Grant		200	62	#DIV/0!	-69,2%	To provide financial assistance to municipalities to improve infrastructure, systems, structures, corporate governance, service delivery and addressing institutional challenges. To address economic development, poverty reduction and skills development identified within the Provincial Strategic goals as a priority
Resourcing Funding for Establishment & Support of a K9 Unit		200	200	#DIV/0!	0,0%	To provide resource funding for the establishment and support of a K9 unit.
Thusong Service Centre	100	100	100	0,0%	0,0%	To provide financial assistance to municipalities, ensuring the financial sustainability of the Thusong Service Centres.
Financial Management Capacity Building Grant	600	600	–	-100,0%	-100,0%	To develop financial human capacity within municipal areas to enable a sustainable local financial skills pipeline that is responsive to municipalities requirements to enable sound and sustainable financial management and good financial governance

## CHAPTER 5: FINANCIAL PERFORMANCE

Conditional Grants: excluding MIG - 2018/19						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Western Cape Financial Management Support Grant	280	280		0,0%	-100,0%	To provide financial assistance to Municipalities to improve overall financial governance within municipalities inclusive of optimising and administration of revenue, improving credibility and responsiveness of municipal budgets, improving of municipal audit outcomes and addressing institutional challenges.
<b>Total</b>	<b>74 827</b>	<b>62 008</b>	<b>62 785</b>	<b>-16,1%</b>	<b>1,3%</b>	

*\* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in par 5.9.2. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

**Table 264: Conditional Grant (excl. MIG)**

Total conditional grants for the 2018/19 financial year was R62.79 million (excluding MIG grant and equitable share). The total conditional grants comprises of capital as well as operational grants.

The total conditional operating grants for the 2018/19 financial year was R22.91mil (excluding equitable share) and the total conditional capital grants for the 2018/19 financial year was R39.88mil (excluding MIG grant).

The operational transfers and grants finance the operational expenditure portion of the conditions attached the each relevant grant.

Total conditional grants variance between the original budget and actual was 6.2%. Total conditional grants variance between the amended budget and actual was 0.0%. This was due to two factors, namely:

Variances are due to projects not completed by 30 June 2019 and the unspent monies are rolled over to next financial year.

### 5.3.3 GRANTS RECEIVED FROM SOURCES OTHER THAN THE DIVISION OF REVENUE ACT (DORA)

## CHAPTER 5: FINANCIAL PERFORMANCE

Grants Received From Sources Other Than Division of Revenue Act (DoRA)							
Details of Donor	R'000			2018/19 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
	Actual Grant 2016/17	Actual Grant 2017/18	Actual Grant 2018/19				
<b>Private Sector / Organisations</b>							
WWF Table Mountain Fund Grant	–	–	–	–	N/A	N/A	Nature conservation
Spaces for Sport	–	94	1	–	N/A	N/A	Recreational purposes
Samras User group	–	–	–	–	N/A	N/A	Samras User group
Provision of Furniture & Security for ICT Projects at Libraries	–	–	–	–	N/A	N/A	Public Library Programme of Province
Dept of Public Works- Small Harbours and State Coastal Property Marketing Event	–	29	–	–	N/A	N/A	Small Harbours and State Coastal Property Marketing Event
National lotto funds	1 000	–	–	–	N/A	N/A	Sporting development
DWA ACIP	571	–	–	–	N/A	N/A	To complete the required projects for the proposed Overstrand Water Conservation Demand Management.
Public contributions: non-cash	7 363	4 250	25 546	–	N/A	N/A	Various contributions from the public, e.g. Fire truck, building, land, container etc.
Public contributions: cash	–	461	621	–	N/A	N/A	Monetary contribution in lieu of LGSETA
Government contributions: non-cash	1 200	–	–	–	N/A	N/A	Land transferred to municipality
Arbor City Award			250		N/A	N/A	Prize Money received
<i>Provide a comprehensive response to this schedule</i>							

**Table 265: Grants received from sources other than DORA**

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The total amount of grants received from other sources during the 2018/19 financial year was R26.4 million.

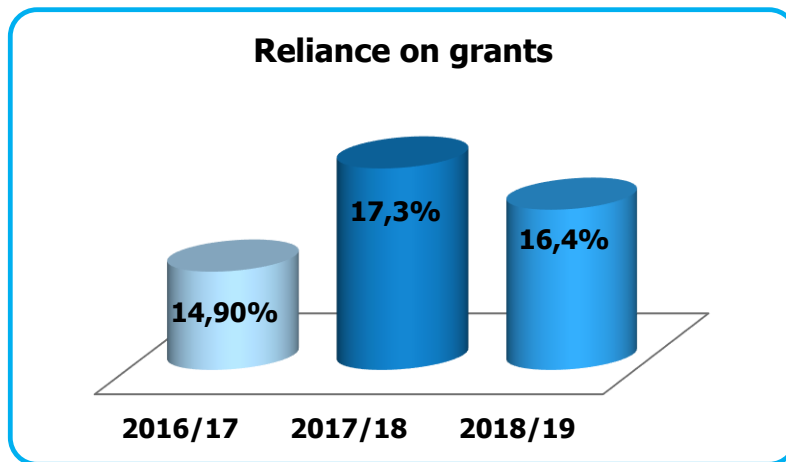
The benefits and conditions from conditional grants and grants received from other sources can be seen in the relevant tables above.

### 5.3.4 LEVEL OF RELIANCE ON GRANTS & SUBSIDIES

Financial year	Total grants	Total	Percentage
	and Subsidies received	Operating Revenue	
	R'000	R'000	
2016/17	148 093	992 795	14,9%
2017/18	180 721	1 044 789	17,3%
2018/19	185 036	1 125 159	16,4%

**Table 266: Reliance on grants**

The following graph indicates the municipality's reliance on grants as percentage for the last three financial years



**Figure 29: Reliance on grants**

Total amount of conditional grants received during the 2018/19 financial year was R158.9 million (excluding MIG).

## 5.4 ASSET MANAGEMENT

The objectives of the Asset Management within the Overstrand Municipality are to assist officials in understanding their legal and managerial responsibilities with regard to assets and to ensure the effective and efficient control of the municipality's assets through:

## CHAPTER 5: FINANCIAL PERFORMANCE

- proper recording of assets from authorisation to acquisition and to subsequent disposal;
- providing for safeguarding procedures,
- setting proper guidelines as to authorised utilisation; and
- prescribing for proper maintenance.

The key elements of the Asset Management Policy represent:

- Statutory and Regulatory Framework / Responsibilities and Accountabilities
- Financial Management / Internal Controls / Management of Control Items
- Management and Operation Of Assets / Classification & Components
- Accounting for Assets / Financial Disclosure.

The Asset Management Section consists of three staff members and forms part of the Expenditure & Asset Management Division within the Finance Directorate.

The costing module on the SAMRAS Management Information System is utilized to cost all new asset components up to completion there-of. This approach was deployed over the past year with great success.

Regular Asset counts are conducted in accordance with the prescriptions of the Asset Management Policy. 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.

Management envisages that the Asset Register will be hosted on software specifically developed for this purpose (currently on Excel) and more to full adherence to GRAP requirements.

### 5.4.1 TREATMENT OF THE THREE LARGEST ASSETS

<b>Asset 1</b>				
Name	Preekstoel Water Treatment Works Upgrade			
Description	Upgrading of Preekstoel Water Treatment Plant			
Asset Type	Infrastructure			
Key Staff Involved	Hanre Blignaut / Patrick Robinson / Hannes Vorster			
Staff Responsibilities	Project Management / Asset Register Compilation			
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
Asset Value	82 445 522	82 445 522	87 059 941	87 059 941
Capital Implications	External Loan / MIG Funding / Regional Bulk Infrastructure Grant			
Future Purpose of Asset	To treat raw water from the De Bos Dam and the three municipal well fields. The Works provide drinking water to the Greater Hermanus area.			
Describe Key Issues	Access to land (farms) for the installation of new bulk water pipelines			
Policies in Place to Manage Asset	Asset Management Policy			

**Table 267: Summary of Largest Asset**

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<b>Asset 2</b>				
Name	Hermanus Waste Water Treatment Works Upgrading			
Description	Upgrading of the Waste Water Treatment Works at Hermanus			
Asset Type	Infrastructure			
Key Staff Involved	Hanre Bignaut / Patrick Robinson / Hannes Vorster			
Staff Responsibilities	Project Management / Asset Register Compilation			
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
Asset Value	46 694 370	46 694 370	73 291 994	74 537 156
Capital Implications	External Loans Funding / Regional Bulk Infrastructure Grant			
Future Purpose of Asset	To treat waste water (sewerage) from the Greater Hermanus Area			
Describe Key Issues	Proximity of the works to residential areas			
Policies in Place to Manage Asset	Asset Management Policy			

**Table 268: Summary of 2<sup>nd</sup> Largest Asset**

<b>Asset 3</b>				
Name	New 66 KV Intake Point			
Description	66 KV Substation			
Asset Type	Infrastructure			
Key Staff Involved	Koos du Plessis / Jamie Klem / Hannes Vorster			
Staff Responsibilities	Project Management / Asset Register Compilation			
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
Asset Value	32 878 614	32 878 614	32 878 614	34 831 342
Capital Implications	External Loan Funding			
Future Purpose of Asset	Eskom could not supply enough capacity to cater for the growing demand, therefore second supply intake was needed			
Describe Key Issues	Identifying suitable land for construction of substation			
Policies in Place to Manage Asset	Asset Management Policy			

**Table 269: Summary of 3<sup>rd</sup> Largest Asset**

All three projects listed above are revenue generating assets and the costs are recovered through tariffs.

### 5.4.2 REPAIRS AND MAINTENANCE

Description	2015/16	2016/17	2017/18	2018/19
	R'000	R'000	R'000	R'000
<b>Total Operating Expenditure</b>	937 335	986 890	997 156	1 108 572
<b>Repairs and Maintenance</b>	109 377	120 695	160 036	215 024
<b>% of total OPEX</b>	<b>11,7%</b>	<b>12,2%</b>	<b>16,0%</b>	<b>19,4%</b>

**Table 270: Repairs & maintenance as % of total Operating Expenditure**

## CHAPTER 5: FINANCIAL PERFORMANCE

The following graph indicates the percentage of the budget that was spent on repairs & maintenance in relation to the operational expenditure

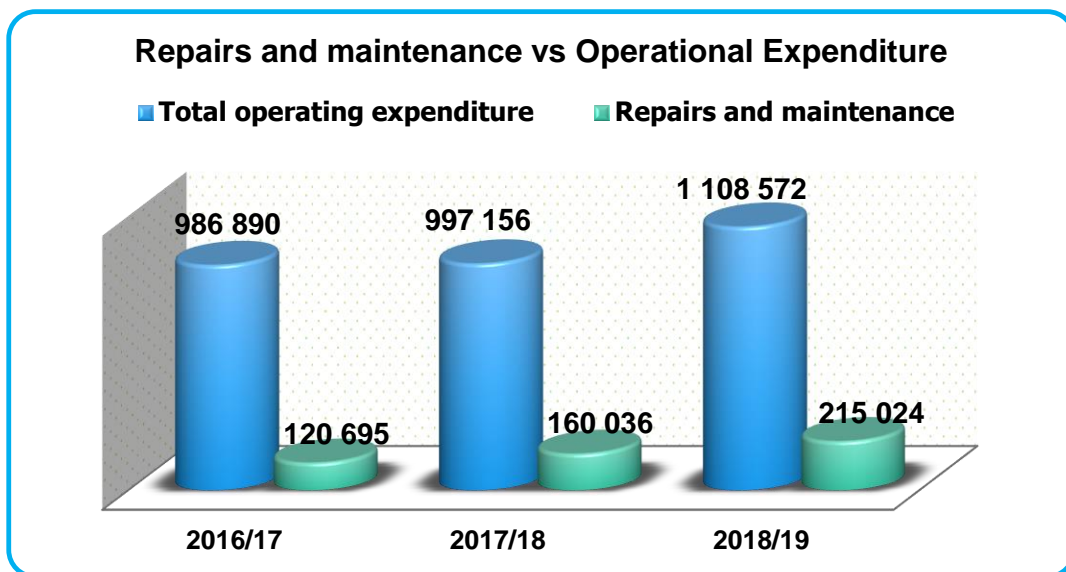


Figure 30: Repairs & Maintenance vs Operational Expenditure

The percentage of repairs and maintenance over the total operating expenditure for the 2018/19 financial year was 19.4% (2017/18: 16.1%). The repairs and maintenance expenditure appears adequate to maintain existing infrastructure as service delivery is not negatively affected.

### 5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

#### 5.5.1 LIQUIDITY RATIO

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audit outcome	Audit outcome	Audit outcome
Current Ratio	Current assets/current liabilities	2,25	2,82	3,19
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2,05	2,73	3,09
Liquidity Ratio	Cash and equivalents/Trade creditors and short term borrowings	3,42	4,79	5,11

Table 269: Liquidity Financial Ratio

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Financial year	Net current assets	Net current liabilities	Ratio
	R'000	R'000	
2016/17	404 764	180 206	2.25:1
2017/18	625 093	221 509	2.82:1
2018/19	710 826	222 765	3.19:1

**Table 270: Liquidity Financial Ratio**

### 5.5.2 IDP REGULATION FINANCIAL VIABILITY INDICATORS

Description	Basis of calculation	2015/16	2016/17	2017/18	2018/19
		Audit outcome	Audit outcome	Audit outcome	Audit outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	3,83	5,18	9,36	9,15
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	10,43%	10,77%	10,76%	11,30%
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	17,71	18,99	20,72	22,32

**Table 271: Financial Viability National KPA's**

### 5.5.3 CREDITORS MANAGEMENT

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audit outcome	Audit outcome	Audit outcome
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100%	100%	100%

**Table 272: Creditors Management**

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.5.4 BORROWING MANAGEMENT

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audit outcome	Audit outcome	Audit outcome
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	7,4%	7,6%	7,1%

**Table 273: Borrowing Management**

### 5.5.5 EMPLOYEE COSTS

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Audit outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	30,4%	27,7%	32,8%

**Table 274: Employee Costs**

Overstrand Municipality is still functioning inside the acceptable liquidity norm. The Municipality has a positive liquidity ratio. It increased from 4.79 to 5.11. The Municipality has a positive current ratio. It increased from 2.82 to 3.19. Efforts to increase the debt collection rate must stay the main focus area for improving this ratio. The largest contributor to the increase in the current liabilities is the unspent government grants and the payables from exchange transactions.

The creditors' system efficiency remained at 99.52%. The cost coverage decreased from 9.36 to 9.15. The total outstanding service debtors to revenue increased from 10.76% to 11.30%. The debt coverage increased from 20.72 to 22.32. The capital charges to operating expenditure decreased from 7.6% to 7.1%. The employee cost over total operating revenue increased from 27.7% to 32.8%. The repairs and maintenance over total operating expenditure increased from 16.0% to 19.4%. The ratios indicate a sound financial position.

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.6 ANALYSIS OF CAPITAL AND OPERATING EXPENDITURE

## CHAPTER 5: FINANCIAL PERFORMANCE

R'000	Original Budget	Adjustment Budget	Actual	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	194 237	174 748	175 110	-10,9%	0,2%
Operating Expenditure	1 134 245	1 154 476	1 108 572	-2,3%	-4,1%
<b>Total expenditure</b>	<b>1 134 245</b>	<b>1 154 476</b>	<b>1 108 562</b>	-2,3%	-4,1%
Water and sanitation	176 379	122 129	121 896	-44,7%	-0,2%
Electricity	311 806	309 595	312 043	0,1%	0,8%
Housing	30 974	27 815	18 299	-69,3%	-52,0%
Roads, Pavements, Bridges and storm water	160 795	112 097	112 376	-43,1%	0,2%
Other	454 290	582 841	543 948	16,5%	-7,2%
External Loans	68 650	53 624	36 495	-88,1%	-46,9%
Internal contributions	63 519	54 952	47 008	-35,1%	-16,9%
Grants and subsidies	61 968	66 072	66 060	6,2%	0,0%
Other	100	100	25 546	99,6%	99,6%
External Loans	54 000	54 000	54 000	0,0%	0,0%
Grants and subsidies	192 534	184 258	211 454	8,9%	12,9%
Investments Redeemed	-	-	-	0,0%	0,0%
Statutory Receipts (including VAT)	78 188	68 994	84 694	7,7%	18,5%
Other Receipts	49 845	53 645	53 847	7,4%	0,4%
Salaries, wages and allowances	367 024	374 114	367 858	0,2%	-1,7%
Cash in bank	380 242	489 014	533 188	28,7%	8,3%
Capital payments	194 237	174 748	175 110	-10,9%	0,2%
Investments made	50 546	50 546	50 524	0,0%	0,0%
External loans repaid	33 993	34 001	33 448	-1,6%	-1,7%
Statutory Payments (including VAT)	57 455	68 612	64 712	11,2%	-6,0%
Other payments	29 598	35 346	32 709	9,5%	-8,1%

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R million	Original Budget	Adjustment Budget	Actual	Original Budget variance	Adjusted Budget Variance
Property rates	234 998	234 998	233 274	-0,7%	-0,7%
Service charges	613 718	624 718	648 200	5,3%	3,6%
Other own revenue	293 480	289 654	332 652	11,8%	12,9%
Employee related costs	367 024	374 114	367 858	0,2%	-1,7%
Provision for working capital			–	0,0%	0,0%
Materials	57 602	52 031	47 091	-22,3%	-10,5%
Bulk purchases	238 588	238 588	242 614	1,7%	1,7%
Other expenditure	471 030	489 743	451 009	-4,4%	-8,6%
Service charges: Electricity	362 784	362 784	378 668	4,2%	4,2%
Grants & subsidies: Electricity	31 126	30 754	39 548	21,3%	22,2%
Other revenue: Electricity	1 445	1 505	1 749	17,4%	14,0%
Employee related costs: Electricity	23 548	22 234	21 543	-9,3%	-3,2%
Provision for working capital: Electricity	–	–	–	0,0%	0,0%
Repairs and maintenance: Electricity	6 217	6 218	6 603	5,8%	5,8%
Bulk purchases: Electricity	238 588	238 588	242 614	1,7%	1,7%
Other expenditure: Electricity	43 452	42 555	41 283	-5,3%	-3,1%
Service charges: Water	116 781	124 781	129 971	10,1%	4,0%
Grants & subsidies: Water	16 546	15 866	15 866	0,0%	0,0%
Other revenue: Water	0	550	431	100,0%	-27,6%
Employee related costs: Water	11 266	11 100	10 687	-5,4%	-3,9%
Provision for working capital: Water	–	–	–	0,0%	0,0%
Repairs and maintenance: Water	48 280	7 740	7 486	-544,9%	-3,4%
Bulk purchases: Water	–	–	–	0,0%	0,0%
Other expenditure: Water	50 739	45 824	45 848	-10,7%	0,1%

**Table 275: Analysis of Capital and Operating Expenditure**

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### 5.7 SOURCES OF FINANCE

Capital Expenditure - Funding Sources								
R' 000								
Details	2016/17	2017/18	2018/19					
	Actual	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
<b>Source of finance</b>								
External loans	35 839	19 199	68 650	53 624	36 495	-88,11%	-46,93%	
Public contributions and donations	10 011	4 250	100	100	25 546	99,61%	99,61%	
Grants and subsidies	33 211	64 263	61 968	66 072	66 060	6,19%	-0,02%	
Other	12 806	17 543	63 519	54 952	47 008	-35,12%	-16,90%	
<b>Total</b>	<b>91 868</b>	<b>105 255</b>	<b>194 237</b>	<b>174 748</b>	<b>175 110</b>	<b>-10,92%</b>	<b>0,21%</b>	
<i>Percentage of finance</i>								
External loans	39,0%	18,2%	35,3%	30,7%	20,84%	-69,6%	-47,2%	
Public contributions and donations	10,9%	4,0%	0,1%	0,1%	14,59%	99,6%	99,6%	
Grants and subsidies	36,2%	61,1%	31,9%	37,8%	37,72%	15,4%	-0,2%	
Other	13,9%	16,7%	32,7%	31,4%	26,85%	-21,8%	-17,1%	
<b>Capital expenditure</b>								
Water and sanitation	30 659	13 847	73 360	66 814	47 233	-55,32%	-41,46%	
Electricity	30 496	16 268	24 772	20 456	28 893	14,26%	29,20%	
Housing	10 658	34 180	35 467	34 271	34 276	-3,48%	0,01%	
Roads and storm water	14 069	22 958	24 879	22 706	19 308	-28,85%	-17,60%	
Other	5 985	18 002	35 759	30 502	45 399	21,24%	32,82%	
<b>Total</b>	<b>91 868</b>	<b>105 255</b>	<b>194 237</b>	<b>174 748</b>	<b>175 110</b>	<b>-10,92%</b>	<b>0,21%</b>	
<i>Percentage of expenditure</i>								
Water and sanitation	33,4%	13,2%	37,8%	38,2%	26,97%	-40,0%	-41,7%	
Electricity	33,2%	15,5%	12,8%	11,7%	16,50%	22,7%	29,1%	
Housing	11,6%	32,5%	18,3%	19,6%	19,57%	6,7%	-0,2%	
Roads and storm water	15,3%	21,8%	12,8%	13,0%	11,03%	-16,2%	-17,8%	
Other	6,5%	17,1%	18,4%	17,5%	25,93%	29,0%	32,7%	

**Table 276: Capital Expenditure by funding source**

The Public Contribution variance is as a result of assets received in-kind and recognised at year end.

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### 5.8 CAPITAL SPENDING ON 5 LARGEST PROJECTS

The table below indicates the capital expenditure by funding source for the 2018/19 financial year:

Capital Expenditure of 5 largest projects*					
R'					
Name of Project	2018/19			Variance 2018/19	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - WWTW Upgrade - Stanford	16 177 218	16 177 218	14 376 976	-13%	-13%
B - Blompark Project	16 313 461	13 496 040	13 496 040	-21%	0%
C - Masakhane	8 449 062	8 449 062	8 449 062	0%	0%
D- Upgrade Hermanus Well Fields Phase 1	7 000 000	7 000 000	1 997 700	-250%	-250%
E- Stanford IRDP	5 517 519	5 517 519	5 517 519	0%	0%

**Table 277: Capital Expenditure on the 5 Largest Projects**

<b>Name of Project - A</b>	<b>A- WWTW UPGRADE - STANFORD</b>
Objective of Project	Upgrading the capacity of the Stanford Waste Water Treatment Works (WWTW) from 0.5 Ml/day to 1.2 Ml/day to cope with growth.
Delays	None. Saving to be utilized in 2019/20 for further improvements.
Future Challenges	None
Anticipated citizen benefits	Upgraded waste water treatment capacity to cope with future growth and development.

**Table 278: Summary of WWTW Upgrade- Stanford**

<b>Name of Project - B</b>	<b>B - BLOMPARK PROJECT</b>
Objective of Project	Installation of civil infrastructure on 544 sites in terms of the Integrated Residential Development Programme for the purposes of low-income housing.
Delays	Completion date was end of November 2018, Contractor was liquidated and new Contractor was appointed during October 2018. Project has reached 95% completion, will be completed end of August 2019.
Future Challenges	Tarring of Roads dependent on weather
Anticipated citizen benefits	Improved housing for Overstrand citizens

**Table 279: Summary of Blompark project (low income housing project)**

<b>Name of Project - C</b>	<b>C - MASAKHANE</b>
Objective of Project	Installation of civil infrastructure on 296 sites in terms of the Integrated Residential Development Programme for purposes of creating low-income housing

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<b>Name of Project - C</b>	<b>C - MASAKHANE</b>
Delays	None - Completion Date is end of November 2019
Future Challenges	None
Anticipated citizen benefits	Improved housing for Overstrand citizens

**Table 280: Summary of Masakhane (low income housing project)**

<b>Name of Project - D</b>	<b>D- UPGRADE HERMANUS WELL FIELDS PHASE 1</b>
Objective of Project	Drilling of additional production boreholes for Hermanus and integrating it with the water supply system.
Delays	Process of "piggy backing" on Provincial drilling tender took much longer than anticipated. Significant roll-over.
Future Challenges	Further tender process required for mechanical and electrical equipment and piping, and further EIA in progress.
Anticipated citizen benefits	Improved bulk water supply capacity to the entire Greater Hermanus area.

**Table 281: Summary of Upgrade Hermanus Well Fields Phase 1**

<b>Name of Project - E</b>	<b>E-STANFORD IRDP</b>
Objective of Project	Installation of civil infrastructure on 783 sites in terms of the Integrated Residential Development Programme for purposes of creating low-income housing
Delays	None - Completion Date is end of September 2020
Future Challenges	None
Anticipated citizen benefits	Improved housing for Overstrand citizens

**Table 282: Summary of Stanford IRDP (low income housing project)**

The variance between the original and adjustment budgets on these projects amount to -22% and -16% respectively.

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### 5.9 BASIC SERVICES AND INFRASTRUCTURE BACKLOGS- OVERVIEW

The backlogs in the provision of water and sanitation in the informal settlements are the result of the historical migration of people into the area. Infrastructure in the informal settlements is, however, upgraded on a continual basis. The Access to Basic Services (ABS) project initiated by the Department of Human Settlement, aligned with Strategic Objective no. 6 of the Provincial Government, is completed. Additional water points and toilets were provided in these areas to improve the ratio of the provision of services to 1 toilet per 5 households and 1 water point per 25 households (these ratios being the minimum standards nationally).

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### 5.9.1 SERVICE BACKLOGS

Service Backlogs as at 2018/19				
Households (HHs)				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	33420	100%	0	0%
Sanitation	33251	100%	0	0%
Electricity	25295	100%	0	0%
Waste management	34782	100%	0	0%
Housing	31162	90%	3620	10%

*% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to \* formal and \*\* informal settlements.*

**Table 283: Service Backlogs**

### 5.9.2 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

The MIG grant is intended to provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.

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MIG BUDGET 2018/ 19 – 2020/21													
Local Area	Ward	Project Description	Project Manager	Funding Source	2018/19 BUDGET			2019/20 BUDGET			2020/21 BUDGET		
					COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
		<b>COMMUNITY AND SOCIAL SERVICES</b>							2 500 000	2 500 000		2 500 000	2 500 000
Hawston	Ward 08	EXTENSION OF THUSONG CENTRE	D Hendriks	MIG					2 500 000	2 500 000		2 500 000	2 500 000
		<b>SPORT &amp; RECREATION</b>				1 500 000	1 500 000		5 000 000	5 000 000		1 500 000	1 500 000
Zwelihle	Ward 12	ARTIFICIAL TURF SOCCERFIELD	D Hendriks	MIG					2 500 000	2 500 000		1 500 000	1 500 000
Hawston	Ward 08	UPGRADE HAWSTON SPORT GROUNDS PHASE 1	D Hendriks	MIG		1 500 000	1 500 000		2 500 000	2 500 000			
		<b>ROADS</b>				5 336 000	5 336 000		4 000 000	4 000 000		2 000 000	2 000 000
Blompark	Ward 02	REHABILITATE ROADS - BLOMPARK	D Hendriks	MIG		2 000 000	2 000 000		2 000 000	2 000 000			
Stanford	Ward 11	REHABILITATE ROADS - STANFORD	D Hendriks	MIG		2 000 000	2 000 000		2 000 000	2 000 000			
Blompark	Ward 02	BLOMPARK HOUSING PROJECT BUS ROUTE	D Hendriks	MIG								2 000 000	2 000 000
Hawston	Ward 08	HAWSTON HOUSING PROJECT BUS ROUTE	D Hendriks	MIG		1 336 000	1 336 000						
		<b>WATER</b>				3 514 000	3 514 000		5 472 000	5 472 000		7 075 000	7 075 000
Masakha ne	Ward 1 & 2	NEW 4ML RESERVOIR	D Hendriks	MIG					5 472 000	5 472 000		3 075 000	3 075 000
Blompark	Ward 02	UPGRADE BULK WATER	D Hendriks	MIG		3 514 000	3 514 000						
Masakha ne	Ward 01	UPGRADE WATER LINES	H Blignaut	MIG								2 000 000	2 000 000
Masakha ne	Ward 01	NEW BOOSTER PUMPSTATION & VALVES	H Blignaut	MIG								2 000 000	2 000 000

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MIG BUDGET 2018/ 19 – 2020/21													
					2018/19 BUDGET			2019/20 BUDGET			2020/21 BUDGET		
Stanford	Ward 11	UPGRADE BULK WATER	H Blignaut	MIG									
		<b>SEWERAGE</b>				<b>10 996 000</b>	<b>10 996 000</b>		<b>3 000 000</b>	<b>3 000 000</b>		<b>5 961 000</b>	<b>5 961 000</b>
Stanford	Ward 11	WWTW UPGRADE - STANFORD	H Blignaut	MIG		7 735 000	7 735 000						
Blompark	Ward 02	PROVISION OF BULK SEWER SUPPLY	D Hendriks	MIG		3 261 000	3 261 000						
Masakhane	Ward 01	UPGRADE LINK SEWER SUPPLY	D Hendriks	MIG								1 961 000	1 961 000
Masakhane	Ward 01	UPGRADE BULK SEWER	D Hendriks	MIG								2 000 000	2 000 000
Zwelihle	Ward 12	UPGRADE ZWELIHLE SEWER	D Hendriks	MIG					3 000 000	3 000 000		2 000 000	2 000 000
		<b>STORMWATER</b>				<b>293 000</b>	<b>293 000</b>		<b>2 038 000</b>	<b>2 038 000</b>		<b>4 000 000</b>	<b>4 000 000</b>
Blompark	Ward 02	BLOMPARK HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG					2 038 000	2 038 000			
Masakhane	Ward 01	MASAKHANE HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG		293 000	293 000					2 000 000	2 000 000
Stanford	Ward 11	STANFORD HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG								2 000 000	2 000 000
		<b>GRAND TOTAL</b>				<b>21 639 000</b>	<b>21 639 000</b>		<b>22 010 000</b>	<b>22 010 000</b>		<b>23 036 000</b>	<b>23 036 000</b>

Table 284: 2018/19 – 2020/21 MIG Budget

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The table details the MIG expenditure for the 2018/19 financial year:

Municipal Infrastructure Grant (MIG)* Expenditure 2018/19 on Service backlogs- UPDATE						
R'						
Details	Budget	Adjustments Budget	Actual	Variance		The grant is intended to provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities
				Budget	Adjustments Budget	
<b>Infrastructure - Road transport</b>	<b>5 629 000</b>	<b>11 243 000</b>	<b>11 243 000</b>	<b>50%</b>	<b>0%</b>	
<i>Roads, Pavements &amp; Bridges</i>	5 336 000	5 599 347	5 599 347	5%	0%	
<i>Storm water</i>	293 000	5 643 653	5 643 653	95%	0%	
<b>Infrastructure - Electricity</b>	-	-	-			
<i>Generation</i>			-			
<i>Transmission &amp; Reticulation</i>	-	-	-			
<i>Street Lighting</i>						
<b>Infrastructure - Water</b>	<b>3 514 000</b>	<b>3 369 841</b>	<b>3 369 841</b>	<b>-4%</b>	<b>0%</b>	
<i>Dams &amp; Reservoirs</i>	-	-	-			
<i>Water purification</i>	-	-	-	#DIV/0!	#DIV/0!	
<i>Reticulation</i>	3 514 000	3 369 841	3 369 841			
<b>Infrastructure - Sanitation</b>	<b>10 996 000</b>	<b>10 870 000</b>	<b>10 870 000</b>	<b>-1%</b>	<b>0%</b>	
<i>Reticulation</i>						
<i>Sewerage purification</i>	10 996 000	10 870 000	10 870 000	-1%	0%	
<b>Infrastructure - Other</b>	-	-	-			
<i>Waste Management</i>	-	-	-			
<i>Transportation</i>						
<i>Gas</i>						
<b>Other Specify:</b>	<b>1 500 000</b>	<b>700 000</b>	<b>700 000</b>			
<i>Hawston Sport Complex</i>	1 500 000	700 000	700 000			
<i>Extension of Thusong Centre</i>	-	-	-			
<b>Total</b>	<b>21 639 000</b>	<b>26 182 841</b>	<b>26 182 841</b>	<b>17%</b>	<b>0%</b>	

\* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

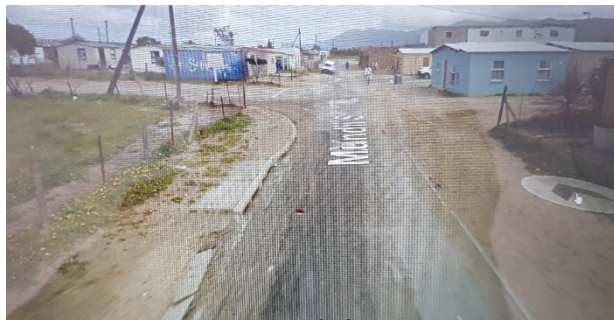
**Table 285: Municipal Infrastructure Grant (MIG) spending, 2018/19**

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The MIG allocation for 2018/19 was spent on the following projects:

### REHABILITATION OF ROADS IN STANFORD (PHASE 1) - R 2 000 000.00

The existing asphalt roads in Stanford low cost housing area are generally in poor condition due to insufficient and / or silted up drainage structures. The roads were not built according to the minimum width and standards and some of the roads that are only 3.5m wide. The roads have deteriorated over the years and have exceeded its life span. The roads are due for an upgrade, which will be implemented in phases. **Phase 1** entailed the widening/rehabilitation and installation of kerbs in Dreyer, Mundi & Melkhout streets. The total project cost for phase 1 was R 2 000 000.00 excl. VAT.



Stanford roads rehabilitation – Phase 1



### REHABILITATION OF ROADS IN BLOMPARK (PHASE 1) - R 2 000 000.00

The roads in Blompark were built without kerbs and channels which caused severe degradation of the existing asphalt surfacing and edge breaks occurred due to the lack of kerbing. The verges between property boundaries and the roads' edges are un-surfaced and not formalised. The existing grid inlets & catch pits have insufficient capacity, which causes storm water to accumulate in certain areas. Regular blockages occur due to inlet structures that were not constructed properly. The rehabilitation of the roads & storm water infrastructure will be implemented in phases. **Phase 1** entails the rehabilitation of Roos, Madeliefie, Magnolia streets and the installation of storm water infrastructure in Roos- and Magnolia streets. The total project cost for phase 1 was R 2 000 000.00 excl. VAT.



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### HAWSTON NEW NETBALL AND TENNIS COURTS- R 700 000.00

Overstrand Municipality compiled a masterplan for the upgrading of the existing sport grounds in Hawston which will be implemented in phases.

Phase 1 entails the construction of new netball/tennis combination courts. The existing netball & tennis courts are in a poor condition, the surfaces are damaged and uneven. The existing netball courts are not suitable for league matches and are used for practices only. The existing tennis courts are not the right size, there are no nets and therefore it is not currently being used. The existing courts are located far from the ablution facilities and there is no change rooms available for the netball/tennis teams. The netball and tennis courts will be relocated and combined to ensure more effective use of the facilities. The tender for the construction of the new courts was advertised 18 January 2019 and was awarded 17 May 2019. Construction started 11 June 2019 and it will be completed during May 2020.



Phase 1 in progress-  
Hawston new netball and  
tennis courts

### UPGRADE STANFORD WWTW- 7 735 000.00

The existing Stanford Waste Water Treatment Works (WWTW) was running at capacity and upgrading was required to ensure that there is sufficient capacity to accommodate the proposed Stanford low cost housing development and future population growth.

The project entailed the following:

#### **Civil works:**

- Splitter Box & Raw Sewerage Pump station;
- New 0.7Ml/day reactor module, Two reactor feed pump stations are required, a new feed pump station need to be constructed to feed the two reactors;
- RAS Sump & Pump station, an additional RAS pump station is required and new interconnecting pipework is necessary to eliminate hydraulic bottlenecks;
- Upgrading of chlorine building & upgrading of chlorination system;
- Refurbish dewatering building and construction of a New MCC building;
- Fencing, Irrigation pumps & pipeline;
- Improve storm water drainage on site;

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### Mechanical & Electrical Works

- Biological Reactor Equipment
- Chlorination equipment
- Hand stops, sluice gated and tilting weirs
- Electrical installation (a new 315kVA transformer will have to be installed)
- Pumping Equipment
- Supply and install process monitoring equipment.

The total MIG contribution towards the project cost was R 8 235 000.00



Upgrade of Stanford Waste Water Treatment Works in progress

### CONSTRUCTION OF STORM WATER INFRASTRUCTURE FOR MASAKHANE PHASE 2- R 152 044.00

During the rainfall season, severe flooding is experienced in the Masakhane settlement with the consequence of houses being evacuated. The flooding is caused by the trapped storm water at the low

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points situated within the area without sufficient pipework or escape routes for major storm events. The upgrading of the Masakhane Stormwater infrastructure were implemented in phases.

Phase 1 was implemented in the 2016/2017 financial year.

### Phase 2 comprised of:

- Installation of Stormwater channels and pipes;
- Reinstatement of existing road surfaces.

The proposed network upgrades are to ensure that there is sufficient capacity to accommodate storm water runoff and prevent flooding of the area. Phase 2 was completed 26 October 2018. The project cost for phase 2 was R 2 900 000.00.



Masakhane Phase 2 – Storm water infrastructure constructed



### BLOMPARK & BEVERLEY HILL LOW COST HOUSING DEVELOPMENTS BULK INFRASTRUCTURE

The municipality is currently busy with the implementation of a low cost housing development in Blompark & Beverley Hills and a large portion of the 2018/2019 MIG allocation was allocated to the upgrading of bulk infrastructure for the housing development. This include the upgrading of the bulk water, sewer and storm water services to serve the development.

#### ▪ Provision of Bulk Sewer Supply Blompark & Beverley Housing- R 3 135 000.00

The project entails the construction of a sewer pump station and the associated mechanical and electrical works. (Capacity = 25 L/s, Operating at 10.7L/s) The structure is concrete type to house pumps and the sump storage.

Construction of the sewer pump station started during April 2019 and will be completed by the end of August 2019.

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Bulk sewer supply Blompark and Beverley Hills Housing – construction in process

### ▪ Upgrade Bulk Storm water Blompark & Beverly Hills Housing Phase 1- 3 082 256.00

A Local Storm water Management Plan was compiled to determine the storm water impacts and the storm water upgrade requirements for the Blompark & Beverley low cost housing development.

There is no formalized storm water drainage system exist to serve the proposed development and the need to install the bulk storm water infrastructure for this low cost housing project became more apparent after scrutinising the Local Storm water Management Plan. All the storm water drains towards a naturally occurring trapped low point located towards the south of the proposed developments. The bulk storm water upgrades are required to ensure that the Post development peak flows are reduced to accommodate the 1:50 major storm events. Phase 1 entailed the construction of the 565m storm water channel. Construction started during April and practical completion was 30 June 2019. Phase 2 will be implemented in the 2019/20 financial year.



Upgrade bulk storm water Blompark and Beverley Hills Housing – Phase 1 construction in process

### ▪ Upgrade Bulk Water Blompark & Beverley Hills Housing- R 2 614 000.00

The project entails the following:

- Installation of 300m of 200mm diameter new supply pipe (uPVC class 12),
- Installation of 1223m of 250mm diameter of parallel reinforcement (uPVC class 12),

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- Installation of 452m of 315mm diameter of parallel reinforcement (uPVC class 12)

The pipeline upgrades were required to improve the static and residual pressures for the housing development.

The tender was advertised 24/08/2018, construction started 28 January 2019 and will be completed in the 2019/20 financial year.



Upgrade bulk water Blompark and Beverley Hills Housing – construction in process

**The following MIG projects were implemented in the 2017/2018 financial year but could not be completed as anticipated as a result of:**

- Random protest actions in Zwelihle & Hawston during March, April & May 2018,
- The liquidation of the subcontractor and the subsequent termination of their contract;
- Other construction related delays
- Contractual arrangements as a result of the above-mentioned issues

The application for the roll-over of the unspent funds was communicated to Provincial MIG Department and CoGTA and was submitted to National Treasury at the end of August 2018. The roll-over funding approval was received during November 2018.

A new contractor continued with the works and the projects were completed the end of June 2019.

### ➤ **Hawston Housing Project Bus Route - R 1 374 647.00**

The project entailed the following:

- Construction of 275m long Access Road
- Construction of 847m long Main Collector roads.

The total project cost was R 6 240 000.00 excl. VAT.

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Hawston Housing project bus route – completed

### ➤ **Hawston: Bulk Water Upgrade for Housing project- R 755 841.00**

The project entailed the following:

- installation of 200mm dia water link services to connect the development to the existing system and to provide sufficient network conveyance;
- Upgrading of Fisherhaven HL pump station to increase its capacity & associated pipework.

The total project cost was R 2 500 000.00.



Hawston bulk water upgrade for Housing project – completed

### ➤ **Hawston Housing Project Bulk Storm water- 2 413 353.00**

The project entailed the following:

- Construction trapezoidal channels to divert upstream run-off;
- Bulk Storm water drainage system to serve the development;
- Construction of a detention pond to reduce the post development storm water peak flows to the pre-development peak flows for the 1 in 50 year return period.

The total project cost was R 10 190 000.00.

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Hawston Housing project bulk storm water – completed

### COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is critical to the municipality as it enables the organisation to assess whether enough cash is available at any point in time to cover the council's commitments. Cash flow is rigorously managed and monitored on a daily basis.

#### 5.10 CASH FLOW

Cash Flow Outcomes					
R'000					
Description	2016/17	2017/18	2018/19		
	Actual	Actual	Original Budget	Adjustments Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Ratepayers and other	838 120	878 576	899 458	892 108	955 658
Government - operating	119 508	116 469	130 566	118 186	118 820
Government - capital	33 681	79 598	61 968	66 072	57 030
Interest	23 018	34 175	24 701	45 960	45 960
Dividends	–	–	–	–	–
<b>Payments</b>					
Suppliers and employees	(791 231)	(818 415)	(893 168)	(900 839)	(915 305)

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Cash Flow Outcomes					
R'000					
Description	2016/17	2017/18	2018/19		
	Actual	Actual	Original Budget	Adjustments Budget	Actual
Finance charges	(45 910)	(46 129)	(47 834)	(47 834)	(44 921)
Transfers and Grants	(1 898)	(1 800)	(500)	(500)	(486)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>175 288</b>	<b>242 473</b>	<b>175 190</b>	<b>173 153</b>	<b>216 756</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Receipts</b>					
Proceeds on disposal of PPE	2 943	81 451	–	–	(566)
Decrease (Increase) in non-current debtors	–	–	–	–	–
Decrease (increase) other non-current receivables	15	8	10	10	10
Decrease (increase) in non-current investments	(4 980)	(4 980)	(7 124)	(5 952)	(4 980)
<b>Payments</b>					
Capital assets	(91 868)	(105 255)	(194 237)	(174 748)	(175 110)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(93 891)</b>	<b>(28 775)</b>	<b>(201 351)</b>	<b>(180 689)</b>	<b>(180 645)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<b>Receipts</b>					
Short term loans	(63)	–	–	–	–
Borrowing long term/refinancing	30 000	30 000	54 000	54 000	54 000
Increase (decrease) in consumer deposits	(6 904)	1 423	3 937	1 584	1 558
<b>Payments</b>					
Repayment of borrowing	(26 759)	(29 969)	(33 993)	(34 001)	(33 448)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(3 727)</b>	<b>1 455</b>	<b>23 944</b>	<b>21 583</b>	<b>22 109</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>77 671</b>	<b>215 153</b>	<b>(2 217)</b>	<b>14 047</b>	<b>58 220</b>
Cash/cash equivalents at the year begin:	174 780	259 815	382 460	474 967	474 967
Cash/cash equivalents at the year-end:	259 814	474 967	380 242	489 014	533 188
Source: MBRR SA7					

Table 286: Cash flow

## CHAPTER 5: FINANCIAL PERFORMANCE

Variations between the amended budget and the actual outcome are as a result of savings on expenditure. The municipality has a positive net cash from operating activities.

### 5.11 GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services	Economic services	Rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000	R'000	R'000	R'000	R'000	R'000
2016/17	20 947	35 408	16 449	697	9 221	82 722
2017/18	23 382	36 172	17 099	732	9 346	86 731
2018/19	26 334	42 411	19 584	789	10 472	99 589
Difference	2 951	6 239	2 485	58	1 126	12 859
% growth year on year	12,6%	17,2%	14,5%	7,9%	12,0%	14,8%

*Note: Figures exclude provision for bad debt*

Table 287: Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service for 2018/19

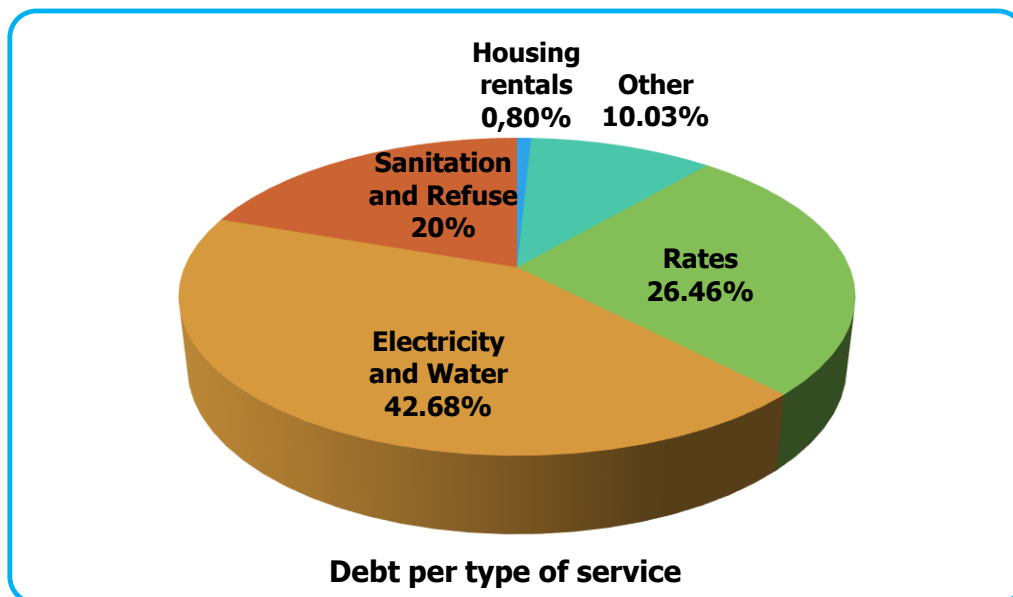


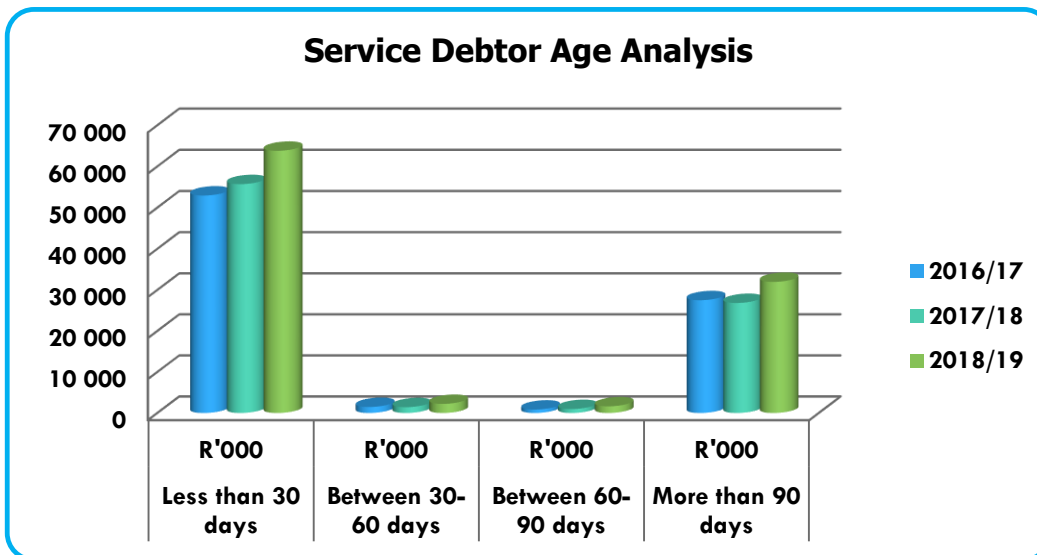
Figure 31: Debt per service type

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.12 TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2016/17	52 936	1 463	830	27 492	82 722
2017/18	55 701	1 419	961	28 649	86 731
2018/19	63 793	2 220	1 624	31 952	99 589
Difference	8 092	801	663	3 302	12 859
% growth year on year	14,5%	56,5%	69,0%	11,5%	14,8%

**Table 288: Service debtor age analysis**



**Figure 32: Service debtors age analysis for the 2016/17, 2017/18 and 2018/19 financial years**

### 5.13 BORROWINGS AND INVESTMENTS

Infrastructure needs to be replaced and therefore borrowings for periods of 10-15 years are taken up to spread the burden over the minimum useful life of the assets.

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.13.1 ACTUAL BORROWINGS

Actual Borrowings 2016/17 - 2018/19			
R' 000			
Instrument	2016/17	2017/18	2018/19
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	342 075	342 106	362 658
Long-Term Loans (non-annuity)	100 000	100 000	100 000
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>442 075</b>	<b>442 106</b>	<b>462 658</b>

**Table 289: Actual Borrowings**

### 5.13.2 MUNICIPAL INVESTMENTS

Actual Investments 2016/17 - 2018/19			
R' 000			
Investment* type	2016/17	2017/18	2018/19
	Actual	Actual	Actual
<b>Municipality</b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	170 727	380 514	409 200
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)	37 982	44 595	50 524
Repurchase Agreements - Banks			
Municipal Bonds			
Investo Endowment Certificate			
<b>Municipality Total</b>	<b>208 709</b>	<b>425 109</b>	<b>459 723</b>

T5.10.4

**Table 290: Municipal Investments**

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.13.3 DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: 2018/19					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value	Total Amount committed over previous and future years	
			R'000		
			2018/19	2017/18	2019/20
Maatskaplike Dienste Hermanus	Grant-in-aid	None	25	–	
Overstrand Association for People with Disabilities	Grant-in-aid	None	20	25	35
Ikamva	Grant-in-aid	None			
Whale Coast Conservation	Grant-in-aid	None		26	30
Hermanus Botanical Society	Grant-in-aid	None	7	7	7
Kleinmond Child Welfare	Grant-in-aid	None	20		50
Overstrand Hospice	Grant-in-aid	None	18	25	
Hangklip Community Care Centre	Grant-in-aid	None			
Recycle Swop Shop	Grant-in-aid	None	20	–	29
Siyazama Service Centre for the Aged	Grant-in-aid	None			
Overberg Wheelchair Association	Grant-in-aid	None	15		
Overstrand Arts	Grant-in-aid	None		–	
National Sea Rescue Institute	Grant-in-aid	None	30		
GCA	Grant-in-aid	None			
Badisa Herberg- aan- see	Grant-in-aid	None			
Hermanus Hacking Group	Grant-in-aid	None			
Camphill School	Grant-in-aid	None	18	30	30
Stanford Animal welfare	Grant-in-aid	None			
Flower Valley Conservation Trust	Grant-in-aid	None			
Kids @ the Centre	Grant-in-aid	None	20		
Strandloperjtjie Bewaarskool	Grant-in-aid	None			
Narrative Foundation	Grant-in-aid	None	20	25	
Camphill Farm Community	Grant-in-aid	None		18	50
Pearly Shell Service Centre	Grant-in-aid	None	16	–	
RDP Training Centre	Grant-in-aid	None		–	
Hermanus Night Shelter	Grant-in-aid	None	12	–	

## CHAPTER 5: FINANCIAL PERFORMANCE

Declaration of Loans and Grants made by the municipality: 2018/19					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value	Total Amount committed over previous and future years	
			R'000		
			2018/19	2017/18	2019/20
Blommeland Day Care	Grant-in-aid	None		-	
Whale Coast 96 FM	Grant-in-aid	None		-	
Pearly Beach Conservancy	Grant-in-aid	None		-	30
Women Action Group	Grant-in-aid	None		-	
Stanford Conservation	Grant-in-aid	None	20	-	29
Dyer Island Conservation Trust	Grant-in-aid	None		-	50
Grootbos Green Futures Foundation	Grant-in-aid	None		25	
Enlighten Education Trust	Grant-in-aid	Management		-	
Cancer Association of SA	Grant-in-aid	None			
Sustainable Futures Trust	Grant-in-aid	None		14	
Child Welfare Hermanus	Grant-in-aid	None	30		40
Overberg Aquatic Club					
Franskraal Bowling Club			10		21
Hermanus, Stanford en Gansbaai Maatskaplike Dienste	Grant-in-aid	None			
Overstrand Child and Youth Care Centre				11	
Social Services Hermanus				25	
Gansbaai day care for children	Grant-in-aid	None	-	30	
Mayor's Charity Fund			132		100
Hermanus Rainbow Trust			-		
Exclude tourism grants - done on separate table					

\* Loans/Grants - whether in cash or in kind

**Table 291: Grant-in-Aid: Declaration of Loans and Grants made by the municipality**

Borrowings are incurred to fund infrastructure. Surplus cash is invested in short term instruments. The repayment of certain borrowings is encompassed in sinking funds.

COMPONENT D: OTHER FINANCIAL MATTERS

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5.14 GRAP COMPLIANCE

The municipality is 100% GRAP compliant since 2008/09.

# CHAPTER 6

## COMPONENT A: AUDITOR GENERAL OPINION 2017/18

### 6.1 AUDITOR GENERAL REPORT 2017/18

<b>Auditor-General Report on Financial Performance 2017/18</b>	
<b>Audit Report Status:</b>	<b>Unqualified (Clean Audit)</b>
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
There were no findings of any material misstatements in the financial statements prepared by the Municipality in accordance with S122 of the MFMA.	
There were no material findings of any instances of material non-compliance with specific matters in laws and regulations applicable to the Municipality.	

Table 292: AG Report on Financial Performance 2017/18

<b>Auditor-General Report on Service Delivery Performance: 2017/18</b>	
<b>Audit Report Status:</b>	<b>Unqualified (Clean Audit)</b>
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
There were no material findings on the usefulness and reliability of the reported performance information for the following objective: • The provision and maintenance of municipal services.	

Table 293: AG Report on Service Delivery Performance 2017/18

## COMPONENT B: AUDITOR GENERAL OPINION 2018/19

### 6.2 AUDITOR GENERAL REPORT 2018/19

<b>Auditor-General Report on Financial Performance 2018/19</b>	
<b>Audit Report Status:</b>	<b>Unqualified (Clean Audit)</b>
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
There were no findings of any material misstatements in the financial statements prepared by the Municipality in accordance with S122 of the MFMA.	
There were no material findings of any instances of material non-compliance with specific matters in laws and regulations applicable to the Municipality.	

Table 294: AG Report on Financial Performance 2018/19

## CHAPTER 6: AUDITOR- GENERAL FINDINGS

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<b>Auditor-General Report on Service Delivery Performance: 2018/19</b>	
<b>Audit Report Status:</b>	<b>Unqualified (Clean Audit)</b>
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
There were no material findings on the usefulness and reliability of the reported performance information for the following objective: • The provision and maintenance of municipal services.	

**Table 295: AG Report on Service Delivery Performance 2018/19**

## APPENDICES

### APPENDICES

#### APPENDIX A: COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance- 2018/19					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT / PT			%	%
A Coetsee	FT	Speaker	Ward 4 DA	100	-
D Coetsee	FT	Executive Mayor	Ward 11 DA	100	-
F Africa	FT	Community Services (Until May 2019)  Protection Services (From Jun 2019)	Proportional DA	100	-
D Botha	PT	Infrastructure & Planning	Ward 7 DA	92	100
N Botha-Guthrie	PT	Management Services (Until Feb 2019)	Proportional DA	100	-
K Brice	FT	Infrastructure & Planning (Until May 2019)  Economic Development & Tourism (From Jun 2019)	Ward 3 DA	100	-
G Cohen	FT (From Jun 2019)	Finance Protection Services, Economic Development & Tourism (Until May 2019)  Community Services (From Jun 2019)	Ward 9 DA	100	-
E Gillion	FT	Deputy Executive Mayor Protection Services, Economic Development & Tourism (Until May 2019)  Infrastructure & Planning (From Jun 2019)	Ward 8 DA	92	100
S Kalolo	PT	Community Services (Until May 2019)  Economic Development & Tourism	Proportional DA	92	100

## APPENDICES

Councillors, Committees Allocated and Council Attendance- 2018/19					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT / PT			%	%
		(From Jun 2019)			
J Orban	PT	Community Services + Infrastructure & Planning (From Jun 2019)	Ward 13 DA	100	-
A Komani	FT	Management Services	Proportional DA	100	-
F Krige	PT	Infrastructure & Planning (Until May 2019) Protection Services (From Jun 2019)	Ward 10 DA	100	-
N Nqinata	PT	Management Services	Proportional ANC	100	-
V Macotha	PT	Protection Services, Economic Development & Tourism (Until May 2019) Protection Services (From Jun 2019)	Ward 12 ANC	92	100
C May	PT	Community Services	Proportional DA	92	100
B Molefe	PT	Finance	Proportional EFF	92	100
X Msweli	PT	Finance	Ward 1 ANC	100	-
L Ntsabo	PT	Finance	Proportional DA	83	100
R Nutt	PT	Management Services (From Apr 2019) + Finance (From Jun 2019)	Proportional DA	100	-
M Opperman	PT	Management Services	Proportional DA	92	100
V Pungupungu	PT	Community Services + Infrastructure & Planning	Ward 5 ANC	100	-
C Resandt	PT	Protection Services, Economic Development & Tourism (Until May 2019) Economic Development & Tourism	Proportional DA	100	-

## APPENDICES

Councillors, Committees Allocated and Council Attendance- 2018/19					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT / PT			%	%
		(From Jun 2019)			
M Sapepa	PT	Management Services	Ward 6 ANC	100	-
C Tafo-Nwonkwo	PT	Protection Services, Economic Development & Tourism (Until May 2019) Protection Services (From Jun 2019)	Proportional ANC	80	100
S Tebele	PT	Finance + Infrastructure & Planning	Proportional ANC	100	-
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					

### APPENDIX B: COMMITTEES (OTHER THAN MAYORAL / EXECUTIVE COMMITTEE) AND PURPOSES OF COMMITTEES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Portfolio Committees	To Assist Executive Mayor
Section 62 Appeal Committee	Section 62 of the Systems Act provides inter alia for a person whose rights are affected by a decision taken by a political structure, political office bearer or a councillor to appeal to a committee of councillors who were not involved in the decision and appointed by the municipal council for this purpose
Disciplinary Committee	To investigate any contravention of or failure by councillors to comply with any provision of the Code of Conduct for Councillors
MPAC	To recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure. Council is vested with the responsibility to oversee the performance of the municipality, as required by the Constitution, the MFMA and the Systems Act. This oversight responsibility of council is particularly important for the process of considering annual reports.

## APPENDICES

### APPENDIX C: THIRD TIER STRUCTURE

<b>Third Tier Structure</b>	
<b>Municipal Manager</b>	<b>Coenie Groenewald</b>
Internal Audit	Chief Audit Executive: Dominic van der Heever
<b>Directorate</b>	<b>Director / Manager (Title and name)</b>
<b>Management Services</b>	<b>Director Management Services - Desiree Arrison</b>
Human Resources	Senior Manager - Lucinda Bucchianeri
ICT	Manager: System Development - Craig Johnson
	Senior Business Analyst - Johnnet van Aspren
Communication	Manager - Noluthando Zweni
Strategic Services	Senior Manager - Rochelle Louw
Council Support Services	Manager - Hanlie van Tonder
Legal Services	Senior Manager: Lionel Wallace
Risk Management	Vacant
<b>Finance</b>	<b>Director: Finance - Santie Reyneke -Naude</b>
Deputy Director	Deputy Director: Finance & SCM - Clint Le Roux
Expenditure & Assets	Senior Manager - Johannes Vorster
Financial Services	Senior Manager - Bernard King
Supply Chain Management	Deputy Director: Finance & SCM - Clint Le Roux
Revenue	Senior Manager - Elmarie Hooneberg
<b>Economic and Social Development and Tourism</b>	<b>Director: Economic and Social Development and Tourism - Solomzi Madikane</b>
LED	Manager - Xolile Kosi
Tourism Marketing	Manager - Frieda Lloyd

## APPENDICES

<b>Third Tier Structure</b>	
Social Development	Manager - Gerhard Smit
<b>Protection Services</b>	<b>Director: Protection Services - Neville Michaels</b>
Traffic, Law enforcement & Task team	Chief: Traffic, Law enforcement & Task team – Rudi Fraser
Fire & Rescue, Disaster Management & Security Services	Chief Fire & Rescue & Disaster Management & Security Services – Lester Smith
<b>Community Services</b>	<b>Director: Community Services - Roderick Williams</b>
Operational Services	Deputy Director: Operational Services - Mike Bartman
Area Management - Kleinmond	Senior Manager: Kleinmond Administration - Desmond Lakey
Area Management - Hermanus	Senior Manager: Hermanus Administration – Vacant
Area Management - Gansbaai	Senior Manager: Gansbaai /Stanford Administration - François Myburgh
Housing	Manager: Housing Administration - Frankie Frans
<b>Infrastructure &amp; Planning</b>	<b>Director Infrastructure &amp; Planning - Stephen Muller</b>
Engineering Planning	Deputy Director: Engineering Planning - Hanre Blignaut
Engineering Services	Senior Manager - Dennis Hendricks
Town and Spatial Planning	Senior Manager - Riaan Kuchar
Electro technical Services: Hermanus & Kleinmond	Senior Manager - Koos du Plessis
Electro technical Services: Gansbaai	Senior Manager - Danie Maree
Property Administration	Manager - Anja Le Roux
Building Services	Manager - John Simpson
Environmental Management Services	Senior Manager - Liezl de Villiers
<i>Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2). T C</i>	

## APPENDICES

### APPENDIX D: MUNICIPAL FUNCTIONS

MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
<b>Constitution Schedule 5, Part B functions:</b>	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlors and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes

## APPENDICES

MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
<b>Constitution Schedule 5, Part B functions:</b>	
Street lighting	Yes
Traffic and parking	Yes
<i>* If municipality: indicate (yes or No); * If entity: Provide name of entity</i>	

### APPENDIX E: FUNCTIONALITY OF WARD COMMITTEES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
WC 01	<b>Cllr Xolani Msweli</b>	Yes	5	9	4
	Zwelandile Duna (Secundi) Fundile Mzingeli				
	Edwin James De Kock (Secundi) Andre Mitchell				
	Andre Wagener (Secundi) Willem Jacobus Van Der Merwe				
	Archibald Chambers (Secundi) Jaco Swart				
	Dorah Siduko (Secundi) Nondzaba Nkosinathi				
	Elias Zihalele Msopi (Secundi) Mlungiseleli Khelemba				
	Mthuthuzeli Foto (Secundi) Andrea Mzingeli				
	Khayaletu Nomathole (Secundi) Andronica Mneli				
	Siyabonga Mjokweni (Secundi) Nomakawezi Khona				
	Phumla Margaret Yawa (Secundi) Tembile Gwele				

## APPENDICES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
<b>WC 02</b>	<b>Cllr Riana De Coning</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Francia Van Dyk				
	Rodney Michael Du Plessis (Secundi) Eric William De Villiers				
	Samuel Norman Sauls				
	Marthinus Domenico Naude (Secundi) Ivy Van Huyssteen				
	Glenda Sharon Kitley (Secundi) Caron Lee				
	Jo-Anne Lewis (Secundi) Doulene Els				
	Julia Lily Barlow (Secundi) Dirk Buchler				
	Melanie De Villiers (Secundi) George Lezer Otto				
	Hermanus Johannes Van Dyk (Secundi) Hendrik Johannes Josua Ritter				
	Johan De Wet (Secundi) Marius Van Der Merwe				
	<b>WC 03</b>	<b>Cllr Kari Brice</b>	<b>Yes</b>	<b>5</b>	<b>9</b>
Linda Louise Griffiths (Secundi) Mary-Ann Verster					
Anina Lee (Secundi) Peter Coxall					
Brain Herbert Wridgway (Secundi) Robert Allen Stanway					
Derek William Duckitt (Secundi) Pierre De Villiers					
Quentin Frank Mitchell (Secundi) Pam Herd					
Seth Charles Anderson					
Machiel Adriaan De Klerk (Secundi) Anthony John O'hagen					
Roger Vernon Faulkener Smith (Secundi) Hendrik Willem Niemand					
Gideon Serfontein (Secundi) Michele Serfontein					
Gregory John Hassenkamp (Secundi) Jacobus Joeachim Theron					

## APPENDICES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
<b>WC 04</b>	<b>Ald. Anton Coetsee</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Jan Daniel Cilliers (Secundi) Pamela Nel				
	Maria Magdalena Pieterse (Secundi) Neville Henn				
	Willem Thompson (Secundi) Joeline Thompson				
	Florence Cupido (Secundi) William Simes				
	Patricia Charmaine Jacobs				
	Lizette Sherene Spandiel (Secundi) Janice Faro				
	Trevor Titus (Secundi) Carment Titus				
	D Wildschut				
	Andre Viljoen				
	Vacant (Secundi) Anthony David Steneveld				
<b>WC 05</b>	<b>Cllr Valerie Pungupungu</b>	<b>Yes</b>	<b>5</b>	<b>8</b>	<b>3</b>
	Vacant				
	Vacant				
	Vacant				
	Vacant				
	Vacant				
	Nolusindiso Portia Mijjwa (Secundi) Lucy Mbula				
	Nomnikelo Gasa-Sapepa				
	Benjamin Ndoko (Secundi) Mongezi Mbandcni				
	Morris Thukwayo (Secundi) Thulani Oscar Ntoyakhe				
	Simphiwe Ngqoyiyana (Secundi) Bongani Viki				

## APPENDICES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
WC 06	<b>Ald. Michelle Sapepa</b>	<b>Yes</b>	<b>5</b>	<b>8</b>	<b>3</b>
	Synthia Nokuzola Mcinjana (Secundi) Baba Pricilla Kamana				
	Ntombekhayo Sinoko				
	Vusumzi Kennedy Tshona (Secundi) Cylvia Mlanjana				
	Thelma Nondala (Secundi) Simon Gabela				
	Mzikayise Patrick Damesi (Secundi) Mgcineni Joel Martins				
	Xolile Sitshixo (Secundi) Landi Mkhwenkwe				
	Xolani Robert Gilikidla (Secundi) Nontlangabezo Mvenganya				
	Fuzile Bhangazana (Secundi) Nolulhando Madini				
	Mawethu Mlombi (Secundi) Noluviwo Nkoqnyane				
	Sitembele Zwelifile				
WC 07	<b>Cllr David Botha</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Willem Christian Gerber Marais (Secundi) Michiel Krynaau Du Toit				
	Cecil John Frederik Hayman (Secundi) Ferdinand Kirsten				
	Nicolaas Johannes Hechter (Secundi) Sas Williams				
	Cornelis Lambertus Gerhardus Van De Coolwijk (Secundi) Mervyn Arthur Edwards				
	Jacobus Albertus Vorster Le Roux (Secundi) Danie Nicholas Steenkamp				
	Rita Gerber (Secundi) Marlene Grous				
	Hendrik Jacobus Johannes Lombard (Secundi) Barbara Lauren Westraandt				

## APPENDICES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
	Pierre Louis Le Roux (Secundi) Hannes Coetzer				
	Ingrid Louise Green (Secundi) Elizabeth Ann Gravenor				
	Gideon Johannes Beukes (Secundi) Andre Kruger				
<b>WC 08</b>	<b>Cllr Elnora Gillion</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Isai Benjamin Claasen (Secundi) Willem Runaties Gahl				
	Marelleen Hazel Matinka (Secundi) Franklin Davids				
	Gilroy Alexander Van Der Ross (Secundi) Anton Berthold Meyer				
	Johan Smit (Secundi) Robert Anton				
	Magrieta Arries (Secundi) Thomas Swarts				
	Julius Jerome Booysen (Secundi) Marco Dunsdon				
	Martin Van Vreenen (Secundi) Fiona Jane Delpport				
	Felicity Seljeur (Secundi) Evelyn Fisher				
	Denvid Christy Adams (Secundi) Terrence Manuel				
	Titius Howard Jefthas				
<b>WC 09</b>	<b>Cllr Grant Cohen</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Johannes Jacob De Clerk				
	Hermanus Stephanus Van Der Merwe				
	Hugo Amos Krijnauw (Secundi) Johannes Christiaan Carstens				
	Cornette Hull (Secundi) Garth Heinrich Fredericks				
	Cornelius Philippus Hanekom (Secundi) Wilhelmina Jacoba Momberg				

## APPENDICES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
	Eleanor Barry				
	Thomas Saul Snibbe (Secundi) Philippus Jacobus Lodewicusbrink				
	Charles Cecil Swartz (Secundi) Christiaan Frans Harding				
	Christiaan Frans Harding (Secundi) Steve Loder				
	Michael Coenraad Botha				
<b>WC 10</b>	<b>Cllr Fanie Krige</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Andrew David Martin				
	Bangikhaya Mantshinga (Secundi) Thobekile Koti				
	Hilgard Muller (Secundi) Veronica Jacobs				
	Melvin Alfred Jooste				
	Willem Steyn (Secundi) Werner Zybrands				
	Mary Jean Hull				
	Susanna Elizabeth Botha (Secundi) Wendy Tawse				
	Ellsworth Bradley October (Secundi) Clement Wayne Makka				
	Theresa Els (Secundi) Maretha Muller				
	Elmarie Strydom				
<b>WC 11</b>	<b>Ald Dudley Coetzee</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Jenny October (Secundi) Eben Cornelius				
	Zodwa Zawula				
	Louis De Villiers Roodt (Secundi) Lynette Kay Pullen				
	Tobias Lochner Bester (Secundi) Elizabeth Gillman				
	Dave Hagen				

## APPENDICES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
	(Secundi) Bea Whittaker				
	Philippus Coenraad Groenewald (Secundi) Gideon Joubert				
	Vivian Elizabeth Burton-Moore (Secundi) Nelia Muller Hurter				
	Helena Johanna Swart (Secundi) J De Wet Groenewald				
	Henry Dyers (Secundi) Daniel Niemand				
	Hendrick Latola				
<b>WC 12</b>	<b>Cllr Vuyani Macotha</b>	<b>Yes</b>	<b>5</b>	<b>8</b>	<b>3</b>
	Nobelungu Mpemba				
	Noluvivo Nkoanyane				
	Zwelethemba Patrein (Secundi) Nceba Laphi				
	Nomthandazo Gcilitshane (Secundi) Ayanda Elliot Koti				
	Ntembiso Gladwin Bulawe Bulawa				
	Akhona Jakuja				
	Vuyiswa Khuse				
	Siyabonga Luyanda Vonco				
	Faniswa Shumane				
	Nobelungu Mpemba				
<b>WC 13</b>	<b>Cllr Jean Orban</b>	<b>Yes</b>	<b>5</b>	<b>9</b>	<b>4</b>
	Hendrik Johannes Greeff (Secundi) Cecilia Veronica Jacobs				
	Ann Brown (Secundi) Michelle Naylor				
	Jacob Stolp Louw (Secundi) Ann Droomer				
	Henry William (Duncan) Heard (Secundi) Paul Fister				
	Michael Seymour Weekes				

## APPENDICES

Functionality of Ward Committees: 2018/19					
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 Speakers Office on time	Number of quarterly public ward meetings held during year
	(Secundi) Jan Roodbol				
	Karin De Bruin (Secundi) Hanna De Jager				
	Mathys Pretorius Van As Sutherland (Secundi) James Henry Hattingh				
	Caroline Gabb (Secundi) Rob Fryer				
	Tielman Nieuwoudt Agenbag (Secundi) Anette De Villiers				
	Johan Robinson Prinsloo (Secundi) Christiaan De Villiers				

### APPENDIX F 1: CAPITAL PROJECTS: SEVEN LARGEST IN 2018/19

Capital Projects: Seven Largest in 2018/19 (Full List at Appendix X)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
1	WWTW Upgrade - Stanford	01/07/2018	30/07/2019	16 177 218
2	Blompark Project	01/07/2018	30/07/2019	13 496 040
3	Masakhane	01/07/2018	30/07/2019	8 449 062
4	Upgrade Hermanus Well Fields Phase 1	01/07/2018	30/07/2019	1 997 700
5	Stanford IRDP	01/07/2018	30/07/2019	5 517 519
6	Hermanus Sports Complex Project	01/07/2018	30/07/2019	5 017 184
7	Water Master Plan Implementation	01/07/2018	30/07/2019	5 000 000
				T F.1

## APPENDICES

### APPENDIX F 3: TOP FOUR SERVICE DELIVERY PRIORITIES FOR WARD (HIGHEST PRIORITY FIRST)

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2018/19
	<b>GREATER GANSBAAI AREA- WARDS 1, 2, 11</b>	
	<b>WARD 1</b>	
1	Housing	Funding was secured and the first phase (IRDP) housing project (installation of bulk services) has started in Masakhane. The need to accommodate background dwellers in Emergency Housing Project was addressed in the Masakhane area.
2	Streets	Provision was made in the budget and the upgrading of streets and storm water was dealt with.
3	Replacement/refurbishment of vehicles/plant & equipment	Provision was made in the budget and crucial replacements/repairs were initiated.
4	Caretakers Residence/soccer field (Ad hoc funding)	No funding has been secured yet.
5	Medical Centre (Primary Health Care Centre) Clinic/Hospital	Funding was made available by the Department of Public Works (Western Cape) and the R21 m project is in progress.
	<b>WARD 2</b>	
6	Medical Centre (Primary Health Care Centre) Clinic/Hospital	Funding was made available by the Department of Public Works (Western Cape) and the R21 m project is in progress.
7	Replacement/refurbishment of vehicles/plant & equipment	Provision was made in the budget and crucial replacements/repairs were initiated.
8	Housing (Blompark/Beverley Hills)	Funding was secured and the provision of bulk infrastructure services at a total value of close to R20 m are almost completed.
9	Roads (deteriorating and infrastructure)	Funding was secured and the first phase of upgrading of streets in Blompark at a value of ±R2 m has been completed.
	<b>WARD 11</b>	
10	Housing (Stanford) Housing (Eluxolweni, Pearly Beach)	Funding (±R5.5 m) was secured  The need for accommodation of the backyard dwellers was addressed with the provision of emergency housing facilities.
11	Replacement/refurbishment of vehicles/plant & equipment	Provision was made in the budget and crucial replacements/repairs were initiated.
12	River Front and wandelpad enhancement, Millstream	No funding could be secured.
13	Upgrade of Library, Eluxolweni	Funding was secured and the expansion of the building was completed.
14	Roads (Broadway Street, Pearly Beach)	The entire street was upgraded with the construction of a permanent surface.
	<b>GREATER HERMANUS AREA- WARDS 3, 4, 5, 6, 7, 8, 12, 13</b>	

## APPENDICES

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2018/19
1	Portions of picturesque cliff path and sea bound walk in Hermanus were upgraded.	Maintenance project completed annually
2	Section of an important sidewalk along Main Road was completely redone	Completed
3.	Dust control was done in Fisherhaven	Completed.
4.	Various gravel roads in Sandbaai were tarred	Completed
5.	The second phase of the long awaited Atlantic Drive Walkway	Phase 2 completed
6.	The sections of the coastal path and a board walk in Onrus/Vermont were redone	Maintenance projects completed annually
7.	Numerous sidewalks and speed bumps constructed in Zwelihle	Completed
8.	Numerous play parks in Zwelihle upgraded and fenced with high quality fence	Completed
9.	Circle was constructed in Hawston	Completed
10.	Sidewalks were constructed in Sandbaai, Onrus, Mount Pleasant and Zwelihle	Completed
11.	Speed calming was done in Hawston	Completed
12.	Outdoor gym was constructed in Zwelihle Ward 12	Completed
13.	Speed calming was done in Mount Pleasant	Completed
14.	Sidewalk completed in Onrus	Completed
15.	Formalised Parking and Drop off areas near Hermanus High School	Completed
16.	Resurfacing of basketball court Zwelihle	Completed
17.	Stormwater channels	Completed
<b>HANGKLIP- KLEINMOND AREA:</b>		
<b>WARDS 9 AND 10</b>		
1	Upgrading of sewerage system – (Ward 9)	The extension of the sewer network in Kleinmond commenced with ward specific funding and will continue for the following two years.
2	Maintenance of existing walkways (Ward 9)	Phase 3 of the Heuningkloof footpath project has been completed.
3	Upgrading and maintenance of existing gravel roads with development of open drainage system in Rooiels, Pringle Bay and Betty's Bay (Ward 10)	The paving of roads started with Anemone Road in Rooi Els and will continue in the new financial year. Dust control surfacing of two roads have been completed in Betties Bay
4	Beautification of Kleinmond entrances (Ward 10)	Planting of trees and clearing of overgrown vegetation have been done to beautify the western entrance of Kleinmond.

## APPENDICES

### APPENDIX G: MUNICIPAL JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE RECOMMENDATIONS

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2018/19	Recommendations adopted (enter Yes) If not adopted (provide explanation)
Special JAPAC meeting 22 August 2018	<b>JAPAC -Item 5:</b> The draft annual financial statements for the period ended 30 June 2018	<b>Resolution 5:</b> That cognizance be taken of the content of the draft annual financial statements for the year ended 30 June 2018 and that satisfactory responses were received from the CFO and the Finance team on questions/ comments raised by the JAPAC thereto.
18 September 2018	<b>JAPAC -Item 6.1:</b> Quarterly Budget Statement Report: Quarter ended June 2018	<b>Resolution: re 6.1:</b> That cognizance be taken of the content of the Quarterly Budget Statement Report: Fourth Quarter (April 2018-June 2018) for the financial year 2017/2018. The JAPAC noted the report.
	<b>JAPAC -Item 6.2:</b> Report re SDBIP for the fourth quarter (April 2018 – June 2018) for the financial year 2017/2018.	<b>Resolution: re 6.2:</b> That cognizance be taken of the content of the Report: Service Delivery and Budget Implementation Plan for the fourth quarter (April 2018 – June 2018) for the financial year 2017/2018. The JAPAC noted the report.
	<b>JAPAC -Item 6.3:</b> Debt collection report	<b>Resolution: re 6.3:</b> That cognizance be taken of the content of the Debt collection report of the fourth quarter (April 2018 – June 2018) for the financial year 2017/2018. The JAPAC noted the report.
	<b>JAPAC -Item 6.4:</b> Creditors report	<b>Resolution: re 6.4:</b> That cognizance be taken of the content of the Creditors report of the fourth quarter (April 2018 – June 2018) for the financial year 2017/2018. The JAPAC noted the report.
	<b>JAPAC -Item 6.5:</b> Audit Action Plan as at 22 August 2018	<b>Resolution: re 6.5:</b> That cognizance be taken of the content of the Audit Action Plan as at 22 August 2018.
	<b>JAPAC -Item 6.6:</b> Risk Management Report	<b>Resolution: re 6.6:</b> That cognizance be taken of the content of the Risk Management Report(s) for September 2018.
	<b>JAPAC -Item 6.7:</b> Compliance with gift policy - gift registers from directorates	<b>Resolution: re 6.7:</b> The JAPAC noted that no gift register/ declarations were submitted for consideration.
	<b>JAPAC -Item 6.8:</b> Internal Audit Services Independence and Objectivity	<b>Resolution: re 6.8:</b> That cognizance be taken of IAS Independence and Objectivity Declaration.
	<b>JAPAC -Item 6.9:</b> Scope Limitations	<b>Resolution: re 6.9:</b> That cognizance is taken of the reporting i.r.o scope limitations experienced.
	<b>JAPAC -Item 6.10:</b> CAE Status Report	<b>Resolution: re 6.10:</b> The JAPAC noted the content of the CAE status report.
	<b>JAPAC -Item 7.1:</b> Supply Chain Management Summary Deviations	<b>Resolution: re 7.1:</b> That cognizance is taken of the Supply Chain Management Summary Deviations.
	<b>JAPAC -Item 8.1.1:</b> Compliance with fire safety regulations	<b>Resolution: re 8.1.1:</b> That cognizance is taken of the content of the Compliance with fire safety regulations report.
<b>JAPAC -Item 8.1.2:</b> Inability to perform on mandated fire, rescue and disaster functions (capacity)	<b>Resolution: re 8.1.2:</b> That cognizance is taken of the content of the Inability to perform on mandated fire, rescue and disaster functions (capacity) memorandum.	

## APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2018/19	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	<b>JAPAC -Item 8.1.3:</b> Municipal conformance to basic standards of buildings used for crèches	<b>Resolution: re 8.1.3:</b> The JAPAC referred the Municipal conformance to basic standards of buildings used for creches report back.
	<b>JAPAC -Item 8.1.4:</b> Evaluating the Risk Management Process	<b>Resolution: re 8.1.4:</b> That cognizance is taken of the content of the report <i>i.e</i> Evaluating the Risk Management Process.
	<b>JAPAC -Item 8.1.5:</b> Illegal structures	<b>Resolution: re 8.1.5:</b> The Illegal structures report be withdrawn as per management request. The JAPAC noted that the report be withdrawn on the behest of management.
	<b>JAPAC -Item 8.1.6:</b> Salary review (2018/2019)	<b>Resolution: re 8.1.6:</b> That cognizance is taken of the Salary review report 2018/2019.
	<b>JAPAC -Item 8.2.1:</b> Internal Audit Report – Predetermined objectives (PDO): High level report fourth quarter (April 2018 – June 2018)	<b>Resolution: re 8.2.1:</b> That cognizance be taken of the content of the Predetermined objectives (PDO): High level report fourth quarter (April 2018 – June 2018) for the financial year 2017/2018.
	<b>JAPAC -Item 8.2.2:</b> Bi-Annual Key Control Assessment	<b>Resolution: re 8.2.2:</b> That cognizance is taken of the Bi-Annual Key Control Assessment.
<b>21 November 2018</b>	<b>JAPAC -Item 6.1:</b> Quarterly Budget Statement Report: First Quarter (July 2018 – September 2018).	<b>Resolution: re 6.1:</b> The JAPAC noted the Quarterly Budget Statement Report: First Quarter (July 2018 – September 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.2:</b> Report <i>re</i> SDBIP for First Quarter (July 2018 – September 2018).	<b>Resolution: re 6.2:</b> The JAPAC noted the SDBIP Report: First Quarter (July 2018 – September 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.3:</b> Debt collection report	<b>Resolution: re 6.3:</b> The JAPAC noted the Debt Collection Report: First Quarter (July 2018 – September 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.4:</b> Creditors report	<b>Resolution: re 6.4:</b> The JAPAC noted the Creditors Report: First Quarter (July 2018 – September 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.5:</b> Audit Action Plan as at 23 October 2018	<b>Resolution: re 6.5:</b> The JAPAC noted the Audit Action Plan for the financial year 2018/2019.
	<b>JAPAC -Item 6.6:</b> Risk Management Report	<b>Resolution: re 6.6:</b> That cognizance is taken of the content of the Risk Management Report. The JAPAC noted the Report.
	<b>JAPAC -Item 6.7:</b> Compliance with gift policy - gift registers from directorates	<b>Resolution: re 6.7:</b> That cognizance is taken that no gift register/ declaration was submitted for consideration.
	<b>JAPAC -Item 6.8:</b> Internal Audit Services Independence and Objectivity	<b>Resolution: re 6.8:</b> That cognizance be taken of IAS Independence and Objectivity Declaration.
	<b>JAPAC -Item 6.9:</b> Scope Limitations	<b>Resolution: re 6.9:</b> That cognizance is taken of the reporting i.r.o scope limitations experienced.

## APPENDICES

<b>Municipal Audit Committee Recommendations</b>		
<b>Date of Committee</b>	<b>Committee recommendations during 2018/19</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
	<b>JAPAC -Item 6.10:</b> CAE Status Report	<b>Resolution: re 6.10:</b> The JAPAC noted the content of the CAE Status Report.
	<b>JAPAC -Item 7.1:</b> Disaster Management Plan	<b>Resolution: re 7.1:</b> That cognizance is taken of the content of the Disaster Management Plan.
	<b>JAPAC -Item 8.1.1:</b> Municipal conformance to basic standards of buildings used for creches	<b>Resolution: re 8.1.1:</b> That cognizance is taken of the content of the municipal conformance to basic standards of buildings used for creches report.
	<b>JAPAC -Item 8.1.2:</b> Illegal structures	<b>Resolution: re 8.1.2:</b> The Illegal structures report is still withdrawn as per management request. The JAPAC noted that the report is withdrawn on the behest of management.
	<b>JAPAC -Item 8.1.3:</b> Increase in invasion of alien vegetation	<b>Resolution: re 8.1.3:</b> The increase in invasion of alien vegetation report is still with management for comments. The JAPAC noted that the report will be presented at the next ordinary meeting.
	<b>JAPAC -Item 9.1.1:</b> High level report & detailed report	<b>Resolution: re 9.1.1:</b> That cognizance is taken of the report on the Predetermined Objectives (PDO): High level and detailed report, First Quarter (July 2018 – September 2018) for the financial year 2018/ 2019.
<b>26 February 2018</b>	<b>JAPAC -Item 6.1:</b> Quarterly Budget Statement Report: Second Quarter (October 2018 – December 2018) for the financial year 2018/2019.	<b>Resolution: re 6.1:</b> The JAPAC noted the Budget Statement Report: Second Quarter (October 2018 – December 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.2:</b> Report re SDBIP for Second Quarter (October 2018 – December 2018) for the financial year 2018/2019.	<b>Resolution: re 6.2:</b> The JAPAC noted the SDBIP Report: Second Quarter (October 2018 – December 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.3:</b> Debt Collection Report	<b>Resolution: re 6.3:</b> The JAPAC noted the Debt Collection Report: Second Quarter (October 2018 – December 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.4:</b> Creditors report	<b>Resolution: re 6.4:</b> The JAPAC noted the Creditors Report: Second Quarter (October 2018 – December 2018) for the financial year 2018/2019.
	<b>JAPAC -Item 6.5:</b> Audit Action Plan as at 21 January 2019	<b>Resolution: re 6.5:</b> The JAPAC noted the Audit Action Plan as at 21 January 2019 for the financial year 2018/2019.
	<b>JAPAC -Item 6.6:</b> Risk Management Report	<b>Resolution: re 6.6:</b> That cognizance is taken of the feedback given on the current status and the way forward with regards to the Risk Management function within the municipality.
	<b>JAPAC -Item 6.7:</b> Compliance with gift policy - gift registers from directorates	<b>Resolution: re 6.7:</b> That cognizance is taken that no gift register/ declaration was submitted for consideration.
	<b>JAPAC -Item 6.8:</b> Internal Audit Services Independence and Objectivity	<b>Resolution: re 6.8:</b> That cognizance be taken of IAS Independence and Objectivity Declaration.
	<b>JAPAC -Item 6.9:</b> Scope Limitations	<b>Resolution: re 6.9:</b> That cognizance is taken of the reporting i.r.o scope limitations experienced.

## APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2018/19	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	<b>JAPAC -Item 6.10:</b> CAE Status Report	<b>Resolution: re 6.10:</b> The JAPAC noted the content of the CAE status report.
	<b>JAPAC -Item 7.1.1:</b> Illegal structures	<b>Resolution: re 7.1.1:</b> The JAPAC referred the Illegal structures report back.
	<b>JAPAC -Item 7.1.2:</b> Increase in invasion of alien vegetation report	<b>Resolution: re 7.1.2:</b> That cognizance is taken of the report on the Increase in invasion of alien vegetation report, for the financial year 2018/ 2019.
	<b>JAPAC -Item 7.1.3:</b> Division of Revenue Act No 3 of 2017	<b>Resolution: re 7.1.3:</b> That cognizance is taken of the report on the Division of Revenue Act No 3 of 2017 report, for the financial year 2017/ 2018.
	<b>JAPAC -Item 7.1.4:</b> Division of Revenue Act No 1 of 2018	<b>Resolution: re 7.1.4:</b> That cognizance is taken of the report on Division of Revenue Act No 1 of 2018 report, for the financial year 2018/ 2019.
	<b>JAPAC -Item 8.1.1:</b> Municipal conformance to basic standards of buildings used for crèches	<b>Resolution: re 8.1.1:</b> That cognizance is taken of the report on the Predetermined Objectives (PDO): high level and detailed report, Second Quarter (October 2018 – December 2018) for the financial year 2018/ 2019.

### APPENDIX H 1 – LONG TERM CONTRACTS (20 LARGEST CONTRACTS)

Long Term Contracts (20 Largest Contracts entered into 2018/19)					
R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Veolia Water Solutions & Technologies South Africa	Water and wastewater bulk works operations and maintenance	08/12/2018	07/12/2033	G Le Roux	R 1 102 043 708
Enviroserv Waste Management	Operation of Gansbaai landfill, Stanford public drop-off and pearly beach drop-off for a contract period ending 30 November 2032	01/03/2019	30/11/2032	C Mitchell	R 101 536 436
Actophambili Roads (Pty) Ltd	Reseal and rehabilitation of roads in the Overstrand area for a contract period ending 30 June 2020	03/09/2018	30/06/2020	M Bartman	R 43 091 082
Trenchless Technologies cc	Replacement of water pipes, Rooi Els to Hermanus and construction of sewer pipelines	10/04/2019	30/06/2020	H Blignaut	R 26 000 000
Adenco Construction (Pty) Ltd	MV and LV upgrade and replacement in Hermanus, Hawston and Kleinmond areas	29/02/2019	30/08/2019	K Duplesis	R 9 017 664

## APPENDICES

Long Term Contracts (20 Largest Contracts entered into 2018/19)					
R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Adenco Construction (Pty) Ltd	Electrification of housing in Hawston	25/02/2019	30/06/2019	K Duplesis	R 8 543 162
Benver Civils and Plant Hire cc	Installation of sewer reticulation at Gansbaai, Stanford and Hermanus	11/03/2019	30/06/2020	H Blignaut	R 7 389 920
Juno Corp (Pty) Ltd (rev Jetvac South Africa (Pty) Ltd	Hiring of sewage vacuum tankers for a contract period ending 30 June 2021	01/07/2018	30/06/2021	M Bartman	R 7 300 000
Venleo Group (Pty) Ltd	Installation of sewer reticulation in Kleinmond phase 1	11/03/2019	30/06/2020	H Blignaut	R 7 179 953
Inyanga Projects cc	Upgrade of Stanford waste water treatment works: civil works	01/07/2018	31/08/2019	H Blignaut	R 7 089 321
Aon South Africa	Management of the short-term insurance portfolio of the Overstrand municipality for a contract period ending 30 June 2021	01/07/2018	30/06/2021	H Vorster	R 5 940 762
Inenzo Water (Pty) Ltd	Upgrade of Stanford waste water treatment works: mechanical/electrical	01/07/2018	30/09/2019	H Blignaut	R 5 746 742
Tsch International Holdings (Pty) Ltd	Supply and delivery of tissue toilet paper and cleaning materials for a contract period ending 30 June 2021	15/08/2018	30/06/2021	C Roets	R 4 156 865
Cape Asphalt cc	Hawston sports grounds: new tennis- and netball courts, phase 1	03/06/2019	31/12/2019	D Hendriks	R 4 000 000
Startune (Pty) Ltd	Supply and delivery of electrical items for a contract period ending 30 June 2021	15/08/2018	30/06/2020	C Roets	R 2 732 214
Startune (Pty) Ltd	Supply and delivery of tissue paper products and cleaning materials for a contract period ending 30 June 2021	15/08/2018	30/06/2021	C Roets	R 2 147 511
Ams Civils (Pty) Ltd	Construction of bulk water reticulation upgrades in Blompark, Gansbaai	21/01/2019	30/06/2019	D Hendriks	R 2 116 251
Need Compost cc	Clearing of municipal and private erven for a contract period ending 30 June 2021	01/01/2019	30/06/2021	L Smith	R 1 677 833
Startune (Pty) Ltd	Supply and delivery of wheelie binds, hardware products and lubricant products for a contract period ending 30 June 2021	15/08/2018	30/06/2021	C Roets	R1 636 167

## APPENDICES

Public Private Partnerships Entered into 2018/19					
R' 000					
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	2018/2019
Operation of the Gansbaai landfill and public drop-offs in greater Gansbaai and Stanford	Enviro Serv waste management (Pty) Ltd	01/03/2019	30/11/2032	C Mitchell	R 9, 592, 262.44
					T H.2

## APPENDICES

### APPENDIX I: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

Refer to pages 128-166- of this Annual Report

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 0		Year 1			Year 2	Year 4	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Pages 128- 166 of this 2018/19 Annual Report									
<p><i>Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year 0 Budget/IDP round; *'Current Year' refers to the targets set in the Year 1 Budget/IDP round. *Following Year' refers to the targets set in the Year 2 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.</i></p>									T I

## APPENDICES

### APPENDIX J: DISCLOSURE OF FINANCIAL INTERESTS

**N/A**

Refer to item 7 (4) of Schedule 1 and item 5A (3) of Schedule 2 of the Local Government: Municipal Systems Act, No 32 of 2000

Council resolution 11 of 26/06/2013

### APPENDIX K 1: REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
R' 000						
Vote Description	Year 2017/18	Current Year: 2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Council	21 535	24 988	27 215	26 636	6,2%	-2,2%
Vote 2 - Municipal Manager	64	51	122	86	40,7%	-41,3%
Vote 3 - Management Services	867	584	584	1 070	45,4%	45,4%
Vote 4 - Finance	262 077	269 683	277 883	292 938	7,9%	5,1%
Vote 5 - Community Services	323 258	338 690	354 790	362 289	6,5%	2,1%
Vote 6 - Economic and Social Development & Tourism	2 788	2 226	2 226	2 030	-9,6%	-9,6%
Vote 7 - Infrastructure & Planning	489 261	464 077	448 453	496 809	6,6%	9,7%
Vote 8 - Protection Services	41 438	41 896	38 096	32 267	-29,8%	-18,1%
<b>Total Revenue by Vote</b>	<b>1 141 287</b>	<b>1 142 196</b>	<b>1 149 370</b>	<b>1 214 127</b>	<b>5,9%</b>	<b>5,3%</b>
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3</i>						<b>T K.1</b>

### APPENDIX K 2: REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	Year 2017/18	Year 2018/19			Year 2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	215 763	234 998	234 998	233 274	-0,7%	-0,7%
Service Charges - electricity revenue	349 298	362 784	362 784	378 668	4,2%	4,2%
Service Charges - water revenue	110 932	116 781	124 781	129 971	10,1%	4,0%

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Revenue Collection Performance by Source						
R '000						
Description	Year 2017/18	Year 2018/19			Year 2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Service Charges - sanitation revenue	72 106	73 164	76 164	77 772	5,9%	2,1%
Service Charges - refuse revenue	57 775	60 990	60 990	61 788	1,3%	1,3%
Service Charges - other	–	–	–	–		
Rentals of facilities and equipment	5 616	3 679	3 679	6 341	42,0%	42,0%
Interest earned - external investments	30 322	21 001	29 201	41 768	49,7%	30,1%
Interest earned - outstanding debtors	3 853	3 700	3 705	4 192	11,7%	11,6%
Dividends received	–	–	–	–	0,0%	0,0%
Fines	31 638	34 965	30 165	24 734	-41,4%	-22,0%
Licences and permits	2 527	2 447	2 447	2 526	3,2%	3,2%
Agency services	4 149	3 726	4 526	4 913	24,2%	7,9%
Transfers recognised – operational	116 458	130 566	118 186	118 976	-9,7%	0,7%
Other revenue	48 492	31 427	31 672	63 142	50,2%	49,8%
Gains on disposal of PPE	28 096		–	–	#DIV/0!	#DIV/0!
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 077 023</b>	<b>1 080 228</b>	<b>1 083 298</b>	<b>1 148 067</b>	<b>5,9%</b>	<b>5,6%</b>
<i>Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.</i>						T K.2

## APPENDICES

### APPENDIX L: CONDITIONAL GRANTS – EXCLUDING MIG

Conditional Grants: excluding MIG - 2018/19						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Financial Management Grant	1 550	1 550	1 550	0.0%	0.0%	To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA) As part of strengthening financial and asset management in municipalities, the grant provides funding for water and energy internship programme to graduates in selected water boards and municipalities
Municipal Systems Improvement Grant	–	–	–	0.0%	0.0%	To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation, policies and local government turnaround strategy
Integrated National Electrification	4 262	4 262	4 262	0.0%	0.0%	To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply
Expanded Public Works Programme	1 926	1 926	1 926	0.0%	0.0%	To incentivise municipalities to increase job creation efforts in infrastructure, environment and culture programmes through the use of labour-intensive methods and the expansion of job creation in line with the Expanded Public Works Programme (EPWP) guidelines
Library subsidy	6 747	7 276	7 276	7.8%	0.0%	To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives

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Conditional Grants: excluding MIG - 2018/19						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Community Development Workers	74	–	–	-100.0%	#DIV/0!	To provide financial assistance to municipalities to cover the operational costs pertaining to the line functions of the community development workers including regional coordinators.
Housing	59 100	44 964	46 796	-20.8%	4.1%	To provide funding for the creation of sustainable human settlements
Main Road subsidy	137	137	137	0.0%	0.0%	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.
Local Government Graduate Internship Grant	51	122	86	68.7%	-29.2%	To provide financial assistance to municipalities in support of capacity building for the future by means of a graduate internship programme
Public Transport Non-Motorised Infrastructure	–	390	390	#DIV/0!	0.0%	To assist with the provision of public transport facilities in rural communities
Municipal Service Delivery and Capacity Building Grant		200	62	#DIV/0!	-69.2%	To provide financial assistance to municipalities to improve infrastructure, systems, structures, corporate governance, service delivery and addressing institutional challenges. To address economic development, poverty reduction and skills development identified within the Provincial Strategic goals as a priority
Resourcing Funding for Establishment & Support of a K9 Unit		200	200	#DIV/0!	0.0%	To provide resource funding for the establishment and support of a K9 unit.
Thusong Service Centre	100	100	100	0.0%	0.0%	To provide financial assistance to municipalities, ensuring the financial sustainability of the Thusong Service Centres.
Financial Management Capacity Building Grant	600	600	–	-100.0%	-100.0%	To develop financial human capacity within municipal areas to enable a sustainable local financial skills pipeline that is responsive to municipalities requirements to enable sound and sustainable financial management and good financial governance
Western Cape Financial Management Support Grant	280	280		0.0%	-100.0%	To provide financial assistance to Municipalities to improve overall financial governance within municipalities inclusive of optimising and administration of revenue, improving credibility and

## APPENDICES

Conditional Grants: excluding MIG - 2018/19						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
						responsiveness of municipal budgets, improving of municipal audit outcomes and addressing institutional challenges.
<b>Total</b>	<b>74 827</b>	<b>62 008</b>	<b>62 785</b>	<b>-16.1%</b>	<b>1.3%</b>	
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in par 5.9.2. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

### APPENDIX M: CAPITAL EXPENDITURE- \*NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R' 000							
Description	Year 2017/18	Year 2018/19			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	<b>26 441</b>	<b>112 050</b>	<b>99 051</b>	<b>90 497</b>	<b>143 762</b>	<b>92 975</b>	<b>52 356</b>
<b>Infrastructure: Road transport - Total</b>	10 260	24 229	26 377	18 989	43 524	4 000	14 506
<i>Roads, Pavements &amp; Bridges</i>	10 005	12 506	12 241	11 742	19 683	–	8 000
<i>Storm water</i>	255	11 723	14 136	7 247	23 841	4 000	6 506
<b>Infrastructure: Electricity - Total</b>	15 449	22 772	18 456	27 209	23 801	32 000	26 000
<i>Generation</i>					–	–	–
<i>Transmission &amp; Reticulation</i>	15 449	22 772	18 456	27 209	23 801	32 000	26 000
<i>Street Lighting</i>							
<b>Infrastructure: Water - Total</b>	627	30 077	21 945	17 065	42 344	37 175	6 700
<i>Dams &amp; Reservoirs</i>	627	16 363	7 691	7 280	–	–	
<i>Water purification</i>		13 714	14 254	9 785	42 344	37 175	6 700
<i>Reticulation</i>	–		–	–	–	–	–
<b>Infrastructure: Sanitation - Total</b>	–	34 973	30 777	27 195	24 093	9 500	5 150
<i>Reticulation</i>	–	435	435	338	14 358	4 000	4 000
<i>Sewerage purification</i>	–	34 538	30 342	26 857	9 735	5 500	1 150
<b>Infrastructure: Other - Total</b>	105	–	1 497	39	10 000	10 300	–
<i>Waste Management</i>	105	–	1 497	39	10 000	10 300	–

## APPENDICES

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year 2017/18	Year 2018/19			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
<b>Community - Total</b>	<b>42 836</b>	<b>60 925</b>	<b>53 883</b>	<b>63 346</b>	<b>39 239</b>	<b>13 287</b>	<b>39 480</b>
Parks & gardens					526		
Sports fields & stadia	5 427	5 725	1 820	2 038	-	-	-
Swimming pools		-	-	-	-	-	-
Community halls	437	3 664	3 385	1 052	-	-	-
Libraries	-	600	1 129	1 132	-	-	-
Recreational facilities		7 657	7 607	23 087	380	-	-
Fire, safety & emergency	2 440	5 576	2 846	-	-	-	-
Security and policing			-	-	-	-	-
Buses			-	-	-	-	-
Clinics			-	-	-	-	-
Museums & Art Galleries			-	-	-	-	-
Cemeteries	251	570	570	381	1 500	-	-
Social rental housing	34 180	35 467	34 271	34 108	26 439	13 287	39 480
Other	100	1 666	2 254	1 549	10 394		-

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Capital Expenditure - New Assets Programme*							
R '000							
Description	Year 2017/18	Year 2018/2019			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	-	-	-	-	-	-	-
Buildings							
Other							
<b>Investment properties - Total</b>	-	-	-	-	-	-	-
Housing development							
Other							
-							

## APPENDICES

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year 2017/18	Year 2018/19			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b><u>Other assets</u></b>	-	4 351	4 351	5 395	31 907	30 841	30 000
General vehicles	-	-	-	-	17 493	30 841	30 000
Specialised vehicles					-		
Plant & equipment					900		
Computers - hardware/equipment		4 136	4 136	3 757	4 200		
Furniture and other office equipment		215	215	210	280		
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land				1 428			
Surplus Assets - (Investment or Inventory)							
Other	-	-	-	-	9 034		
<b><u>Agricultural assets</u></b>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<b><u>Biological assets</u></b>	-	-			-	-	-
<i>List sub-class</i>							
<b><u>Intangibles</u></b>	-	16 911	17 463	15 872	-	-	-
Computers - software & programming		-	-	-	-		
Other (Machinery & Office equipment)		1 566	1 566	905	-		
Transport Assets		15 345	15 897	14 968			
<b>Total Capital Expenditure on new assets</b>	<b>69 277</b>	<b>194 237</b>	<b>174 748</b>	<b>175 110</b>	<b>214 907</b>	<b>137 103</b>	<b>121 836</b>
<b><u>Specialised vehicles</u></b>	-	-	-	-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

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Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	Year 2017/18	Year 2018/19			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	<b>28 373 754</b>	–	–	–	<b>29 742</b>	<b>11 361</b>	<b>32 488</b>
Infrastructure: Road transport -Total	12 867	–	–	–	3 170	–	–
<i>Roads, Pavements &amp; Bridges</i>	2 191	–	–	–	10	–	–
<i>Storm water</i>	10 677	–	–	–	3 160	–	–
<b>Infrastructure: Electricity - Total</b>	<b>819</b>	–	–	–	<b>9 750</b>	–	<b>4 000</b>
<i>Generation</i>					–		
<i>Transmission &amp; Reticulation</i>	819	–	–	–	9 750	–	4 000
<i>Street Lighting</i>							
<b>Infrastructure: Water - Total</b>	<b>2 629 199</b>	–	–	–	<b>6 160</b>	<b>2 900</b>	<b>6 781</b>
<i>Dams &amp; Reservoirs</i>					3 600	–	–
<i>Water purification</i>	2 629	–	–	–			
<i>Reticulation</i>	–				2 560	2 900	6 781
<b>Infrastructure: Sanitation - Total</b>	<b>10 590 881</b>	–	–	–	<b>9 662</b>	<b>8 461</b>	<b>21 707</b>
<i>Reticulation</i>					5 662	6 461	18 707
<i>Sewerage purification</i>	10 591	–	–	–	4 000	2 000	3 000
<b>Infrastructure: Other - Total</b>	<b>1 467</b>	–	–	0	<b>1 000</b>	–	–
<i>Waste Management</i>	1 467 257	–	–	0	1 000	–	–
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
<b>Community</b>	<b>1 216 866</b>	–	–	–	<b>16 928</b>	–	–
Parks & gardens							
Sports fields & stadia	–	–	–	–			
Swimming pools		–					
Community halls	27	–	–	–			
Libraries	1 141	–	–	–			
Recreational facilities		–	–		16 928		
Fire, safety & emergency	49	–	–	–			
Security and policing		–					
Buses		–					
Clinics		–					
Museums & Art Galleries		–					
Cemeteries		–	–				
Social rental housing	–	–	–	–			

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### Capital Expenditure - Upgrade/Renewal Programme\*

R '000

Description	Year 2017/18	Year 2018/19			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Other		0	0				
<b>Heritage assets</b>	-	-	-	-	-	-	-
Buildings							
Other							

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### Capital Expenditure - Upgrade/Renewal Programme\*

R '000

Description	Year 2017/18	Year 2018/19			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Investment properties</b>	-	-	-	-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-	-	-	100	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other		-	-	-	100		
<b>Agricultural assets</b>	-	-	-	-	-	-	-
List sub-class							

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Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	Year 2017/18	Year 2018/19			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Biological assets</b>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<b>Intangibles</b>	-	-	-	-	-	-	-
Computers - software & programming							
Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>29 591</b>	-	-	-	<b>46 770</b>	<b>11 361</b>	<b>32 488</b>
<b>Specialised vehicles</b>	-	-	-	-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)							T M.2

### APPENDIX N: CAPITAL PROGRAMME BY PROJECT: 2018/19

Capital Programme by Project: Year 2018/19					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Water</b>					
Water Master Plan Implementation	10 000 000	5 000 000	3 713 640	-35%	-169%
Fencing at Water Installations	800 000	800 000	729 276	-10%	-10%
Buffels River and De Bos Dam intake structures and equipment	1 200 000	1 200 000	1 154 883	-4%	-4%
Water Facilities (Contingency )	200 000	200 000	152 166	-31%	-31%
Upgrade Bulk Water	3 514 000	2 614 000	2 614 000	0%	-34%
Hawston Housing Project - Upgrade of Bulk Water	0	755 841	755 841	0%	100%
Upgrade Hermanus Well Fields Phase 1	7 000 000	7 000 000	1 997 700	-250%	-250%
Water Stabilization Plant for Stanford	1 500 000	1 500 000	115 800	0%	0%

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Capital Programme by Project: Year 2018/19					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Emergency Housing Services- Water	0	875 384	709 741	-23%	100%
New Reservoir for Pringle Bay	5 862 505	2 000 000	327 395	-511%	-1691%
<b>Sanitation/Sewerage</b>					
Sewerage Facilities (Contingency)	500 000	500 000	476 508	-5%	-5%
Kleinmond - Sewer Network Extension	4 000 000	3 714 900	3 607 995	-3%	-11%
Upgrading of Kidbrooke Pipeline	4 020 000	4 020 000	950 000	-323%	-323%
WWTW Upgrade - Stanford	8 442 218	8 442 218	6 641 976	-27%	-27%
Do	7 735 000	7 735 000	7 735 000	0%	0%
Provision of Bulk Sewer Supply	3 261 000	3 135 000	3 135 000	0%	-4%
Upgrade Zwelihle Sewer	3 000 000	3 000 000	1 277 499	-135%	-135%
Fencing at Sewerage Installations	800 000	800 000	769 502	-4%	-4%
Sewerage Network Extension and Replacement	4 000 000	4 000 000	1 425 426	-181%	-181%
Do		285 100	285 100	0%	100%
Extension of the Sewer Network (Mountain Avenues)	300 000	300 000	300 000	0%	0%
Vehicles-Sewerage	5 050 000	4 135 764	3 849 596	-7%	-31%
Upgrading of Pump stations & Rising Mains	1 925 343	1 611 981	1 598 541	-1%	-20%
Emergency Housing Services- Sewer	0	2 938 900	2 660 465	-10%	100%
EXTENSION OF SEWER LINE 12th STREET VOËLKLIP	250 000	250 000	250 000	0%	0%
<b>Electricity</b>					
Franskraal, Kleinbaai & Birkenhead: MV/LV & Mini-substation Upgrade	2 500 000	2 500 000	2 499 999	0%	0%
Stanford: MV Upgrade	1 000 000	1 000 000	999 995	0%	0%
Electrification of Low Cost Housing Areas (INEP)	4 262 000	4 262 000	4 262 000	0%	0%
Municipal Service Delivery & Capacity Building Grant Project	0	0		#DIV/0!	#DIV/0!
Municipal Service Delivery & Capacity Building Grant Project		200 000	198 963	-1%	100%
Street Light Hlobo Street (Opposite Library)	250 000	250 000	250 000	0%	0%
Christmas Lights	10 000	10 000	0	#DIV/0!	#DIV/0!
Christmas Lights	30 000	30 000	0	#DIV/0!	#DIV/0!
New Streetlights - Clinic Str, Long Str, Kopje Str	40 000	40 000	39 979	0%	0%
Streetlights	30 000	30 000	29 967	0%	0%
Vehicles-Electricity	2 000 000	2 038 953	1 724 179	-18%	-16%
Emergency Housing Services- Electricity		1 295 169	1 295 169	0%	100%
Turnkey Projects -Elec Department -Pearly Beach		0	98 181	100%	100%
Turnkey Projects -Elec Department-Gansbaai/Kleinbaai Ms		0	8 695 311	100%	100%
Hermanus: MV & LV Upgrade/Replacement	10 150 000	6 278 500	6 278 499	0%	-62%
Kleinmond: MV & LV Network Upgrade	1 750 000	1 311 000	1 310 997	0%	-33%
Hawston: MV & LV Upgrade/Replacement	1 750 000	209 900	209 899	0%	-734%

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Capital Programme by Project: Year 2018/19					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Electricity Transformers (Capital Replacement Contingency)	1 000 000	1 000 000	999 903	0%	0%
<b>Housing</b>					
Masakhane	8 449 062	8 449 062	8 449 062	0%	0%
Zwelihle Project-Transit Camp(166)	1 500 000	0		#DIV/0!	#DIV/0!
Mount Pleasant - IRDP		426 431	426 431	0%	100%
Zwelihle Project-Mandela Square	1 463 950	1 463 950	1 463 950	0%	0%
Stanford IRDP	5 517 519	5 517 519	5 517 519	0%	0%
Hawston Project-IRDP	0	2 235 516	2 235 514	0%	100%
Blompark Project	16 313 461	13 496 040	13 496 040	0%	-21%
Vehicles-Housing		163 000	167 775	3%	100%
Beverly Hills UISP	2 223 305	2 519 695	2 519 695	0%	12%
<b>Storm water</b>					
Storm water (Ad Hoc)	30 000	30 000	29 941	0%	0%
Storm water (Ad Hoc)	50 000	50 000	50 000	0%	0%
Storm water (Ad Hoc)	50 000	50 000	50 000	0%	0%
Storm water (Ad Hoc)	50 000	50 000	50 002	0%	0%
Storm water (Ad Hoc)	50 000	50 000	49 993	0%	0%
Storm water (Ad Hoc)	50 000	50 000	49 810	0%	0%
Hawston: Storm Water in Closes	130 000	130 000	117 221	-11%	-11%
Storm water Piping - Access Road Betty's Bay	50 000	50 000	49 961	0%	0%
Shearwater Crescent-Storm Water Channel To Be Piped	50 000	50 000	49 943	0%	0%
Catch Pits For Ward 12 Streets Qhayiya ,Mandela, Luxolweni,	100 000	100 000	99 796	0%	0%
Masakhane Upgrade Storm water Drainage	293 000	152 044	152 044	0%	-93%
Hawston Housing Project: New Storm water Infrastructure	0	2 413 353	2 413 353	0%	100%
Blompark Housing Project Bulk Storm water		3 078 256	3 078 256	0%	100%
Emergency Housing Services- Storm water	0	321 538	321 538	0%	100%
Storm water - Phase 1-Industrial Area	3 800 000	1 200 000	342 816	-250%	-1008%
Storm water - Main Rd & High Street	4 000 000	2 100 000	342 336	-513%	-1068%
Storm water - Overhills	3 000 000	0		#DIV/0!	#DIV/0!
<b>Waste Management</b>					
Purchasing of Waste Skip Bins	40 000	40 000	39 453	-1%	-1%
Vehicles-Waste Management	1 500 000	1 456 791	1 459 530	0%	-3%
<b>Roads</b>					
Rehabilitate Roads - Blompark	2 000 000	2 000 000	2 000 000	0%	0%
Rehabilitate Roads - Stanford	2 000 000	2 000 000	2 000 000	0%	0%
CBD Regeneration Program	3 000 000	1 000 000	355 797	-181%	-743%

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<b>Capital Programme by Project: Year 2018/19</b>					
<b>R' 000</b>					
<b>Capital Project</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance (Act - Adj) %</b>	<b>Variance (Act - OB) %</b>
CBD Revitalisation – High Street Upgrade	200 000	200 000	200 000	0%	0%
New Sidewalks	100 000	100 000	99 325	0%	0%
Upgrade of Sidewalks	100 000	100 000	97 165	-3%	-3%
Westcliff Speed Calming Measures	225 000	225 000	202 272	-11%	-11%
Upgrading Outside Huis Lettie Theron Front Area	50 000	50 000	49 927	0%	0%
Speed Calming Measure (Angelier, Dahlia, Malva, Origdee)	75 000	75 000	67 749	-11%	-11%
Sidewalks Heide Uitkyk, China Town, Dahlia, Angelier, Aster	150 000	150 000	148 842	0%	0%
Speed Calming Measures Sobukhwe , Steve Biko,	50 000	50 000	49 865	0%	0%
Side Walk Mamsukweni	100 000	100 000	99 965	0%	0%
Fencing of the Footpath (Heuningklouf)	80 000	80 000	79 833	0%	0%
New Streets, Sidewalks & Parking Area	500 000	500 000	499 426	0%	0%
Paving of Anemone Road in Rooi Els	150 000	150 000	147 149	-2%	-2%
Construction of Sidewalk - Pringle Bay	50 000	50 000	44 504	-12%	-12%
Tarring of Roads -Sandbaai	2 000 000	2 000 000	1 989 742	-1%	-1%
Bus Shelter- Proteadorp	100 000	100 000	98 592	-1%	-1%
Traffic/Speed Calming Measures		70 000	53 507	-31%	100%
Hawston: Storm water In Closed and Road Construction		391 745	366 789	-7%	100%
Traffic Calming	50 000	50 000	49 996	0%	0%
Traffic Calming	50 000	50 000	49 966	0%	0%
Traffic Calming	30 000	30 000	29 980	0%	0%
Atlantic Drive Walkway	160 000	200 000	194 315	-3%	18%
Sidewalks – Douglas Street	50 000	50 000	47 456	-5%	-5%
Sidewalk on the Western Side of Negester, Onrus Main Road	70 000	70 000	69 997	0%	0%
Vehicles-Roads	500 000	293 790	293 782	0%	-70%
Emergency Housing Services- Roads		265 690	265 690	0%	100%
Traffic/Speed Calming Measures-Fisherhaven		120 000	100 480	-19%	100%
Construction of Wooden Walkways		120 000	119 805	0%	100%
Formalized Parking and Drop Off areas near Hermanus High School		200 000	199 930	0%	100%
Sidewalks Hawston Housing Project Bulk Roads	0	389 995	389 995	0%	100%
Hawston Housing Project: Access & Main Collector Roads	0	1 374 647	1 374 647	0%	100%
Hawston Housing Project Bus Route	1 336 000	224 700	224 700	0%	-495%
<b>SPORT FACILITIES</b>					
Minor Assets -Spaces for Sport	100 000	100 000		#DIV/0!	#DIV/0!
Hermanus Sports Complex Project	4 017 184	4 017 184	4 017 184	0%	0%
Do	1 000 000	1 000 000	1 000 000	0%	0%
Do		0	16 320 914	100%	100%
Play parks	80 000	80 000	77 921	-3%	-3%

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Capital Programme by Project: Year 2018/19					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Tidal Pool & Play Park	50 000	50 000	49 754	0%	0%
Upgrading of Ward 5 Play park		100 000	65 727	-52%	100%
Fencing Of Lange Street, Lusiba Basketball Court ,Nxumalo St	150 000	150 000	144 405	-4%	-4%
Roof for Zwelihle Boxing Gym & Safety Gates	40 000	40 000	39 520	-1%	-1%
Purchasing of Play Park Equipment -Mshenxiswa Village	60 000	60 000	59 838	0%	0%
Installation of Astro Turf	100 000	100 000	71 659	-40%	-40%
Construction of Play Equipment And Sitting Areas	60 000	60 000	50 328	-19%	-19%
Upgrade of Play Park At Slipway	10 000	10 000	9 717	-3%	-3%
Upgrade Hawston Sport Grounds Phase 1	1 500 000	700 000	700 000	0%	-114%
Outdoor Trim Gym - Main Beach	70 000	69 100	69 100	0%	-1%
Fencing at Netball Court	30 000	30 900	30 757	0%	2%
Upgrade of Public Launching Site	50 000	50 000	48 441	-3%	-3%
Purchasing of Play Park Equipment Landa , Siyazama Street ,	30 000	0		#DIV/0!	#DIV/0!
Purchasing of Outdoor Gym Equipment	20 000	0		#DIV/0!	#DIV/0!
Purchasing of Containers for Changing Rooms at Jikeleza	70 000	70 000	63 324	-11%	-11%
Outdoor Gym & Upgrading of Play Park		50 000	45 590	-10%	100%
Construction of Play Equipment and Sitting Areas	80 000	80 000	25 205	-217%	-217%
Installation of Astro Turf	100 000	100 000	99 850	0%	0%
Re-Design of Onrus Beach Area	40 000	0		#DIV/0!	#DIV/0!
Storage Containers		92 000	86 802	-6%	100%
Soccer Nets		28 000	7 900	-254%	100%
Soccer Nets		0		#DIV/0!	#DIV/0!
Soccer Nets		0		#DIV/0!	#DIV/0!
Vehicles-Parks	400 000	969 774	838 992	-16%	52%
<b>Public Safety</b>					
Law Enforcement Facilities: Alterations and Additions (K9 Unit)	1 420 501	0		#DIV/0!	#DIV/0!
Do		0		#DIV/0!	#DIV/0!
Jaws of Life	800 000	800 000	799 211	0%	0%
Upgrading of Facilities - Fire Services Building	2 480 000	0		#DIV/0!	#DIV/0!
Minor Assets -Protection Services	315 600	315 600	281 679	-12%	-12%
CCTV Cameras	100 000	0		#DIV/0!	#DIV/0!
CCTV / Security – Entrance to Fisherhaven & Slipway	120 000	0		#DIV/0!	#DIV/0!
Safety Cameras at Entrances of Town	20 000	20 000		#DIV/0!	#DIV/0!
Safety Cameras at Entrances - Hangklip Area	50 000	50 000		#DIV/0!	#DIV/0!
CCTV Cameras	100 000	0		#DIV/0!	#DIV/0!
CCTV Cameras- Backbone		350 000		#DIV/0!	#DIV/0!
Vehicles-Public Safety	3 200 000	4 320 602	3 677 219	-17%	13%
Access Control Municipal Main Building		100 000		#DIV/0!	#DIV/0!

## APPENDICES

Capital Programme by Project: Year 2018/19					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Emergency Housing Services- Public Safety	0	100 000	51 313	-95%	100%
CCTV Cameras	500 000	500 000		#DIV/0!	#DIV/0!
<b>Community &amp; Social Services</b>					
Fencing of Thusong Centre	1 234 506	652 761	652 761	0%	-89%
Fencing of Hawston Camping Site	1 956 240	1 956 240	1 893 955	-3%	-3%
Minor Assets- Community Services	473 400	473 400	432 564	-9%	-9%
Early Childhood Development-Structures	100 000	100 000	95 128	-5%	-5%
Cemetery	70 000	70 000	68 556	-2%	-2%
Upgrading of Buffeljagsbaai Crèche	65 000	65 000	64 194	-1%	-1%
Do		0	400 000	100%	100%
Vibracrete Wall		120 000	74 647	-61%	100%
ZW Youth Café Horticultural Project -Arbor City Grant		62 000	37 639	-65%	100%
Cemetery - Kleinmond	500 000	500 000	312 015	-60%	-60%
<b>Planning &amp; Development</b>					
Minor Assets -Led	25 000	25 000	19 045	-31%	-31%
Hawston Industrial(Business) Hub	5 000 000	500 000	129 000	-288%	-3776%
PPE-Affordable Housing Contract Cancelled - Land			1 427 636	100%	100%
Vehicles-Planning & Development	600 000	595 179	595 179	0%	-1%
ECD Centre Establishment		500 000	498 517	0%	100%
Minor Assets- Infrastructure & Planning	100 000	100 000	103 764	4%	4%
<b>Finance &amp; Administration</b>					
ICT -PABX Telephony Devices	1 500 000	530 200	530 122	0%	-183%
ICT -WI-FI projects to see the viability of offering services to the community	250 000	26 000	25 051	-4%	-898%
ICT -Manage engine licenses	200 000	164 100	164 023	0%	-22%
ICT -Disk storage	1 000 000	1 666 000	1 665 483	0%	40%
ICT -KRONOS: Manager for Workforce Central Licenses	16 000	16 000	15 840	-1%	-1%
ICT -Replace Hosting Servers	800 000	1 093 000	1 092 686	0%	27%
Minor Assets -Finance	30 000	30 000	29 790	-1%	-1%
Minor Assets- Management Services	20 000	20 000	26 118	23%	23%
Minor Assets-ICT- Organization Wide	300 000	450 700	435 063	-4%	31%
Vehicles-Finance & Administration	1 700 000	1 700 000	1 761 966	4%	4%
Fencing of Municipal Offices- Magnolia and Impala Streets, Hermanus.		90 000	78 198	-15%	100%
Fencing of Municipal Offices- Gansbaai		500 000	464 801	-8%	100%
Fencing of Kleinmond Municipal Offices		150 000	149 409	0%	100%
Vehicles-Operational Manager: Stanford	395 267	364 083	401 573	9%	2%
Safety Fence: Office Building	100 000	100 000	99 990	0%	0%

## APPENDICES

Capital Programme by Project: Year 2018/19					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Libraries</b>					
Gansbaai Library Upgrade	150 000	150 000	145 565	-3%	-3%
Eluxolweni Library Upgrade	420 000	420 000	413 357	-2%	-2%
Fencing at Libraries & Kleinmond Upgrade	0	529 375	529 375	0%	100%
Do	0	120 625	15 350	-686%	100%
Betty's Bay Library Upgrade	30 000	30 000	28 500	-5%	-5%
<b>Executive &amp; Council</b>					
Minor Assets - Council	20 000	20 000	15 974	-25%	-25%
Vehicles-Executive & Council		551 968	275 279	-101%	100%
	<b>194 237 061</b>	<b>174 748 163</b>	<b>175 109 716</b>	<b>0%</b>	<b>-11%</b>

### APPENDIX O: CAPITAL PROGRAMME BY PROJECT BY WARD: 2018/19

Capital Programme by Project by Ward: Year 2018/19		
R' 000		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Municipal Service Delivery & Capacity Building Grant Project	Overstrand	Yes
Emergency Housing Services- Public Safety	Overstrand	Yes
Emergency Housing Services- Storm water	Overstrand	Yes
Emergency Housing Services- Water	Overstrand	Yes
Emergency Housing Services- Sewer	Overstrand	Yes
ICT -Kronos: Manager for Workforce Central Licenses	Overstrand	Yes
Minor Assets - Council	Overstrand	Yes
Minor Assets- Management Services	Overstrand	Yes
Minor Assets -Led	Overstrand	Yes
Minor Assets -Finance	Overstrand	Yes
Minor Assets- Infrastructure & Planning	Overstrand	Yes
ICT -Manage Engine Licenses	Overstrand	Yes
Water Facilities (Contingency )	Overstrand	Yes
ICT -Wi-Fi projects to see the viability of offering services to the community	Overstrand	Yes
Minor Assets-ICT- Organization Wide	Overstrand	Yes
Minor Assets -Protection Services	Overstrand	Yes
Vehicles-Operational Manager: Stanford	Overstrand	Yes
Vehicles-Parks	Overstrand	Yes
Minor Assets- Community Services	Overstrand	Yes

## APPENDICES

<b>Capital Programme by Project by Ward: Year 2018/19</b>		
<b>R' 000</b>		
<b>Capital Project</b>	<b>Ward(s) affected</b>	<b>Works completed (Yes/No)</b>
Vehicles-Roads	Overstrand	Yes
CCTV Cameras	Overstrand	No
Sewerage Facilities (Contingency)	Overstrand	Yes
Vehicles-Planning & Development	Overstrand	Yes
Jaws of Life	Overstrand	Yes
Fencing at Water Installations	Overstrand	Yes
Fencing at Sewerage Installations	Overstrand	Yes
ICT -Replace Hosting Servers	Overstrand	Yes
Electricity Transformers (Capital Replacement Contingency)	Overstrand	Yes
ICT -Disk Storage	Overstrand	Yes
ICT -PABX telephony devices	Overstrand	Yes
Vehicles-Waste Management	Overstrand	Yes
Vehicles-Finance & Administration	Overstrand	Yes
Upgrading of Pump stations & Rising Mains	Overstrand	Yes
Vehicles-Electricity	Overstrand	Yes
Upgrading of Facilities - Fire Services Building	Overstrand	No
Vehicles-Public Safety	Overstrand	Yes
Sewerage Network Extension And Replacement	Overstrand	No
Vehicles-Sewerage	Overstrand	Yes
Water Master Plan Implementation	Overstrand	No
ZW Youth Café Horticultural Project -Arbor City Grant	Overstrand	Yes
Access Control Municipal Main Building	Overstrand	No
Vehicles-Housing	Overstrand	Yes
Municipal Service Delivery & Capacity Building Grant Project	Overstrand	Yes
Emergency Housing Services- Roads	Overstrand	Yes
Sewerage Network Extension and Replacement	Overstrand	Yes
CCTV Cameras- Backbone	Overstrand	No
ECD Centre establishment	Overstrand	No
Vehicles-Executive & Council	Overstrand	Yes
Emergency Housing Services- Electricity	Overstrand	Yes
Storm water (Ad Hoc)	Ward 01	Yes
Purchasing of Waste Skip Bins	Ward 01	Yes
Storm water (Ad Hoc)	Ward 01	Yes
Play parks	Ward 01	Yes
New Sidewalks	Ward 01	Yes
Franskraal, Kleinbaai & Birkenhead: MV/LV & Mini-substation upgrade	Ward 01	Yes
Masakhane Upgrade storm water drainage	Ward 01	Yes
Masakhane	Ward 01	Yes
Traffic Calming	Ward 02	Yes
Tidal Pool & Play Park	Ward 02	Yes

## APPENDICES

<b>Capital Programme by Project by Ward: Year 2018/19</b>		
<b>R' 000</b>		
<b>Capital Project</b>	<b>Ward(s) affected</b>	<b>Works completed (Yes/No)</b>
Storm water (Ad Hoc)	Ward 02	Yes
Cemetery	Ward 02	Yes
Safety Fence: Office Building	Ward 02	Yes
Early Childhood Development-Structures	Ward 02	Yes
Upgrade of Sidewalks	Ward 02	Yes
Rehabilitate Roads - Blompark	Ward 02	Yes
Beverly Hills UISP	Ward 02	Yes
Provision of Bulk Sewer Supply	Ward 02	No
Upgrade Bulk Water	Ward 02	No
Blompark Project	Ward 02	Yes
Turnkey Projects -Electricity Department-Gansbaai/Kleinbaai Ms	Ward 02	Yes
Blompark Housing Project Bulk Storm water	Ward 02	Yes
Fencing Of Municipal Offices- Gansbaai	Ward 02	Yes
CBD Revitalisation – High Street Upgrade	Ward 03	Yes
EXTENSION OF SEWER LINE 12th STREET VOËLKLIP	Ward 03	Yes
Hermanus Sports Complex Project	Ward 03	Yes
CBD Regeneration Program	Ward 03	No
Storm water - Phase 1-Industrial Area	Ward 03	No
Storm water - Main Rd & High Street	Ward 03	No
Hermanus Sports Complex Project	Ward 03	Yes
Hermanus: MV & LV Upgrade/Replacement	Ward 03	Yes
Hermanus Sports Complex Project	Ward 03	Yes
Fencing of Municipal Offices- Magnolia And Impala Streets, Hermanus.	Ward 03	Yes
Formalized parking and drop off areas near Hermanus high school	Ward 03	Yes
Upgrading Outside Huis Lettie Theron Front Area	Ward 04	Yes
Speed Calming Measure (Angelier, Dahlia, Malva, Origdee)	Ward 04	Yes
Sidewalks Heide, Uitkyk, China Town. Dahlia, Angelier, Aster	Ward 04	Yes
Westcliff Speed Calming Measures	Ward 04	Yes
Law Enforcement Facilities: Alterations and Additions(K9 Unit)	Ward 04	No
Upgrade Hermanus Well Fields Phase 1	Ward 04	No
Mount Pleasant - IRDP	Ward 04	Yes
Electrification of Low Cost Housing Areas (INEP)	Ward 04,05,06	Yes
Speed Calming Measures Sobukhwe , Steve Biko,	Ward 05	Yes
CCTV Cameras	Ward 05	No
Side Walk Mamsukweni	Ward 05	Yes
Street Light Hlobo Street (Opposite Library)	Ward 05	Yes
Zwelihle Project-Transit Camp(166)	Ward 05	Yes
Upgrading of Ward 5 Play park	Ward 05	Yes

## APPENDICES

<b>Capital Programme by Project by Ward: Year 2018/19</b>		
<b>R' 000</b>		
<b>Capital Project</b>	<b>Ward(s) affected</b>	<b>Works completed (Yes/No)</b>
Christmas Lights	Ward 06	Yes
Roof for Zwelihle Boxing Gym & Safety Gates	Ward 06	Yes
Purchasing of Play Park Equipment -Mshenxiswa Village	Ward 06	Yes
Construction of Play Equipment And Sitting Areas	Ward 06	Yes
Installation of Astro Turf	Ward 06	Yes
Fencing of Lange Street, Lusiba Basketball Court ,Nxumalo St	Ward 06	Yes
Zwelihle Project-Mandela Square	Ward 06	Yes
Vibracrete Wall	Ward 06	Yes
New Streets, Sidewalks & Parking Area	Ward 07	Yes
Tarring of Roads -Sandbaai	Ward 07	Yes
Sidewalks Hawston Housing Project Bulk Roads	Ward 08	Yes
Hawston Housing Project - Upgrade of Bulk Water	Ward 08	Yes
Hawston Housing Project: Access & Main Collector Roads	Ward 08	Yes
Upgrade of Play Park at Slipway	Ward 08	Yes
Christmas Lights	Ward 08	Yes
New Streetlights - Clinic Str, Long Str, Kopje Str	Ward 08	Yes
CCTV / Security – Entrance To Fisherhaven & Slipway	Ward 08	No
Hawston: Storm Water In Closes	Ward 08	Yes
Fencing of Thusong Centre	Ward 08	Yes
Hawston: MV & LV Upgrade/Replacement	Ward 08	Yes
Fencing of Hawston Camping Site	Ward 08	Yes
Hawston Industrial(Business) Hub	Ward 08	No
Hawston Project-IRDP	Ward 08	Yes
Hawston Housing Project: New Storm water Infrastructure	Ward 08	Yes
Hawston Housing Project Bus Route	Ward 08	Yes
Upgrade Hawston Sport Grounds Phase 1	Ward 08	Yes
Traffic/Speed Calming Measures	Ward 08	Yes
Storage Containers	Ward 08	Yes
Traffic/Speed Calming Measures-Fisherhaven	Ward 08	Yes
Construction of Wooden Walkways	Ward 08	Yes
Hawston: Storm water in Closed and Road Construction	Ward 08	Yes
Safety Cameras at Entrances of Town	Ward 09	Yes
Fencing at Netball Court	Ward 09	Yes
Outdoor Trim Gym - Main Beach	Ward 09	Yes
Fencing of the Footpath (Heuningkloof)	Ward 09	Yes
Extension of the Sewer Network (Mountain Avenues)	Ward 09	Yes
Cemetery - Kleinmond	Ward 09	No
Kleinmond: MV & LV Network Upgrade	Ward 09	Yes

## APPENDICES

<b>Capital Programme by Project by Ward: Year 2018/19</b>		
<b>R' 000</b>		
<b>Capital Project</b>	<b>Ward(s) affected</b>	<b>Works completed (Yes/No)</b>
Kleinmond - Sewer Network Extension	Ward 09	No
Fencing at Libraries & Kleinmond Upgrade	Ward 09	Yes
Fencing of Kleinmond Municipal Offices	Ward 09	Yes
Safety Cameras at Entrances - Hangklip Area	Ward 10	No
Construction of Sidewalk - Pringle Bay	Ward 10	Yes
Storm water Piping - Access Road Betty's Bay	Ward 10	Yes
Bus Shelter- Proteadorp	Ward 10	Yes
Paving of Anemone Road In Rooi Els	Ward 10	Yes
Storm water - Overhills	Ward 10	Yes
New Reservoir for Pringle Bay	Ward 10	No
Betty's Bay Library Upgrade	Ward 10	Yes
Upgrade of Public Launching Site	Ward 11	Yes
Traffic Calming	Ward 11	Yes
Traffic Calming	Ward 11	Yes
Storm water (Ad Hoc)	Ward 11	Yes
Storm water (Ad Hoc)	Ward 11	Yes
Storm water (Ad Hoc)	Ward 11	Yes
Upgrading of Buffeljagsbaai Crèche	Ward 11	Yes
CCTV Cameras	Ward 11	No
Stanford: MV Upgrade	Ward 11	Yes
Water Stabilization Plant for Stanford	Ward 11	No
WWTW Upgrade - Stanford	Ward 11	No
Eluxolweni Library Upgrade	Ward 11	Yes
Rehabilitate Roads - Stanford	Ward 11	Yes
Stanford IRDP	Ward 11	Yes
WWTW Upgrade - Stanford	Ward 11	Yes
Upgrading of Buffeljagsbaai Crèche	Ward 11	Yes
Turnkey Projects –Electricity Department -Pearly Beach	Ward 11	Yes
Purchasing of Outdoor Gym Equipment	Ward 12	Yes
Purchasing of Play Park Equipment Landa , Siyazama Street ,	Ward 12	Yes
Purchasing of Containers for Changing Rooms At Jikeleza	Ward 12	Yes
Construction of Play Equipment and Sitting Areas	Ward 12	Yes
Installation of Astro Turf	Ward 12	Yes
Catch Pits for Ward 12 Streets Qhayiya ,Mandela, Luxolweni,	Ward 12	Yes
Upgrade Zwelihle Sewer	Ward 12	No
Outdoor Gym & Upgrading of Play Park	Ward 12	Yes
Streetlights	Ward 13	Yes
Sidewalks – Douglas Street	Ward 13	Yes
Shearwater Crescent-Storm Water Channel to be piped	Ward 13	Yes

## APPENDICES

Capital Programme by Project by Ward: Year 2018/19		
R' 000		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Sidewalk on The Western Side of Negester, Onrus Main Road	Ward 13	Yes
Atlantic Drive Walkway	Ward 13	Yes
Upgrading of Kidbrooke Pipeline	Ward 13	No
Buffels River and De Bos Dam Intake Structures and Equipment	Multi-Area	Yes
Minor Assets -Spaces for Sport	Multi-ward GB	No
Gansbaai Library Upgrade	Multi-ward GB	Yes

### APPENDIX Q: SERVICE BACKLOGS EXPERIENCE BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS THE SERVICE PROVIDER

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
<b>Housing:</b>	The current backlog 30 June 2018 is <b>11232</b> applicants. The Municipality managed to deliver <b>171</b> new houses in <b>Zwelihle</b> . We however experienced an increase in the housing demand of <b>43%</b> since <b>1 July 2018</b> . The increase is mainly due to the registration of informal settlement residents on the housing demand data base.	The backlog continues to place pressure on Council's infrastructure and financial capacity to compliment housing delivery, which results in the increased provision of emergency housing in affected communities. It can contribute to civil intolerance and protest action.
<b>Sports Fields:</b>	Currently, Overstrand Municipality has 2 artificial turfs (Kleinmond and Gansbaai) with 7 fields require installation of artificial turfs.  The over-use of our grass turfs by sports clubs makes it almost virtually impossible to maintain our fields (soccer) in Zwelihle. Therefore, the demand for artificial turf is inevitably increasing.	With none existence of land to develop a new sports facilities due to land grabs this will lead to serious confrontation between municipality and interests groups. Clubs has no land for practice purposes, they train in tarred surfaces which may lead to serious injuries.

## APPENDICES

### APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY: 2018/19

Declaration of Loans and Grants made by the municipality: Year 2018/19					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2018/19 R' 000	Total Amount committed over previous and future years	
				2017/18	2019/20
Maatskaplike Dienste Hermanus	Grant-in-aid	None	25	–	
Overstrand Association for People with Disabilities	Grant-in-aid	None	20	25	35
Ikamva	Grant-in-aid	None			
Whale Coast Conservation	Grant-in-aid	None		26	30
Hermanus Botanical Society	Grant-in-aid	None	7	7	7
Kleinmond Child Welfare	Grant-in-aid	None	20		50
Overstrand Hospice	Grant-in-aid	None	18	25	
Hangklip Community Care Centre	Grant-in-aid	None			
Recycle Swop Shop	Grant-in-aid	None	20	–	29
Siyazama Service Centre for the Aged	Grant-in-aid	None			
Overberg Wheelchair Association	Grant-in-aid	None	15		
Overstrand Arts	Grant-in-aid	None		–	
National Sea Rescue Institute	Grant-in-aid	None	30		
GCA	Grant-in-aid	None			
Badisa Herberg- aan- See	Grant-in-aid	None			
Hermanus Hacking Group	Grant-in-aid	None			
Camphill School	Grant-in-aid	None	18	30	30
Stanford Animal welfare	Grant-in-aid	None			
Flower Valley Conservation Trust	Grant-in-aid	None			
Kids @ the Centre	Grant-in-aid	None	20		
Strandlopertjie Bewaarskool	Grant-in-aid	None			
Narrative Foundation	Grant-in-aid	None	20	25	
Camphill Farm Community	Grant-in-aid	None		18	50
Pearly Shell Service Centre	Grant-in-aid	None	16	–	
RDP Training Centre	Grant-in-aid	None		–	
Hermanus Night Shelter	Grant-in-aid	None	12	–	

## APPENDICES

Declaration of Loans and Grants made by the municipality: Year 2018/19					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2018/19 R' 000	Total Amount committed over previous and future years	
				2017/18	2019/20
Blommeland Day Care	Grant-in-aid	None		-	
Whale Coast 96 FM	Grant-in-aid	None		-	
Pearly Beach Conservancy	Grant-in-aid	None		-	30
Women Action Group	Grant-in-aid	None		-	
Stanford Conservation	Grant-in-aid	None	20	-	29
Dyer Island Conservation Trust	Grant-in-aid	None		-	50
Grootbos Green Futures Foundation	Grant-in-aid	None		25	
Enlighten Education Trust	Grant-in-aid	Management		-	
Cancer Association of SA	Grant-in-aid	None			
Sustainable Futures Trust	Grant-in-aid	None		14	
Child Welfare Hermanus	Grant-in-aid	None	30		40
Overberg Aquatic Club					
Franskraal Bowling Club			10		21
Hermanus, Stanford en Gansbaai Maatskaplike Dienste	Grant-in-aid	None			
Overstrand Child and Youth Care Centre				11	
Social Services Hermanus				25	
Gansbaai day care for children	Grant-in-aid	None	-	30	
Mayor's Charity Fund			132		100
Hermanus Rainbow Trust			-		
Cape Nature Conservation	Donation/transfers made	Management			
Veolia	In-kind donations	None			
Sale of land	In-kind donations	None	-	-	
Indigent Grant	Indigent Grant	Have to comply	-	-	

## APPENDICES

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### APPENDIX S: MFMA SECTION 71 RETURNS NOT MADE DURING 2018/19 ACCORDING TO REPORTING REQUIREMENTS

<b>MFMA Section 71 Returns Not Made During Year 1 According to Reporting Requirements</b>	
<b>Return</b>	<b>Reason Return has not been properly made on due date</b>
All Section 71 returns submitted	
	T S

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### APPENDIX T: NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

N/A

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**ANNEXURE A:  
FINANCIAL STATEMENTS**

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**Overstrand Municipality  
Audited Annual Financial Statements  
for the year ended 30 June 2019**



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SOUTH AFRICA**

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**29 November 2019**

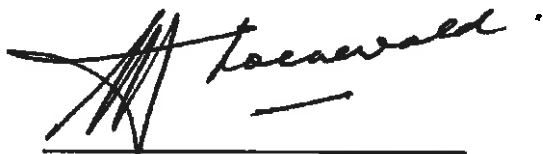
**OVERSTRAND MUNICIPALITY  
AUDITED ANNUAL FINANCIAL STATEMENTS**

**for the year ended 30 June 2019**

**APPROVAL OF THE AUDITED ANNUAL FINANCIAL STATEMENTS**

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 72, in terms of Section 126(1)(a) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in the notes of these annual financial statement are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.



**CC Groenewald  
Municipal Manager**

**28 November 2019**



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**29 November 2019**

# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## General Information

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<b>Legal form of entity</b>	Municipality Demarcation WC032
<b>Nature of business and principal activities</b>	Local Government
<b>The following is included in the scope of operation</b>	Provision of basic services, eg. electricity, water, sanitation and refuse
<b>Executive Mayor</b>	Ald D Coetsee
<b>Deputy Mayor</b>	Cllr E Gillion
<b>Speaker</b>	Ald A Coetsee
<b>Grading of local authority</b>	Grade 3
<b>Accounting Officer</b>	Mr CC Groenewald
<b>Chief Financial Officer (CFO)</b>	Ms SG Reyneke-Naude
<b>Business address</b>	Magnolia Street Hermanus Western Cape South Africa 7200
<b>Postal address</b>	PO Box 20 Hermanus Western Cape South Africa 7200
<b>Bankers</b>	Absa Group Limited
<b>Auditors</b>	Auditor-General of South Africa
<b>Governing legislation</b>	Local Government: Municipal Finance Management Act, No. 56 of 2003
<b>Contact information</b>	028 313 8000 <a href="mailto:enquiries@overstrand.gov.za">enquiries@overstrand.gov.za</a> <a href="http://www.overstrand.gov.za">www.overstrand.gov.za</a>



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# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

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**A U D I T O R - G E N E R A L**  
**S O U T H A F R I C A**

# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Statement of Financial Position as at 30 June 2019

Figures in Rand	Note(s)	2019	2018 Restated*
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	9	39,086,299	32,351,538
Operating lease asset		721,910	696,408
Receivables from exchange transactions	10	23,339,777	24,879,185
Receivables from non-exchange transactions	11	29,785,114	20,358,292
VAT receivable	12	11,212,563	6,872,433
Consumer debtors	13	73,481,466	64,957,088
Other assets	8	11,411	10,277
Cash and cash equivalents	14	533,187,506	474,967,328
		<b>710,826,046</b>	<b>625,092,549</b>
<b>Non-Current Assets</b>			
Investment property	2	119,697,500	113,951,000
Property, plant and equipment	3	3,385,091,861	3,346,195,212
Intangible assets	4	8,596,755	6,698,891
Heritage assets	5	124,182,197	124,182,197
Other financial assets	6	50,523,542	44,594,781
Other assets	8	8,670	20,081
		<b>3,688,100,525</b>	<b>3,635,642,162</b>
<b>Total Assets</b>		<b>4,398,926,571</b>	<b>4,260,734,711</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other financial liabilities	16	39,724,556	33,448,403
Payables from exchange transactions	18	97,420,404	98,032,346
Consumer deposits	19	40,019,681	38,462,167
Employee benefit obligation	7	3,912,891	3,643,627
Unspent conditional grants and receipts	15	12,589,924	21,776,160
Provisions	17	29,097,225	26,146,544
		<b>222,764,681</b>	<b>221,509,247</b>
<b>Non-Current Liabilities</b>			
Other financial liabilities	16	422,933,052	408,657,652
Employee benefit obligation	7	108,913,863	98,747,053
Provisions	17	113,242,881	106,303,622
		<b>645,089,796</b>	<b>613,708,327</b>
<b>Total Liabilities</b>		<b>867,854,477</b>	<b>835,217,574</b>
<b>Net Assets</b>		<b>3,531,072,094</b>	<b>3,425,517,137</b>
<b>Reserves</b>			
Housing development fund		3,263,614	3,258,817
Accumulated surplus		3,527,808,480	3,422,258,320
<b>Total Net Assets</b>		<b>3,531,072,094</b>	<b>3,425,517,137</b>

\* See Note 43



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Statement of Financial Performance

Figures in Rand	Note(s)	2019	2018 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Service charges	20	648,200,079	590,111,535
Rental of facilities and equipment		6,340,863	5,615,719
Agency services		4,912,994	4,148,923
Licences and permits		2,526,365	2,526,908
Other income	21	30,028,074	32,625,735
Investment revenue	22	45,960,105	34,174,702
Gain on disposal of assets and liabilities		-	28,095,850
Fair value adjustments		6,695,262	11,031,754
<b>Total revenue from exchange transactions</b>		<b>744,663,742</b>	<b>708,331,126</b>
<b>Revenue from non-exchange transactions</b>			
<b>Taxation revenue</b>			
Property rates	23	233,274,257	215,762,844
<b>Transfer revenue</b>			
Government grants and subsidies	25	185,036,029	180,720,836
Public contributions and donations	26	26,418,172	4,834,149
Fines, penalties and forfeits		24,734,386	31,637,624
<b>Total revenue from non-exchange transactions</b>		<b>469,462,844</b>	<b>432,955,453</b>
<b>Total revenue</b>		<b>1,214,126,586</b>	<b>1,141,286,579</b>
<b>Expenditure</b>			
Employee related costs	27	367,857,729	296,682,085
Remuneration of councillors	28	10,573,228	10,137,692
Depreciation and amortisation	29	129,659,351	129,937,864
Impairment loss/reversal of impairments	30	1,444,354	4,908,414
Finance costs	31	44,920,621	46,128,610
Lease rentals on operating lease		330,049	670,100
Debt Impairment	32	17,948,502	18,012,606
Bulk purchases	33	242,613,624	225,843,568
Contracted services	34	186,758,283	167,078,552
Transfers and subsidies	24	485,850	1,800,008
Loss on disposal of assets and liabilities		609,917	-
Materials		47,091,469	40,900,026
General expenses	35	58,278,653	55,056,202
<b>Total expenditure</b>		<b>1,108,571,630</b>	<b>997,155,727</b>
<b>Surplus for the year</b>		<b>105,554,956</b>	<b>144,130,852</b>

\* See Note 43



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Statement of Changes in Net Assets

Figures in Rand	Housing development fund	Accumulated surplus	Total net assets
Opening balance as previously reported	3,251,243	3,293,898,213	3,297,149,456
Adjustments			
Prior year adjustments	2,414	(15,765,585)	(15,763,171)
<b>Balance at 01 July 2017 as restated*</b>	<b>3,253,657</b>	<b>3,278,132,628</b>	<b>3,281,386,285</b>
Changes in net assets			
Surplus for the year	-	144,130,852	144,130,852
Transfers to/(from) housing development fund	5,160	(5,160)	-
<b>Total changes</b>	<b>5,160</b>	<b>144,125,692</b>	<b>144,130,852</b>
Opening balance as previously reported	3,258,817	3,439,498,782	3,442,757,599
Adjustments			
Prior year adjustments	-	(17,240,461)	(17,240,461)
<b>Restated* Balance at 01 July 2018 as restated*</b>	<b>3,258,817</b>	<b>3,422,258,321</b>	<b>3,425,517,138</b>
Changes in net assets			
Surplus for the year	-	105,554,956	105,554,956
Transfers to/(from) housing development fund	4,797	(4,797)	-
<b>Total changes</b>	<b>4,797</b>	<b>105,550,159</b>	<b>105,554,956</b>
<b>Balance at 30 June 2019</b>	<b>3,263,614</b>	<b>3,527,808,480</b>	<b>3,531,072,094</b>

\* See Note 43



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Cash Flow Statement

Figures in Rand

Note(s)

2019

2018  
Restated\*

### Cash flows from operating activities

#### Receipts

Taxation		231,321,763	213,851,463
Sale of goods and services		643,619,610	590,741,761
Grants		175,849,793	196,066,719
Interest income		45,960,105	34,174,702
Other receipts		82,273,908	75,405,520
		<u>1,179,025,179</u>	<u>1,110,240,165</u>

#### Payments

Employee costs		(357,421,655)	(320,064,395)
Suppliers		(242,613,624)	(225,843,568)
Finance costs		(44,920,621)	(46,128,610)
Other payments		(315,755,375)	(274,307,059)
		<u>(960,711,275)</u>	<u>(866,343,632)</u>

### Net cash flows from operating activities

39 218,313,904 243,896,533

### Cash flows from investing activities

Purchase of property, plant and equipment	3	(172,687,013)	(103,729,275)
Proceeds from sale of property, plant and equipment	3	(565,840)	5,758,440
Purchase of investment property	2	-	(455,000)
Proceeds from sale of investment property	2	-	75,692,748
Purchase of other intangible assets	4	(2,422,704)	(1,070,423)
Movement in financial assets		(4,979,999)	(4,980,001)
Movement in other assets		10,277	8,264
		<u>(180,645,279)</u>	<u>(28,775,247)</u>

### Net cash flows from investing activities

### Cash flows from financing activities

Movement in other financial liabilities		20,551,553	31,410
		<u>20,551,553</u>	<u>31,410</u>

### Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the year		58,220,178	215,152,696
Cash and cash equivalents at the end of the year	14	<u>474,967,328</u>	<u>259,814,632</u>

\* See Note 43



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Service charges	613,718,100	11,000,000	624,718,100	648,200,079	23,481,979	
Rental of facilities and equipment	5,842,800	2	5,842,802	6,340,863	498,061	
Agency services	3,726,000	800,000	4,526,000	4,912,994	386,994	
Licences and permits	2,446,700	-	2,446,700	2,526,365	79,665	
Other income	27,247,400	(5)	27,247,395	30,028,074	2,780,679	Note 54
Interest received	24,706,500	8,199,999	32,906,499	45,960,105	13,053,606	Note 54
<b>Total revenue from exchange transactions</b>	<b>677,687,500</b>	<b>19,999,996</b>	<b>697,687,496</b>	<b>737,968,480</b>	<b>40,280,984</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Taxation revenue</b>						
Property rates	234,998,400	-	234,998,400	233,274,257	(1,724,143)	
<b>Transfer revenue</b>						
Government grants and subsidies	192,534,250	(8,275,761)	184,258,489	185,036,029	777,540	
Public contributions and donations	-	250,001	250,001	26,418,172	26,168,171	Note 54
Fines, penalties and forfeits	34,964,900	(4,799,998)	30,164,902	24,734,386	(5,430,516)	Note 54
<b>Total revenue from non-exchange transactions</b>	<b>462,497,550</b>	<b>(12,825,758)</b>	<b>449,671,792</b>	<b>469,482,844</b>	<b>19,791,052</b>	
<b>Total revenue</b>	<b>1,140,185,050</b>	<b>7,174,238</b>	<b>1,147,359,288</b>	<b>1,207,431,324</b>	<b>60,072,036</b>	
<b>Expenditure</b>						
<b>Employee related costs</b>						
Remuneration of councillors	(10,972,260)	-	(10,972,260)	(10,573,228)	399,032	
Depreciation and amortisation	(130,362,238)	-	(130,362,238)	(129,659,351)	702,887	
Impairment loss/ reversal of impairments	-	-	-	(1,444,354)	(1,444,354)	Note 54
<b>Finance costs</b>						
Lease rentals on operating lease	(1,354,202)	(185,900)	(1,540,102)	(330,049)	1,210,053	Note 54
Debt Impairment	(23,492,000)	-	(23,492,000)	(17,948,502)	5,543,498	Note 54
Bulk purchases	(238,558,349)	(4,055,278)	(242,613,627)	(242,613,624)	3	
Contracted services	(193,636,856)	(9,355,039)	(202,991,895)	(186,758,283)	16,233,612	
Transfers and subsidies	(675,124)	-	(675,124)	(485,850)	189,274	
Materials	(57,601,747)	5,105,119	(52,496,628)	(47,091,469)	5,405,159	Note 54
General expenses	(61,042,119)	(4,750,790)	(65,792,909)	(58,278,654)	7,514,255	Note 54
<b>Total expenditure</b>	<b>(1,134,244,712)</b>	<b>(20,231,676)</b>	<b>(1,154,476,388)</b>	<b>(1,107,961,714)</b>	<b>46,514,674</b>	
<b>Operating surplus</b>	<b>5,940,338</b>	<b>(13,057,438)</b>	<b>(7,117,100)</b>	<b>99,469,610</b>	<b>106,586,710</b>	
Loss on disposal of assets and liabilities	11,000	-	11,000	(609,917)	(620,917)	Note 54
Fair value adjustments	2,000,000	-	2,000,000	6,695,262	4,695,262	Note 54
	2,011,000	-	2,011,000	6,085,345	4,074,345	
<b>Surplus before taxation</b>	<b>7,951,338</b>	<b>(13,057,438)</b>	<b>(5,106,100)</b>	<b>105,554,955</b>	<b>110,661,055</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>7,951,338</b>	<b>(13,057,438)</b>	<b>(5,106,100)</b>	<b>105,554,955</b>	<b>110,661,055</b>	



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# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Position</b>						
<b>Assets</b>						
<b>Current Assets</b>						
Inventories	15,431,618	29,300,000	44,731,618	39,086,299	(5,645,319)	Note 54
Operating lease asset	722,013	-	722,013	721,910	(103)	
Receivables from exchange transactions	23,078,827	-	23,078,827	23,339,777	260,950	Note 54
Receivables from non-exchange transactions	18,136,362	3,800,000	21,936,362	29,785,114	7,848,752	Note 54
VAT receivable	7,907,979	-	7,907,979	11,212,583	3,304,584	Note 54
Consumer debtors	78,187,575	(9,193,689)	68,993,886	73,481,466	4,487,580	
Other assets	9,852	-	9,852	11,411	1,559	Note 54
Cash and cash equivalents	380,242,339	108,771,766	489,014,105	533,187,506	44,173,401	
	<b>523,716,565</b>	<b>132,678,077</b>	<b>656,394,642</b>	<b>710,826,046</b>	<b>54,431,404</b>	
<b>Non-Current Assets</b>						
Investment property	101,865,000	12,981,000	114,846,000	119,697,500	4,851,500	
Property, plant and equipment	3,435,529,998	(45,205,907)	3,390,324,091	3,385,091,861	(5,232,230)	
Intangible assets	5,941,574	104,534	6,046,108	8,596,755	2,550,647	Note 54
Heritage assets	124,182,198	-	124,182,198	124,182,197	(1)	
Other financial assets	50,546,287	-	50,546,287	50,523,542	(22,745)	
Other assets	10,230	-	10,230	8,670	(1,560)	Note 54
	<b>3,718,075,287</b>	<b>(32,120,373)</b>	<b>3,685,954,914</b>	<b>3,688,100,525</b>	<b>2,145,611</b>	
<b>Total Assets</b>	<b>4,241,791,852</b>	<b>100,557,704</b>	<b>4,342,348,556</b>	<b>4,398,926,571</b>	<b>56,577,015</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Other financial liabilities	38,428,449	-	38,428,449	39,724,556	1,296,107	
Payables from exchange transactions	87,052,298	13,105,566	100,157,864	97,420,404	(2,737,460)	
Consumer deposits	53,151,678	(13,105,566)	40,046,112	40,019,681	(26,431)	
Employee benefit obligation	4,051,371	(138,480)	3,912,891	3,912,891	-	
Unspent conditional grants and receipts	-	3,800,000	3,800,000	12,589,924	8,789,924	Note 54
Provisions	32,467,066	(4,709,920)	27,757,146	29,097,225	1,340,079	
	<b>215,150,862</b>	<b>(1,048,400)</b>	<b>214,102,462</b>	<b>222,764,681</b>	<b>8,662,219</b>	
<b>Non-Current Liabilities</b>						
Other financial liabilities	423,676,880	-	423,676,880	422,933,052	(743,828)	
Employee benefit obligation	141,638,117	(32,724,254)	108,913,863	108,913,863	-	
Provisions	108,138,744	4,234,278	112,373,022	113,242,881	869,859	
	<b>673,453,741</b>	<b>(28,489,976)</b>	<b>644,963,765</b>	<b>645,089,796</b>	<b>126,031</b>	
<b>Total Liabilities</b>	<b>888,604,603</b>	<b>(29,538,376)</b>	<b>859,066,227</b>	<b>867,854,477</b>	<b>8,788,250</b>	
<b>Net Assets</b>	<b>3,353,187,249</b>	<b>130,096,080</b>	<b>3,483,283,329</b>	<b>3,531,072,094</b>	<b>47,788,765</b>	
<b>Net Assets</b>						
<b>Reserves</b>						
Housing development fund	3,300,000	-	3,300,000	3,263,614	(36,386)	
Accumulated surplus	3,349,887,249	130,096,080	3,479,983,329	3,527,808,480	47,825,151	
<b>Total Net Assets</b>	<b>3,353,187,249</b>	<b>130,096,080</b>	<b>3,483,283,329</b>	<b>3,531,072,094</b>	<b>47,788,765</b>	

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# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Cash Flow Statement</b>						
<b>Cash flows from operating activities</b>						
<b>Receipts</b>						
Taxation	233,454,456	(53,757)	233,400,699	231,321,763	(2,078,936)	
Sale of goods and services	613,623,379	8,433,784	622,057,163	643,619,610	21,562,447	
Grants	192,534,250	(8,275,760)	184,258,490	175,849,793	(8,408,697)	
Interest income	24,701,000	8,205,499	32,906,499	45,960,105	13,053,606	Note 54
Other receipts	56,816,894	(5,029,410)	51,287,484	82,273,908	30,986,424	Note 54
	<b>1,120,629,979</b>	<b>3,280,356</b>	<b>1,123,910,335</b>	<b>1,179,025,179</b>	<b>55,114,844</b>	
<b>Payments</b>						
Employee costs	(367,024,467)	(7,089,276)	(374,113,743)	(357,421,655)	16,692,088	
Suppliers	(238,588,349)	-	(238,588,349)	(242,613,624)	(4,025,275)	
Finance costs	(47,834,480)	-	(47,834,480)	(44,920,621)	2,913,859	
Other payments	(288,055,619)	(581,248)	(288,636,867)	(315,755,375)	(27,118,508)	
	<b>(841,502,915)</b>	<b>(7,670,524)</b>	<b>(849,173,439)</b>	<b>(960,711,275)</b>	<b>(11,537,836)</b>	
<b>Net cash flows from operating activities</b>	<b>179,127,064</b>	<b>(4,390,168)</b>	<b>174,736,896</b>	<b>218,313,904</b>	<b>43,577,008</b>	
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment	(194,237,061)	19,488,898	(174,748,163)	(172,687,013)	2,061,150	
Proceeds from sale of property, plant and equipment	-	-	-	(565,840)	(565,840)	Note 54
Purchase of other intangible assets	-	-	-	(2,422,704)	(2,422,704)	Note 54
Movement in financial assets	(7,124,469)	1,172,963	(5,951,506)	(4,979,999)	971,507	Note 54
Movement in other assets	10,277	(1)	10,276	10,277	1	
<b>Net cash flows from investing activities</b>	<b>(201,351,253)</b>	<b>20,661,860</b>	<b>(180,689,393)</b>	<b>(180,645,279)</b>	<b>44,114</b>	
<b>Cash flows from financing activities</b>						
Movement in other financial liabilities	20,006,968	(7,694)	19,999,274	20,551,553	552,279	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,217,221)</b>	<b>16,263,998</b>	<b>14,046,777</b>	<b>58,220,178</b>	<b>44,173,401</b>	
Cash and cash equivalents at the beginning of the year	382,459,561	92,507,767	474,967,328	474,967,328	-	
<b>Cash and cash equivalents at the end of the year</b>	<b>380,242,340</b>	<b>108,771,765</b>	<b>489,014,105</b>	<b>533,187,506</b>	<b>44,173,401</b>	



AUDITOR GENERAL  
SOUTH AFRICA

# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1. Presentation of Audited Annual Financial Statements

The audited annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any Interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These audited annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these audited annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

#### 1.1 Presentation currency

These audited annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

#### 1.2 Going concern assumption

These audited annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

#### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the audited annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the audited annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the audited annual financial statements. Significant judgements include:

##### Impairment testing

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors.

##### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 17 - Provisions.

##### Useful lives of infrastructure and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

##### Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

##### Receivables from non-exchange transactions

Management made key assumptions and estimations to determine the initial recognition and measurement of revenue on lines using estimated reductions based on historical information.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

#### Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

Property interests held under operating leases are classified and accounted for as investment property.

When classification is difficult, the criteria used to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of operations, are as follows:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not for administrative purposes and that will not be sold in the ordinary course of operations are classified as investment properties.
- Land held for currently undetermined future use.
- Lease properties that are held to provide a social/(community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue is not seen as investment properties. The rental revenue generated is incidental to the purposes for which the property is held.

### 1.5 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

### 1.5 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life in years
Buildings	Straight line	5 to 30
Furniture and fixtures	Straight line	3 to 15
Motor vehicles	Straight line	4 to 10
Office equipment	Straight line	3 to 15
Infrastructure		
• Roads	Straight line	3 to 60
• Pedestrian malls	Straight line	25 to 80
• Electricity	Straight line	3 to 60
• Water	Straight line	5 to 100
• Sewerage	Straight line	10 to 60
• Housing	Straight line	30
Bins and containers	Straight line	10 to 15

The municipality assesses at each reporting date whether there is any indication that the municipality's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Land is not depreciated as it is deemed to have an indefinite useful life.

Incomplete construction work is stated as historical cost. Depreciation only commences when the asset is available for use.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 38).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 3).

### 1.6 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.6 Intangible assets (continued)

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

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Item	Amortisation method	Average useful life in years
Computer software, other	Straight line	2 to 5

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Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

### 1.7 Heritage assets

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an municipality's operations that is shown as a single item for the purpose of disclosure in the audited annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An inalienable item is an asset that an municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

The municipality classifies assets as heritage assets where the significance as a heritage asset can be determined. In regards to land and buildings, all graded sites are classified as heritage assets. Furthermore, land with a natural significance is not componentised but seen as a single heritage asset due to all parts contributing together to make up its significance.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 38).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 5).

#### Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

#### Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value at the date of acquisition.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.7 Heritage assets (continued)

#### Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

#### Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

#### Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

#### Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

### 1.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

#### Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

<b>Class</b>	<b>Category</b>
Operating leases	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	Financial asset measured at amortised cost
VAT receivable	Financial asset measured at amortised cost
Consumer debtors	Financial asset measured at amortised cost
Long term receivables	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Other financial assets	Financial asset measured at fair value

The municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.8 Financial Instruments (continued)

Class	Category
Other financial liabilities	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost

#### Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

The municipality recognises financial assets using trade date accounting.

#### Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value (assets and liabilities).
- Financial instruments at amortised cost (assets and liabilities).
- Financial instruments at cost (assets).

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

#### Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

#### Impairment and uncollectibility of financial assets

The municipality assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

The calculation in respect of the impairment of fines receivables (receivables from non-exchange transactions) is based on an assessment of the past payment history of fines per category.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.8 Financial Instruments (continued)

#### Derecognition

##### Financial assets

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If a transfer does not result in derecognition because the municipality has retained substantially all the risks and rewards of ownership of the transferred asset, the municipality continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the municipality recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

##### Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

### 1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

#### Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

#### Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.9 Leases (continued)

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rent is expensed in the period in which they are incurred.

#### Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

### 1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value or the lower of cost and current replacement cost.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Water is valued at purified cost insofar as it is stored and controlled in reservoirs at year-end.

Low cost housing properties are subsequently valued at the lower of cost and current replacement cost. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

### 1.11 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation or amortisation.

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.11 Impairment of non-cash-generating assets (continued)

#### Designation

The municipality does not control any assets that are used with the objective of generating a commercial return. The municipality's primary objective is service delivery and tariffs are cost reflective to ensure continued financial sustainability. The municipality has designated all of its assets as non-cash-generating as its objective is not to use the assets to generate a commercial return but to deliver services.

#### Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

#### Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

### 1.12 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from a municipality's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

#### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care and free or subsidised goods or services such as housing, cars and cell phones) for current employees.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognises the expected cost of bonus, incentive and performance related payments as a provision when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.12 Employee benefits (continued)

#### Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an municipality provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans under which the municipality pays fixed contributions into a separate entity. The municipality has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to service in the current or prior periods.

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in the Statement of Financial Performance in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid.

The municipality contributes to various National- and Provincial-administrated Defined Benefit Plans on behalf of its qualifying employees. These funds are multi-employer funds. The contributions to the fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. These defined benefit funds are actuarially valued at least bi-annually on the Projected Unit Credit Method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

#### Other post retirement obligations

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

These post-retirement health care benefits are actuarially valued at least bi-annually on the Projected Unit Credit Method basis.

### 1.13 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.13 Provisions and contingencies (continued)

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

When the effects of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value for money. The impact of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost as it occurs.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 41.

### 1.14 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption reading after the reporting date.

# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.14 Revenue from exchange transactions (continued)

Revenue from the sale of pre-paid electricity units is recognised when the risks and rewards of ownership has passed to the buyer.

Revenue received from pre-paid electricity sales are deferred and recognised as revenue on the consumption basis, commencing on the date of purchase. The consumption of pre-paid electricity is measured by using a trend analysis and other historical data about electricity usage, including how often and electricity card is purchased or additional units of electricity loaded onto a pre-paid card.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has a water connection. Tariffs are determined per category of property usage and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are charged on both vacant and developed property using the tariffs approved from Council and are levied monthly.

### Interest and other revenue

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

Revenue arising from the application of the approved tariff of charges is recognised when the service is rendered by applying the relevant approved tariff. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

### 1.15 Revenue from non-exchange transactions

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.15 Revenue from non-exchange transactions (continued)

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

#### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

#### Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

#### Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

#### Fines

Fines constitute both spot fines and camera fines. Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on past experience, of the amount of revenue the municipality is entitled to collect.

Subsequent to initial recognition and measurement, the municipality assesses the collectability of the revenue and recognises a separate impairment loss, where appropriate.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.15 Revenue from non-exchange transactions (continued)

#### Bequests

Bequests that satisfy the definition of an asset are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality, and the fair value of the assets can be measured reliably.

#### Gifts and donations, including goods in-kind

Gifts and donations, including goods in-kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

#### Services in-kind

Services in-kind are not recognised.

### 1.16 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.17 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

### 1.18 Unauthorised expenditure

Unauthorised expenditure means:

in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes -

- overspending of the total amount appropriated in the municipality's approved budget;
- overspending of the total amount appropriated for a vote in the approved budget;
- expenditure from a vote unrelated to the department or functional area covered by the vote;
- expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- a grant by the municipality otherwise than in accordance with this Act.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

If the expenditure is not certified as irrecoverable and written off by council it is treated as an asset until it is recovered or impaired.

### 1.19 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

If the expenditure is not certified as irrecoverable and written off by council it is treated as an asset until it is recovered or impaired.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.20 Irregular expenditure

According to section 1 of the MFMA: "irregular expenditure", in relation to a municipality or municipal entity, means -

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of this Act and which has not been condoned in terms of section 170; or
- (b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act and which has not been condoned in terms of that Act; or
- (c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
- (d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy and which has not been condoned in terms of such policy or by-law;

but excludes expenditure by a municipality which falls within the definition of unauthorised expenditure.

Irregular expenditure is recognised, in accordance with its nature, as an expense in the Statement of Financial Performance during the period that it occurred.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debtor's account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the council may write off the amount and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly.

### 1.21 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

Any contributions to or from the fund are shown as transfers in the Statement of Changes in Net Assets.

### 1.22 Internal reserves

#### Self-insurance reserve

The municipality has a self-insurance reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The balance of the self-insurance fund is invested in short-term cash investments.

The balance of the Self-Insurance Reserve is determined based on surpluses accumulated since inception.

These surpluses arise from the differences between claims received against claims paid and various administrative expenditure incurred.

At the end of each financial year the surplus as computed per above is transferred from Accumulated surplus to Self-Insurance Reserve.

### 1.23 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by functional classification linked to performance outcome objectives.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1.23 Budget information (continued)

The approved budget covers the fiscal period from 2018/07/01 to 2019/06/30.

The audited annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Statement of comparison of budget and actual amounts has been included in the audited annual financial statements as the recommended disclosure when the audited annual financial statements and the budget are on the same basis of accounting.

Comparative information is not required.

### 1.24 Related parties

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

### 1.25 Events after reporting date

Events after reporting date that are classified as adjusting events are accounted for in the annual financial statements. The events after reporting date that are classified as non-adjusting events are disclosed in the notes to the annual financial statements.

### 1.26 Offsetting

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

### 1.27 Standards, amendments to standards and Interpretations issued but not yet effective

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

		Effective date
GRAP 18	Segment Reporting	1 July 2020
GRAP 20	Related Party Disclosures	1 July 2019
GRAP 32	Service Concession Arrangements: Grantor	1 July 2019
GRAP 108	Statutory Receivables	1 July 2019
GRAP 109	Accounting by Principals and Agents	1 July 2019
IGRAP 17	Service Concession Arrangements where a grantor controls a significant residual interest in an asset	1 July 2019
IGRAP 18	Recognition and Derecognition of Land	1 July 2019
IGRAP 19	Liabilities to Pay Levies	1 July 2019

The ASB Directive 5 sets out the principles for the application of the GRAP 3 guideline in the determination of the GRAP Reporting Framework hierarchy, as set out in the standard of GRAP 3 on Accounting Policies, Changes in Accounting Estimates and Errors.

Management has considered all the above standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the municipality.



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# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand

2019 2018

### 2. Investment property

	2019			2018		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	119,697,500	-	119,697,500	113,951,000	-	113,951,000

#### Reconciliation of investment property - 2019

	Opening balance	Additions	Disposals	Transfers	Fair value adjustments	Total
Investment property	113,951,000	-	-	-	5,746,500	119,697,500

#### Reconciliation of investment property - 2018

	Opening balance	Additions	Disposals	Transfers	Fair value adjustments	Total
Investment property	154,416,500	455,000	(50,872,061)	618,061	9,333,500	113,951,000

#### Details of property sales

##### Proceeds on sale from investment property

- Carrying value	-	50,872,061
- Gain/(loss) on disposal	-	24,820,687
	-	<b>75,692,748</b>

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

#### Amounts recognised in surplus or deficit

Rental revenue from investment property	1,367,061	1,507,021
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Investment properties are adjusted to their fair value on an annual basis. The valuations are performed by Boland Valuers, independent valuers who are not connected to the municipality.

See note 38 for repairs and maintenance.

No investment properties are held as security for liabilities of the municipality.



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# Overstrand Municipality

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## Notes to the Audited Annual Financial Statements

Figures in Rand

### 3. Property, plant and equipment

	2019				2018			
	Cost / Valuation	Accumulated depreciation and impairment	Carrying value	Cost / Valuation	Accumulated depreciation and impairment	Carrying value		
Land	346,698,670	(425,208)	346,273,462	348,443,609	(425,208)	348,018,401		
Buildings	151,806,735	(60,785,721)	91,021,014	151,579,127	(56,984,759)	94,594,368		
Plant and machinery	9,807,172	(5,883,329)	3,923,843	8,687,034	(5,144,670)	3,542,364		
Motor vehicles	82,782,605	(21,766,765)	61,015,840	68,066,483	(18,579,353)	49,487,130		
Office equipment	24,656,120	(15,706,657)	8,949,463	22,564,072	(13,891,163)	8,672,909		
Infrastructure	4,712,410,486	(2,043,024,734)	2,669,385,752	4,592,502,756	(1,934,244,988)	2,658,257,768		
Community	331,889,133	(127,366,646)	204,522,487	302,818,502	(119,196,230)	183,622,272		
<b>Total</b>	<b>5,660,050,921</b>	<b>(2,274,959,060)</b>	<b>3,385,091,861</b>	<b>5,494,661,583</b>	<b>(2,148,466,371)</b>	<b>3,346,195,212</b>		

### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Transfers	Under construction	Depreciation	Impairment loss	Total
Land	348,018,401	1,427,636	(5,154)	(3,167,421)	-	-	-	346,273,462
Buildings	94,594,368	227,607	-	-	-	(3,800,961)	-	91,021,014
Plant and machinery	3,542,364	1,120,138	-	-	-	(738,659)	-	3,923,843
Motor vehicles	49,487,130	15,045,069	(1)	-	-	(3,292,411)	(223,947)	61,015,840
Office equipment	8,672,909	2,180,128	(38,922)	-	-	(1,852,129)	(12,529)	8,949,463
Infrastructure	2,658,257,768	35,634,566	-	-	87,981,238	(111,279,942)	(1,207,878)	2,669,385,752
Community	183,622,272	27,431,099	-	-	1,639,532	(8,170,416)	-	204,522,487
	<b>3,346,195,212</b>	<b>83,066,243</b>	<b>(44,077)</b>	<b>(3,167,421)</b>	<b>89,620,770</b>	<b>(129,134,512)</b>	<b>(1,444,354)</b>	<b>3,385,091,861</b>



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand

### 3. Property, plant and equipment (continued)

#### Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Disposals	Transfers	Under construction	Depreciation	Impairment loss	Total
Land	347,061,158	3,841,946	(2,404,219)	(480,484)	-	-	-	348,018,401
Buildings	97,352,885	1,150,879	-	(165,000)	-	(3,744,396)	-	94,594,368
Plant and machinery	3,678,775	599,235	(5,393)	-	-	(705,443)	(24,810)	3,542,364
Motor vehicles	44,254,060	8,655,502	(72,518)	-	-	(2,822,533)	(527,381)	49,487,130
Office equipment	10,342,183	758,335	(1,147)	-	-	(1,929,208)	(497,254)	8,672,909
Infrastructure	2,691,952,682	10,983,444	-	-	71,141,039	(111,960,428)	(3,858,969)	2,658,257,768
Community	185,139,707	1,776,922	-	-	4,821,972	(8,116,329)	-	183,622,272
	<b>3,379,781,450</b>	<b>27,766,263</b>	<b>(2,483,277)</b>	<b>(645,484)</b>	<b>75,963,011</b>	<b>(129,278,337)</b>	<b>(4,908,414)</b>	<b>3,346,195,212</b>

#### Details of property, plant and equipment sales

#### Proceeds from sale of property, plant and equipment

- Carrying value	44,077	2,483,277
- Gain/(loss) on disposal	(609,917)	3,275,163
	<b>(565,840)</b>	<b>5,758,440</b>

#### Reconciliation of Work-In-Progress 2019

	Included within	Included within	Total
Opening balance	Infrastructure	Community	99,565,059
Additions/capital expenditure	92,710,105	6,854,954	89,620,770
Transferred to completed items	87,981,238	1,639,532	(41,301,718)
	(35,080,112)	(6,221,606)	
	<b>145,611,231</b>	<b>2,272,880</b>	<b>147,884,111</b>



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29 November 2019

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2018

### 3. Property, plant and equipment (continued)

#### Reconciliation of Work-in-Progress 2018

	Included within Infrastructure	Included within Community	Total
Opening balance	24,414,284	2,032,982	26,447,266
Additions/capital expenditure	71,141,040	4,821,972	75,963,012
Transferred to completed items	(2,845,219)	-	(2,845,219)
	<b>92,710,105</b>	<b>6,854,954</b>	<b>99,565,059</b>

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

See note 38 for repairs and maintenance.

No Property, plant and equipment are held as security for liabilities of the municipality.

### 4. Intangible assets

	2019			2018		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	9,488,431	(3,251,676)	6,236,755	7,065,727	(2,726,836)	4,338,891
Rights to use naturally occurring assets	2,360,000	-	2,360,000	2,360,000	-	2,360,000
<b>Total</b>	<b>11,848,431</b>	<b>(3,251,676)</b>	<b>8,596,755</b>	<b>9,425,727</b>	<b>(2,726,836)</b>	<b>6,698,891</b>

#### Reconciliation of Intangible assets - 2019

	Opening balance	Additions	Amortisation	Total
Computer software, other	4,338,891	2,422,704	(524,840)	6,236,755
Rights to use naturally occurring assets	2,360,000	-	-	2,360,000
	<b>6,698,891</b>	<b>2,422,704</b>	<b>(524,840)</b>	<b>8,596,755</b>

#### Reconciliation of Intangible assets - 2018

	Opening balance	Additions	Amortisation	Total
Computer software, other	3,927,239	1,070,423	(658,771)	4,338,891
Rights to use naturally occurring assets	2,360,000	-	-	2,360,000
	<b>6,287,239</b>	<b>1,070,423</b>	<b>(658,771)</b>	<b>6,698,891</b>



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# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
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### 4. Intangible assets (continued)

#### Other Information

Intangible assets with indefinite lives:

Rights to use naturally occurring assets	2,360,000	2,360,000
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The municipality entered into a contract with Kraai Bosch Plase (Pty) Ltd on 28 May 1999. The useful life of the water right is considered to be indefinite as the contract does not define when the municipality will cease to enjoy the right to use the water from the Kraaibosch dam. There is no reason to believe that the right to the Kraaibosch dam has a limited useful life due to the condition of the dam. Regular assessments are performed to determine whether the conditions that existed at the inception of the contract have changed.

Other intangible assets	5,217,768	2,795,064
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Other intangible assets consist of software procured by the municipality. The useful life of the software is considered to be indefinite as the contracts does not define when the municipality will cease to enjoy the right to use the software. There is no reason to believe that the right to the software has a limited useful life due to the condition thereof. Regular assessments are performed to determine whether the conditions that existed at the inception of the contract have changed..

No intangible assets are held as security for liabilities of the municipality.

### 5. Heritage assets

	2019			2018		
	Cost / Valuation	Accumulated Impairment losses	Carrying value	Cost / Valuation	Accumulated Impairment losses	Carrying value
Conservation areas	133,265,888	(9,250,000)	124,015,888	133,265,888	(9,250,000)	124,015,888
Stamp collections, military insignia, medals and coins	166,309	-	166,309	166,309	-	166,309
<b>Total</b>	<b>133,432,197</b>	<b>(9,250,000)</b>	<b>124,182,197</b>	<b>133,432,197</b>	<b>(9,250,000)</b>	<b>124,182,197</b>

#### Reconciliation of heritage assets 2019

	Opening balance	Total
Conservation areas	124,015,888	124,015,888
Stamp collections, military insignia, medals and coins	166,309	166,309
	<b>124,182,197</b>	<b>124,182,197</b>

#### Reconciliation of heritage assets 2018

	Opening balance	Total
Conservation areas	124,015,888	124,015,888
Stamp collections, military insignia, medals and coins	166,309	166,309
	<b>124,182,197</b>	<b>124,182,197</b>

Certain conservation land is carried at Rnil value as there is no market in this regard and therefore their cost/fair value cannot be reliably measured.

See note 38 for repairs and maintenance.

No Heritage assets are held as security for liabilities of the municipality.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand		2019	2018
<b>6. Other financial assets</b>			
<b>Designated at fair value</b>	<b>Level</b>		
Liberty	1	47,482,294	41,944,027
Momentum	1	3,041,248	2,650,754
		<b>50,523,542</b>	<b>44,594,781</b>
<b>Non-current assets</b>			
Designated at fair value		50,523,542	44,594,781

In determining the recoverability of other financial assets, the Overstrand Municipality considers any change in the credit quality of the other financial assets at the reporting date.

The above represents sinking funds that are used to redeem certain borrowings at their maturity with a bullet payment.

The Fair Value of financial assets are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The above instruments are classified at fair value, on reporting date, by the level of fair value hierarchy as required by GRAP 104. Level 1 is defined as quoted prices (unadjusted) in active markets for identical assets.

### 7. Employee benefit obligations

#### Defined benefit plan

The plan is a post-employment health benefit plan.

#### Post-employment health care benefit plan

The municipality provides certain post-employment health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

- Bonitas;
- LA Health;
- Hosmed;
- Samwumed; and
- Keyhealth

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation was carried out as at 30 June 2018 by ARCH Actuarial Consulting, Fellow of the Actuarial Society of South Africa, including projections for the 2019 financial period. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The members of the Post-employment health care benefit plan are made up as follows:

In-service members	369	362
Continuation members	88	81
	<b>457</b>	<b>443</b>



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand 2019 2018

### 7. Employee benefit obligations (continued)

The amounts recognised in the statement of financial position are as follows:

#### Carrying value

Present value of the defined benefit obligation-wholly unfunded	(112,826,754)	(102,390,680)
Non-current liabilities	(108,913,863)	(98,747,053)
Current liabilities	(3,912,891)	(3,643,627)
	<b>(112,826,754)</b>	<b>(102,390,680)</b>

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	102,390,680	125,772,990
Net expense recognised in the statement of financial performance	10,436,074	(23,382,310)
	<b>112,826,754</b>	<b>102,390,680</b>

Net expense recognised in the statement of financial performance

Current service cost	4,431,148	5,844,794
Interest cost	9,648,553	11,305,115
Actuarial losses/(gains)	200,674	(37,133,733)
Expected return on reimbursement rights	(3,844,301)	(3,398,486)
	<b>10,436,074</b>	<b>(23,382,310)</b>

#### Key assumptions used

Assumptions used at the reporting date:

Discount rates used	9.59 %	9.59 %
Medical cost trend rates	7.39 %	7.39 %
Other material actuarial assumptions	2.05 %	2.05 %

Management assessed the assumptions used and found it to be adequate.

#### Other assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	16,640,800	12,027,300
Effect on defined benefit obligation	129,750,767	98,159,276

Amounts for the current and previous four years are as follows:

	2019 R	2018 R	2017 R	2016 R	2015 R
Defined benefit obligation	112,826,754	102,390,680	125,772,990	113,188,465	109,634,000



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# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>7. Employee benefit obligations (continued)</b>		
<b>Defined contribution plan</b>		
It is the policy of the municipality to provide retirement benefits to all its employees. A number of defined contribution plans, all of which are subject to the Pensions Fund Act exist for this purpose.		
The municipality is under no obligation to cover any unfunded benefits.		
<b>8. Other assets</b>		
Housing selling scheme	8,703	10,767
Sport clubs	11,378	19,591
	<b>20,081</b>	<b>30,358</b>
<b>Non-current assets</b>		
Other assets	8,670	20,081
<b>Current assets</b>		
Other assets	11,411	10,277
	<b>20,081</b>	<b>30,358</b>

In determining the recoverability of other assets, the Overstrand Municipality considers any change in the credit quality of the other assets from the date the credit was initially granted up to the reporting date.

### 9. Inventories

Stores and materials	9,593,108	7,322,423
Water for distribution	133,878	128,021
Work-in-progress - Low cost housing	28,117,438	23,657,594
Low cost housing properties not transferred to beneficiaries	1,243,500	1,243,500
	<b>39,087,924</b>	<b>32,351,538</b>
Inventories (write-downs)	(1,625)	-
	<b>39,086,299</b>	<b>32,351,538</b>
<b>Inventories recognised as an expense during the period:</b>		
Stores	11,320,244	10,963,003
Water	33,341,296	30,145,564
Work-in-progress-Low cost housing	12,002,643	7,275,586
	<b>56,664,183</b>	<b>48,384,153</b>

No Inventories are held as security for liabilities of the municipality.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>10. Receivables from exchange transactions <sup>1</sup></b>		
Trade debtors	20,426,526	17,119,004
Prepayments	-	3,340,414
Deposits	730,169	683,329
Accrued interest	2,183,082	527,438
Other debtors	-	3,209,000
	<b>23,339,777</b>	<b>24,879,185</b>

In determining the recoverability of receivables from exchange transactions, the Overstrand Municipality considers any change in the credit quality of the trade and other receivables from the date the credit was initially granted up to the reporting date.

### 11. Receivables from non-exchange transactions <sup>1</sup>

Fines	19,060,758	15,669,193
Government grants and subsidies	6,981,469	-
Control accounts	3,742,887	4,689,099
	<b>29,785,114</b>	<b>20,358,292</b>

In determining the recoverability of receivables from non-exchange transactions, the Overstrand Municipality considers any change in the credit quality of the trade and other receivables from the date the credit was initially granted up to the reporting date.

#### Receivables from non-exchange transactions <sup>1</sup> impaired

Revenue from fines recognised for the period amounts to R 24,734,386 (2018: R 31,637,624).

Fines receivable from non-exchange transactions after the provision of impairment amounted to R 19,060,758 (2018: R 15,669,193).

The amount provided for impairment was R 52,457,481 (2018: R 39,205,523).

The ageing of these fines are as follows:

< 12 months	3,391,565	4,242,650
> 1 year	15,669,193	11,426,542

#### Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	39,205,523	23,007,498
Provision for impairment	13,251,958	16,198,025
	<b>52,457,481</b>	<b>39,205,523</b>

The calculation in respect of the impairment of fines receivable (receivables from non-exchange transactions) is based on an assessment of the past payment history of fines per category. The total average collectability of fines were 34% (2018: 36%).

The calculation for initial recognition and measurement in respect of fines reduced and or cancelled is based on an assessment of past reduced and or cancelled history of fines per category. The total average estimated reductions used were 41% (2018: 42%).

### 12. VAT receivable

VAT

11,212,563 6,872,433

In determining the recoverability of VAT receivable, the Overstrand Municipality considers any change in the credit quality of the VAT receivable from the date the credit was initially granted up to the reporting date.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

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### 12. VAT receivable (continued)

Overstrand Municipality is registered on the cash/payment basis for VAT.

### 13. Consumer debtors

#### Gross balances

Rates	26,333,687	23,382,263
Electricity	22,232,740	19,994,093
Water	20,178,518	16,177,666
Sewerage	11,045,368	9,337,902
Refuse	8,538,144	7,761,043
Property rental	789,404	731,678
Other	10,471,605	9,346,056
	<b>99,589,466</b>	<b>86,730,701</b>

#### Less: Allowance for impairment

Rates	(6,788,080)	(5,789,150)
Electricity	(5,743,760)	(5,131,041)
Water	(5,221,600)	(4,123,165)
Sewerage	(2,871,880)	(2,376,844)
Refuse	(2,349,720)	(1,969,827)
Property rental	(261,080)	(164,008)
Other	(2,871,880)	(2,219,578)
	<b>(26,108,000)</b>	<b>(21,773,613)</b>

#### Net balance

Rates	19,545,607	17,593,113
Electricity	16,488,980	14,863,052
Water	14,956,918	12,054,501
Sewerage	8,173,488	6,961,058
Refuse	6,188,424	5,791,216
Property rental	528,324	567,670
Other	7,599,725	7,126,478
	<b>73,481,466</b>	<b>64,957,088</b>

#### Included in above consumer debtors is receivables from exchange transactions

Electricity	16,488,980	14,863,052
Water	14,956,918	12,054,501
Sewerage	8,173,488	6,961,058
Refuse	6,188,424	5,791,216
Property rental	528,324	567,670
	<b>46,336,134</b>	<b>40,237,497</b>

#### Included in above consumer debtors is receivables from non-exchange transactions

Rates	19,545,607	17,593,113
Other	7,599,725	7,126,478
	<b>27,145,332</b>	<b>24,719,591</b>

#### Net balance

**73,481,466**      **64,957,088**



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

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### 13. Consumer debtors (continued)

#### Rates

Current (0 - 30 days)	14,573,374	12,967,856
31 - 60 days	410,517	280,130
61 - 90 days	460,073	173,409
91 - 120 days	190,859	139,159
121 - 365 days	1,216,900	774,408
> 365 days	2,693,884	3,258,151
	<b>19,545,607</b>	<b>17,593,113</b>

#### Electricity

Current (0 - 30 days)	11,340,928	10,485,995
31 - 60 days	274,983	197,202
61 - 90 days	199,802	141,135
91 - 120 days	130,926	134,778
121 - 365 days	724,156	714,514
> 365 days	3,818,185	3,189,428
	<b>16,488,980</b>	<b>14,863,052</b>

#### Water

Current (0 - 30 days)	9,862,350	7,914,844
31 - 60 days	359,240	193,146
61 - 90 days	263,180	116,101
91 - 120 days	232,214	100,811
121 - 365 days	784,841	550,622
> 365 days	3,455,093	3,178,977
	<b>14,956,918</b>	<b>12,054,501</b>

#### Sewerage

Current (0 - 30 days)	5,146,626	4,482,757
31 - 60 days	190,314	114,799
61 - 90 days	168,030	75,982
91 - 120 days	134,430	68,961
121 - 365 days	554,586	355,979
> 365 days	1,979,502	1,862,580
	<b>8,173,488</b>	<b>6,961,058</b>

#### Refuse

Current (0 - 30 days)	4,061,905	3,842,585
31 - 60 days	122,555	95,196
61 - 90 days	88,805	67,061
91 - 120 days	71,370	59,398
121 - 365 days	372,297	303,001
> 365 days	1,471,492	1,423,975
	<b>6,188,424</b>	<b>5,791,216</b>

#### Property rental

Current (0 - 30 days)	265,688	245,716
31 - 60 days	4,357	3,688
61 - 90 days	3,644	2,790
91 - 120 days	3,497	2,766
121 - 365 days	21,471	35,562
> 365 days	229,667	271,148
	<b>528,324</b>	<b>521,670</b>

# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>13. Consumer debtors (continued)</b>		
<b>Other</b>		
Current (0 - 30 days)	1,819,984	1,476,149
31 - 60 days	239,578	170,935
61 - 90 days	150,102	138,121
91 - 120 days	161,579	162,713
121 - 365 days	867,458	1,454,730
> 365 days	4,361,024	3,723,830
	<b>7,599,725</b>	<b>7,126,478</b>

<b>Reconciliation of allowance for impairment</b>		
Balance at beginning of the year	(21,773,613)	(20,592,975)
Contributions to allowance	(5,161,971)	(1,981,941)
Debt impairment written off against allowance	827,584	802,570
Reversal of allowance	-	(1,267)
	<b>(26,108,000)</b>	<b>(21,773,613)</b>

### 14. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	15,280	14,150
Bank balances	123,972,372	94,439,043
Short-term deposits	409,199,854	380,514,135
	<b>533,187,506</b>	<b>474,967,328</b>

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2019	30 June 2018	30 June 2017	30 June 2019	30 June 2018	30 June 2017
ABSA-Cheque-322-000-0035	143,290,292	104,936,947	124,247,860	119,561,244	93,311,053	85,842,107
ABSA-Cheque-405-589-9787	11,637	9,585	20,871	11,316	9,313	20,599
ABSA-Cheque-405-642-0921	148,107	41,821	195,547	103,402	(2,208)	151,518
ABSA-Cheque-406-657-8021	4,054,075	771,436	2,786,839	4,124,062	846,835	2,783,375
ABSA-Cheque-407-298-3157	179,887	275,417	276,707	177,584	274,050	275,339
Nedbank-Cheque-119-013-6678	(1,840)	-	-	(1,840)	-	-
Nedbank-Cheque-119-013-6899	7,428	-	-	-	-	-
Nedbank-Cheque-119-013-7186	(3,396)	-	-	(3,396)	-	-
ABSA Call accounts	59,199,854	30,513,936	20,727,445	59,199,854	30,513,936	20,727,445
STD Bank Call accounts	75,000,000	150,000,199	50,000,000	75,000,000	150,000,199	50,000,000
Nedbank Call accounts	275,000,000	200,000,000	50,000,000	275,000,000	200,000,000	50,000,000
Investec Call accounts	-	-	50,000,000	-	-	50,000,000
Cash on hand	-	-	-	15,280	14,150	14,050
<b>Total</b>	<b>556,886,044</b>	<b>486,549,341</b>	<b>298,255,269</b>	<b>533,187,506</b>	<b>474,967,328</b>	<b>259,814,433</b>

Cash and cash equivalents includes cash on hand, bank accounts and short-term deposits that are held for the purpose of meeting short-term cash commitments.



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Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand 2019 2018

### 15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

#### Unspent conditional grants and receipts

National: Municipal Infrastructure Grant	-	4,543,840
Provincial: Human Settlement Grant	2,549,049	15,834,910
Provincial: Library Grant	-	529,375
Provincial: Financial Management Support Grant	280,000	240,000
Provincial: LG Graduate Internship Grant	35,742	50,201
Provincial: Municipal Service Delivery and Capacity Building Grant	138,474	-
Provincial: Public Transportation non-motorised Infrastructure Grant	-	389,994
Provincial: Financial Capacity Building Grant	600,000	-
Provincial: Establishment and Support of K9 unit Grant	3,800,000	-
Provincial: Disaster Management Grant	5,000,000	-
Unspent public contributions and donations	186,659	187,840
	<b>12,589,924</b>	<b>21,776,160</b>

#### Movement during the year

Balance at the beginning of the year	21,776,160	6,476,263
Additions during the year	83,118,378	111,967,280
Income recognition during the year	(89,219,210)	(96,667,383)
Repayment of unspent grant	(10,066,873)	-
Debtor	6,981,469	-
	<b>12,589,924</b>	<b>21,776,160</b>

See note 25 for reconciliation of grants from National/Provincial Government and note 26 for the public contributions.

### 16. Other financial liabilities

#### At amortised cost

DBSA Annuity loans	271,371,719	227,273,451
INCA Annuity loans	20,467,658	26,053,293
ABSA Annuity loans	170,818,231	188,779,311
	<b>462,657,608</b>	<b>442,106,055</b>

#### Total other financial liabilities

**462,657,608 442,106,055**

#### Non-current liabilities

At amortised cost	422,933,052	408,657,652
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#### Current liabilities

At amortised cost	39,724,556	33,448,403
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The fair values of the financial liabilities were determined as follows:

- The management of the municipality is of the opinion that the carrying value of financial assets and financial liabilities recorded at amortised cost in the Annual Financial Statements approximate their fair values. The fair value of financial assets and financial liabilities were determined after considering the standard terms and conditions of agreements entered into between the municipality and other parties as well as the current payment ratio of the municipality's debtors.
- At the reporting date there are no significant concentrations of credit risk for other financial liabilities. The carrying amount reflected above represents the municipality's maximum exposure to credit risk for such other financial liabilities.

Refer to note 44 for maturity analysis of financial liabilities.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand 2019 2018

### 17. Provisions

#### Reconciliation of provisions - 2019

	Opening Balance	Additions	Utilised during the year	Total
Rehabilitation of tip sites	93,822,782	6,587,366	-	100,410,148
Long service awards	15,569,497	2,597,626	(1,585,472)	16,581,651
Leave pay	12,991,563	2,532,229	(910,464)	14,613,328
Bonusses	9,745,606	674,528	-	10,420,134
Gratification	320,718	-	(5,873)	314,845
	<b>132,450,166</b>	<b>12,391,749</b>	<b>(2,501,809)</b>	<b>142,340,106</b>

#### Reconciliation of provisions - 2018

	Opening Balance	Additions	Utilised during the year	Total
Rehabilitation of tip sites	86,469,122	7,353,660	-	93,822,782
Long service awards	11,147,619	6,054,400	(1,632,522)	15,569,497
Leave pay	12,576,336	771,589	(356,362)	12,991,563
Bonusses	8,610,497	1,135,109	-	9,745,606
Gratification	356,290	-	(35,572)	320,718
	<b>119,159,864</b>	<b>15,314,758</b>	<b>(2,024,456)</b>	<b>132,450,166</b>

Non-current liabilities	113,242,881	106,303,622
Current liabilities	29,097,225	26,146,544
	<b>142,340,106</b>	<b>132,450,166</b>

#### Rehabilitation of tip sites

Provision is made in terms of the Overstrand Municipality's licensing stipulations on the landfill sites, for the estimated cost of rehabilitating landfill sites. The estimation of landfill sites was conducted by JPCE specialist waste management consultants, independent consultants who are not connected to the municipality.

The costs are determined by calculating the volumes of excavations, materials required and legal requirements according to the footprint of each individual site. The previous year's figures are escalated using the latest CPI. The individual rates are then again cross-checked to determine if they are still in line with current rates for similar activities and adjusted accordingly.

The scheduled dates of total closure and rehabilitation for the operational site is at present anticipated to take place between 2019 and 2036.

The cost to rehabilitate all identified sites in the Overstrand are estimated at R 100,410,148 for the period.



# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand

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### 17. Provisions (continued)

#### Long service awards

A long-service award is granted to municipal employees after the completion of fixed periods of continuous service with the municipality. The said award comprises a certain number of vacation leave days which, in accordance with the option exercised by the beneficiary employee, can be converted into a cash amount based on his/her basic salary applicable at the time the award becomes due or, alternatively, credited to his/her vacation leave accrual. The provision represents an estimation of the awards to which employees in the service of the Municipality at 30 June 2019 may become entitled to in future, based on an actuarial valuation performed at 30 June 2018, to the amount of R 16,581,651 for the period.

#### Discount rate:

A discount rate of 8.62% per annum has been used. This is derived by using a liability-weighted average of the yields corresponding to the average term until payment of long service awards, for each employee.

#### Key assumptions:

Discount rate of 8.62% (2018: 8.62%), a general salary inflation rate of 6.21% (2018: 6.21%) and a net discount rate of 2.27% (2018: 2.27%).

#### Leave pay

Annual leave accrues to employees on a monthly basis in accordance with the conditions of employment. Employees are entitled to 16 non-vested leave days and 8 vested leave days per annum, accumulated to a maximum of 48 leave days. The provision is an estimate of the amount due to staff as at the financial year-end, based on the value of leave and the estimated leave days to be forfeited. The estimated cost amounts to R 14,613,328 for the period.

It is not the municipality's policy to encash leave in the normal course of business, except upon resignation or retirement.

#### Bonusses

Annual bonuses accrues to employees on a monthly basis, subject to certain conditions. The provision is an estimate of the amount due to staff as at the financial year-end, based on assumptions and the estimated cost amounts to R 10,420,134 for the period.

#### Gratification

The cost of the gratification payable was based on employees not belonging to a pension fund up until February 2003 and is only payable on retirement. The estimated cost amounts to R 314,845 for the period.

### 18. Payables from exchange transactions

Trade payables	49,732,965	57,198,564
Payments received in advance	9,657,734	10,933,511
Deferred income	254,314	338,420
Retentions	9,320,815	2,258,590
Accrued interest	4,958,035	5,534,199
Deposits received	15,551,729	14,701,730
Other payables	700,000	700,000
Control accounts	7,244,812	6,367,332
	<b>97,420,404</b>	<b>98,032,346</b>

### 19. Consumer deposits

Electricity	28,015,042	26,898,051
Water	12,003,839	11,564,116
	<b>40,018,881</b>	<b>38,462,167</b>

# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>20. Service charges</b>		
Sale of electricity	378,668,312	349,297,794
Sale of water	129,971,486	110,931,849
Sewerage and sanitation charges	77,771,868	72,106,442
Refuse removal	61,788,413	57,775,450
	<b>648,200,079</b>	<b>590,111,535</b>
<b>21. Other income</b>		
Administration charges	371,751	327,515
Advertisements	14,377	17,584
Camping fees	6,476,611	6,785,380
Cemeteries and burial fees	288,630	279,720
Cleaning and removals	114,178	126,840
Collection charges	3,519,077	3,695,926
Development charges	2,374,414	3,722,227
Discounts and early settlements	14,057	14,670
Entrance fees	87,341	82,478
Fire service charges	149,694	1,618,829
Insurance claims received	4,242,537	1,875,154
Legal fees	739,450	767,187
Library fees	1,322	837
Management fees	1,490,542	2,048,008
Materials and equipment	22,660	95,720
Objections and appeals	7,946	10,053
Parking fees	213,063	614,164
Photocopy, print and fax charges	51,227	56,738
Planning and development fees	7,572,760	8,870,294
Private telephone calls	186,068	171,412
Publications	172,696	84,460
Request for information	65,802	50,305
Roadworthy certificates	598,466	595,039
Street markets	-	655
Sundry income	1,152,932	700,112
Training	100,473	14,428
	<b>30,028,074</b>	<b>32,625,735</b>
<b>22. Investment revenue</b>		
Interest revenue		
Short-term deposits	34,519,934	24,689,362
Other assets	864	1,314
Bank	7,215,104	5,586,063
Interest charged on trade and other receivables	4,192,333	3,852,897
Interest received - other	31,870	35,066
	<b>45,960,105</b>	<b>34,174,702</b>

The amount included in investment revenue arising from exchange transactions amounted to R 3,222,213.

The amount included in investment revenue arising from non-exchange transactions amounted to R 42,634,097.



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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>23. Property rates</b>		
<b>Rates received</b>		
Residential	193,873,422	180,686,191
Commercial	35,350,149	31,284,737
Government	3,287,236	3,099,204
Small holdings and farms	763,450	692,712
	<b>233,274,257</b>	<b>215,762,844</b>
<b>24. Transfers and subsidies paid</b>		
<b>Other subsidies</b>		
Low income household subsidies	52,850	46,180
Transfers/donations made to tourism authorities	-	1,493,050
Grants to organisations	433,000	260,778
	<b>485,850</b>	<b>1,800,008</b>
<b>25. Government grants and subsidies</b>		
<b>Operating grants</b>		
Equitable share	96,068,000	84,223,000
National Expanded Public Works Programme	1,926,000	2,300,000
National Financial Management Grant	1,550,000	1,550,000
Provincial Human Settlement Developments Grant	12,687,623	21,697,439
Provincial Library Grant	6,159,578	6,306,000
Provincial Community Development Workers Grant	-	58,760
Provincial Main Road Subsidy	137,000	139,000
Provincial Thusong Service Centre Grant	100,000	-
Provincial Greenest Municipality Competition Grant	-	120,000
Provincial Graduate Internship Grant	86,460	63,544
Provincial Municipal Service Delivery and Capacity Building Grant	61,526	-
Provincial Establishment and Support of K9 Unit Grant	200,000	-
	<b>118,976,187</b>	<b>116,457,743</b>
<b>Capital grants</b>		
National Integrated National Electrification Programme	4,262,000	4,000,000
National Municipal Infrastructure Grant	26,182,840	17,786,160
Provincial Human Settlement Developments Grant	34,108,211	34,180,062
Provincial Development of Sport and Recreation Facilities Grant	-	1,171,000
Provincial Library Grant	1,116,797	1,140,625
Provincial Community Development Workers Grant	-	15,240
Provincial Fire Service Capacity Building Grant	-	2,000,000
Provincial Municipal Service Delivery and Capacity Building Grant	-	360,000
Provincial Public Transport Non-motorised Infrastructure Grant	389,994	3,610,006
	<b>66,059,842</b>	<b>64,263,093</b>
	<b>185,036,029</b>	<b>180,720,836</b>

### Equitable Share

This grant is primarily used to subsidise the provision of basic services to indigent households.

All registered indigent households receive a monthly subsidy based on the basic service charges for water, electricity, sewerage, refuse and up to 4,2kl waste water, which is funded from the grant. Indigent households also receive 6kl free water and 50kwh free electricity per month.



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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>25. Government grants and subsidies (continued)</b>		
<b>National Integrated National Electrification Programme</b>		
Current year receipts	4,262,000	4,000,000
Conditions met - transferred to revenue	(4,262,000)	(4,000,000)
	-	-
<b>National Municipal Infrastructure Grant</b>		
Balance unspent at beginning of year	4,543,840	-
Current year receipts	21,639,000	22,330,000
Conditions met - transferred to revenue	(26,182,840)	(17,786,160)
	-	4,543,840
Conditions still to be met - remains as a liability (see note 15).		
<b>National Expanded Public Works Programme</b>		
Current year receipts	1,926,000	2,300,000
Conditions met - transferred to revenue	(1,926,000)	(2,300,000)
	-	-
<b>National Financial Management Grant</b>		
Current year receipts	1,550,000	1,550,000
Conditions met - transferred to revenue	(1,550,000)	(1,550,000)
	-	-
<b>Provincial Human Settlement Developments Grant</b>		
Balance unspent at beginning of year	15,834,910	3,924,531
Current year receipts	36,595,378	67,831,880
Conditions met - transferred to revenue	(46,795,835)	(55,921,501)
Repayment of grant	(10,066,873)	-
Debtor	6,981,469	-
	2,549,049	15,834,910
Conditions still to be met - remains as a liability (see note 15).		
<b>Provincial Development of Sport and Recreation Facilities Grant</b>		
Current year receipts	-	1,171,000
Conditions met - transferred to revenue	-	(1,171,000)
	-	-
<b>Provincial Library Grant</b>		
Balance unspent at beginning of year	529,375	969,999
Current year receipts	6,747,000	7,006,000
Conditions met - transferred to revenue	(7,276,375)	(7,446,624)
	-	529,375
Conditions still to be met - remains as a liability (see note 15).		

# Overstrand Municipality

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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>25. Government grants and subsidies (continued)</b>		
<b>Provincial Community Development Workers Grant</b>		
Current year receipts	-	74,000
Conditions met - transferred to revenue	-	(74,000)
	-	-
<b>Provincial Main Road Subsidy</b>		
Current year receipts	137,000	139,000
Conditions met - transferred to revenue	(137,000)	(139,000)
	-	-
<b>Provincial Thusong Service Centre Grant</b>		
Current year receipts	100,000	-
Conditions met - transferred to revenue	(100,000)	-
	-	-
<b>Provincial Greenest Municipality Competition Grant</b>		
Balance unspent at beginning of year	-	50,000
Current year receipts	-	70,000
Conditions met - transferred to revenue	-	(120,000)
	-	-
<b>Provincial Graduate Internship Grant</b>		
Balance unspent at beginning of year	50,201	47,746
Current year receipts	72,000	66,000
Conditions met - transferred to revenue	(86,459)	(63,545)
	35,742	50,201
Conditions still to be met - remains as a liability (see note 15).		
<b>Provincial Fire Service Capacity Building Grant</b>		
Balance unspent at beginning of year	-	1,200,000
Current year receipts	-	800,000
Conditions met - transferred to revenue	-	(2,000,000)
	-	-
<b>Provincial Municipal Service Delivery and Capacity Building Grant</b>		
Current year receipts	200,000	360,000
Conditions met - transferred to revenue	(61,526)	(360,000)
	138,474	-
Conditions still to be met - remains as a liability (see note 15).		



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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>25. Government grants and subsidies (continued)</b>		
<b>Provincial Public Transport Non-motorised Infrastructure Grant</b>		
Balance unspent at beginning of year	389,994	-
Current year receipts	-	4,000,000
Conditions met - transferred to revenue	(389,994)	(3,610,006)
	-	389,994
Conditions still to be met - remains as a liability (see note 15).		
<b>Provincial Establishment and Support of K9 Unit Grant</b>		
Current year receipts	4,000,000	-
Conditions met - transferred to revenue	(200,000)	-
	3,800,000	-
Conditions still to be met - remains as a liability (see note 15).		
<b>26. Public contributions and donations</b>		
Public contributions non-cash	25,546,402	4,249,787
LG SETA	620,589	460,801
Spaces for sport	1,181	94,161
Tourism events	-	29,400
Arbor city awards	250,000	-
	26,418,172	4,834,149
<b>Reconciliation of conditional contributions</b>		
Balance unspent at beginning of year	187,840	282,001
Current-year receipts	27,812,631	4,753,146
Conditions met - transferred to revenue	(27,813,812)	(4,847,307)
	186,659	187,840
Conditions still to be met - remains as a liability (see note 15)		
<b>27. Employee related costs</b>		
Basic	214,176,263	191,229,819
Bonus	16,829,307	15,617,797
Medical aid - company contributions	12,035,265	11,195,194
UIF	1,930,163	1,772,204
WCA	1,501,682	1,583,764
Leave pay provision charge	2,532,229	771,590
Bargaining council	302,121	105,774
Group life	1,442,039	1,315,226
Defined contribution plans	48,930,416	11,484,369
Overtime payments	25,088,922	18,399,615
Long-service awards	2,597,626	6,054,400
Acting allowances	1,693,798	1,131,214
Car allowance	11,455,064	10,889,807
Housing benefits and allowances	2,349,619	2,442,685
Cellphone	2,073,533	2,013,332
Scarcity	2,329,965	2,142,534
Standby	9,412,323	7,929,335
Sundry	141,690	121,110
	356,822,125	286,193,169

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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>27. Employee related costs (continued)</b>		
<b>Remuneration of Municipal Manager</b>		
Annual Remuneration	1,360,442	1,328,484
Contributions to UIF, Medical and Pension Funds	327,469	317,966
Entertainment	12,000	12,000
	<b>1,699,911</b>	<b>1,658,450</b>
Cellphone allowance	27,540	27,540
Performance bonus	186,990	103,390
	<b>214,530</b>	<b>130,930</b>
<b>Remuneration of Chief Financial Officer</b>		
Annual Remuneration	1,327,428	1,295,160
Car Allowance	48,000	48,000
Contributions to UIF, Medical and Pension Funds	300,832	292,276
Entertainment	6,000	6,000
	<b>1,682,260</b>	<b>1,641,436</b>
Cellphone allowance	24,480	24,480
<b>Remuneration of Director: Management Services</b>		
Annual Remuneration	1,139,529	1,052,355
Car Allowance	72,000	72,000
Contributions to UIF, Medical and Pension Funds	275,813	256,627
Entertainment	6,000	5,952
Housing subsidy	10,173	9,559
	<b>1,503,515</b>	<b>1,396,493</b>
Cellphone allowance	27,540	27,540
Acting allowance	3,705	5,238
	<b>31,245</b>	<b>32,778</b>
<b>Remuneration of Director: Community Services</b>		
Annual Remuneration	1,153,907	1,065,127
Car Allowance	78,000	78,000
Contributions to UIF, Medical and Pension Funds	284,448	264,512
Entertainment	8,082	7,817
Computer allowance	3,912	3,912
	<b>1,528,349</b>	<b>1,419,368</b>
Cellphone allowance	27,540	27,540
Acting allowance	3,108	4,776
	<b>30,648</b>	<b>32,316</b>



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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>27. Employee related costs (continued)</b>		
<b>Remuneration of Director: Infrastructure and Planning</b>		
Annual Remuneration	1,311,644	1,279,886
Car Allowance	48,000	48,000
Contributions to UIF, Medical and Pension Funds	317,379	308,126
Entertainment	9,000	9,000
Computer allowance	4,800	4,800
	<b>1,690,823</b>	<b>1,649,812</b>
Cellphone allowance	27,540	27,540
<b>Remuneration of Director: Local Economic Development</b>		
Annual Remuneration	1,297,984	1,195,271
Car Allowance	120,000	120,000
Contributions to UIF, Medical and Pension Funds	48,558	46,530
Entertainment	19,904	20,000
	<b>1,486,446</b>	<b>1,381,801</b>
Cellphone allowance	24,480	24,480
<b>Remuneration of Director: Protection Services</b>		
Annual Remuneration	1,261,271	1,159,191
Car Allowance	120,000	120,000
Contributions to UIF, Medical and Pension Funds	53,029	52,365
Entertainment	10,000	10,000
	<b>1,444,300</b>	<b>1,341,556</b>
Cellphone allowance	27,540	27,540
The senior managements' cellphone- and acting allowances and performance bonus are included in their respective line items in note 27 above.		
Employee related costs for municipal staff	356,822,125	286,193,169
Employee related costs for senior management	11,035,604	10,488,916
	<b>367,857,729</b>	<b>296,682,085</b>

### 28. Remuneration of councillors

Executive Major	827,749	675,983
Deputy Executive Mayor	662,200	636,909
Mayoral Committee Members [2019: 4; 2018: 4]	2,586,721	2,785,701
Speaker	662,200	636,731
Councillors [2019: 19; 2018: 19]	4,728,058	4,320,994
Cellphone allowance	1,106,300	1,081,374
	<b>10,573,228</b>	<b>10,137,692</b>



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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>29. Depreciation and amortisation</b>		
Property, plant and equipment	129,134,511	129,279,093
Intangible assets	524,840	658,771
	<b>129,659,351</b>	<b>129,937,864</b>
<b>30. Impairment of assets</b>		
<b>Impairments</b>		
Property, plant and equipment	1,444,354	4,908,414
Assets were impaired during the year due to damage and redundancy. The recoverable amount of the assets were based on its fair value less costs to sell.		
<b>31. Finance costs</b>		
Current borrowings	44,920,621	46,128,610
<b>32. Debt impairment</b>		
Debt impairment	17,948,502	18,012,606
<b>Debt Impairment consists of the following:</b>		
Fines impairment provision	13,251,958	16,198,026
Consumer debtors impairment provision	4,696,544	1,814,580
	<b>17,948,502</b>	<b>18,012,606</b>
<b>33. Bulk purchases</b>		
Electricity - Eskom	242,613,624	225,843,568
<b>34. Contracted services</b>		
<b>Outsourced Services</b>		
Animal Care	252,369	511,339
Business and Advisory	1,051,869	563,514
Catering Services	138,860	105,198
Clearing and Grass Cutting Services	1,767,824	1,481,395
Fire Services	2,494,071	791,841
Hygiene Services	325,703	288,137
Litter Picking and Street Cleaning	5,288,709	5,088,194
Meter Management	2,041,620	1,997,857
Mini Dumping Sites	8,154,353	6,224,931
Professional Staff	23,810	60,975
Connection/Dis-connection	442,042	495,265
Refuse Removal	490,308	955,060
Security Services	8,843,259	7,627,025
Sewerage Services	45,697,790	42,236,179
Swimming Supervision	1,580,677	1,709,203
Translators, Scribes and Editors	11,649	59,084
Traffic Fines Management	3,004,799	3,609,383
Veterinary Services	1,329	737
<b>Consultants and Professional Services</b>		
Business and Advisory	3,169,740	3,198,738
Infrastructure and Planning	13,104,363	11,598,598
Laboratory Services	1,595,118	1,111,182
Legal Cost	5,521,292	4,592,684

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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>34. Contracted services (continued)</b>		
<b>Contractors</b>		
Building	622,791	454,682
Chipping	3,896,906	3,205,757
Catering Services	189,381	275,812
Electrical	265,409	214,332
Employee Wellness	45,585	56,578
Event Promoters	742,737	378,142
First Aid	10,532	-
Fire Protection	192,676	54,417
Fire Services	214,973	357,530
Gardening Services	222,992	259,685
Graphic Designers	39,573	24,670
Haulage	6,414,130	6,891,239
Inspection Fees	4,688	-
Maintenance of Buildings and Facilities	11,507,158	10,920,340
Maintenance of Equipment	2,578,553	1,278,065
Maintenance of Unspecified Assets	43,987,231	35,965,400
Management of Informal Settlements	2,148,034	1,761,346
Medical Services	43,669	105,710
Pest Control and Fumigation	13,170	46,178
Photographer	7,936	5,075
Plants, Flowers and Other Decorations	5,086	13,364
Prepaid Electricity Vendors	7,089	4,003
Traffic and Street Lights	1,853	130,666
Transportation	64,267	64,558
Safeguard and Security	5,554,841	6,923,662
Sewerage Services	2,720,399	2,165,207
Sports and Recreation	254,470	249,357
Forestry	-	505,258
	<b>186,758,283</b>	<b>167,078,552</b>

Maintenance of unspecified assets consist of all other assets not included in the maintenance of property or machinery and equipment, eg. vehicles and infrastructure assets.



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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>35. General expenses</b>		
Achievements and awards	2,420	3,591
Advertising	1,817,530	1,794,866
Assets expensed	1,808,305	600,570
Auditors' remuneration	4,876,154	4,827,414
Bank charges	1,803,951	1,537,521
Cleaning	856	-
Commission paid	5,800,362	5,379,841
Computer expenses	4,243,746	5,270,324
Conferences and seminars	80,913	139,464
Consulting and professional fees	840,000	-
Contribution to/(from) provisions	6,587,366	7,353,660
Diesel for boilers	358,830	330,180
Drivers license and permits	30,456	15,206
Electricity	5,380,153	5,110,650
Entertainment	8,452	11,749
Eskom connections	-	55,592
Full time union representative	159,199	74,362
Hire	893,134	416,923
Insurance	3,121,117	3,303,665
Land alienation costs	53,606	128,334
Licenses	1,291	1,200
Office decorations	-	19,835
Other expenses	89,922	63,836
Postage and courier	1,345,443	1,264,556
Reference library	556,671	547,539
Servitudes and land surveys	4,561	8,851
Signage	58,273	26,875
Skills development levies	2,987,324	2,657,794
Storage of files-Archiving	7,177	11,424
Subscriptions and membership fees	3,518,998	3,221,478
Telephone and fax	3,230,446	3,237,806
Title deed search fees	144,033	105,382
Training	1,443,634	1,768,698
Transport and freight	15,472	39,720
Travel - local	1,744,847	999,035
Travel - overseas	18,824	-
Travel agency and visa's	18,925	11,430
Uniforms	3,078,582	2,339,620
Vehicle tracking fees	688,768	713,671
Ward committee meetings	510,700	530,608
Water management charges	948,212	1,132,932
	<b>58,278,653</b>	<b>55,056,202</b>

Membership fees paid over to SALGA during the period amounted to R 3,473,697 (2018: R 3,181,529).

### 36. Fair value adjustments

Investment property (Fair value model)	5,746,500	9,398,500
Other financial assets		
• Other financial assets (Designated as at FV through P&L)	948,762	1,633,254
	<b>6,695,262</b>	<b>11,031,754</b>

### 37. Auditors' remuneration

Fees	4,876,154	4,827,414
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## Notes to the Audited Annual Financial Statements

Figures in Rand 2019 2018

### 38. Repairs and maintenance

Repairs and maintenance consists of portions of various expenditure items.

2019	Property, plant and equipment	Investment property	Heritage assets	Total
Employee related cost	89,414,691	-	-	89,414,691
Materials	17,594,355	-	-	17,594,355
Contracted services	85,761,818	-	-	85,761,818
Other expenditure	22,253,463	-	-	22,253,463
	<b>215,024,327</b>	<b>-</b>	<b>-</b>	<b>215,024,327</b>

2018	Property, plant and equipment	Investment property	Heritage assets	Total
Employee related cost	53,689,440	-	-	53,689,440
Materials	30,000,131	-	-	30,000,131
Contracted services	67,790,749	-	-	67,790,749
Other expenditure	8,555,489	-	-	8,555,489
	<b>160,035,809</b>	<b>-</b>	<b>-</b>	<b>160,035,809</b>

### 39. Cash generated from operations

Surplus	105,554,956	144,130,852
<b>Adjustments for:</b>		
Depreciation and amortisation	129,659,351	129,937,864
Gain/(loss) on sale of assets and liabilities	609,917	(28,095,850)
Fair value adjustments	(6,695,262)	(11,031,754)
Impairment deficit	1,444,354	4,908,414
Debt Impairment	17,948,502	18,012,606
Movements in operating lease assets and accruals	(25,502)	374,773
Movements in retirement benefit assets and liabilities	10,436,074	(23,382,310)
Movements in provisions	9,889,940	13,290,302
<b>Changes in working capital:</b>		
Inventories	(3,567,340)	(11,957,553)
Receivables from exchange transactions	1,539,408	(1,269,537)
Consumer debtors	(13,220,922)	(4,643,106)
Other receivables from non-exchange transactions	(22,678,780)	(20,642,674)
Payables from exchange transactions	(611,940)	18,015,378
VAT	(4,340,130)	(519,938)
Unspent conditional grants and receipts	(9,186,236)	15,345,883
Consumer deposits	1,557,514	1,423,183
	<b>218,313,904</b>	<b>243,896,533</b>



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## Notes to the Audited Annual Financial Statements

Figures in Rand	2019	2018
<b>40. Commitments</b>		
<b>40.1 Capital commitments</b>		
<b>Authorised capital expenditure</b>		
<b>Expenditure approved and contracted for</b>		
• Property, plant and equipment	48,797,738	3,886,974
<b>Expenditure approved but not yet contracted for</b>		
• Property, plant and equipment	212,879,182	190,350,087
<b>Total capital commitments</b>		
Expenditure approved and contracted for	48,797,738	3,886,974
Expenditure approved but not yet contracted for	212,879,182	190,350,087
	<b>261,676,920</b>	<b>194,237,061</b>

This committed expenditure relates to property, plant and equipment and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

### 40.2 Operating lease commitments

#### Operating leases - as lessee (expense)

##### Minimum lease payments due

- within one year	95,275	346,944
- in second to fifth year inclusive	-	95,275
	<b>95,275</b>	<b>442,219</b>

Operating lease payments represent rentals payable by the municipality for certain of its office properties. Leases are negotiated for an average term of 3 years and rentals are fixed for the lease term.

#### Operating leases - as lessor (income)

##### Minimum lease payments due

- within one year	3,897,664	3,324,360
- in second to fifth year inclusive	7,943,053	8,135,468
- later than five years	10,033,758	11,066,769
	<b>21,874,475</b>	<b>22,526,597</b>

Certain of the municipality's property is held to generate rental income. Lease agreements are non-cancellable and have terms from 3 to 99 years.

Commitments are disclosed exclusive of VAT.



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# Overstrand Municipality

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### 41. Contingencies

#### Contingent liabilities

##### A Jonathan vs Overstrand Municipality

The applicant was dismissed by the municipality. The municipality received a notice from the Labour Court on 21 December 2016 that the Review Application served on the Municipality by the Applicant have been set down on an unopposed basis.

Our attorneys accordingly filed an urgent notice of opposition. Considering the fact that the Applicants relief relate to reinstatement and reimbursement, and the grounds of his review, it was considered prudent to file the required notice of opposition. We can confirm that the condonation application and founding affidavit was signed, commissioned and filed in court and we can confirm that the applicant did not appear in court on 17 February 2017, with the court postponing the matter *sine die*.

The matter will be kept in abeyance until we receive further papers from the applicant.

The financial exposure is approximately R300,000.

##### Claim for damages to property caused by fire.

On 27 February 2017 a fire broke out at Pringle Bay transfer station. The fire spread to adjacent properties causing damage and on 12 July 2017 a notice in terms of section 3 of the Institution of Legal Proceedings against certain Organs of State Act, 40 of 2002, was issued to the municipality. Damages totalling R121,220 was claimed by two property owners.

The claims have been referred to our insurance broker.

#### Contingent assets

##### New Republic Bank

The municipality has an investment with New Republic Bank. The bank is under receivership since October 1999. Interest only accrued until 31 December 2007. There is no guarantee that the municipality will receive the full value of the investment. After the 2013 financial year-end, a dividend of R0.5268 in the rand on the capital amount still outstanding has been received. Therefore a portion of the impairment was reversed. This brings the total payout to 99.15% of the original investment.

Due to the fact that the majority of the debt still to be collected by the receivers involve some form of legal action, it is not possible to determine a date as to when the liquidation process will be completed.

Management impaired this investment from R2,631,821 to Rnil in the 2010/2011 financial year. The exposure is approximately R405,181.

### 42. Related parties

#### Relationships

Senior management and councillors

Refer to note 27 and 28

There were no related party transactions that occurred during the period under review.



# Overstrand Municipality

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### 43. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

#### Accounting errors:

Accounting errors relating to prior periods have been identified during the 2018/2019 financial period. These errors include mathematical errors<sup>1</sup>, misapplication of accounting policies<sup>2</sup>, oversight or misinterpretation of facts<sup>3</sup> and effects of fraud<sup>4</sup>

#### Changes in classification:

The municipality reclassified its account structure to align as far as possible to the mSCOA tables issued in accordance with the Regulations on the Standard Chart of Accounts for Local Government and to bring items in line with National Treasury's budget guidelines. This necessitated further reclassification of comparative amounts as previously disclosed to those classifications aligned to the Standard Chart of Accounts.

#### Statement of financial position

##### 2017

	As previously reported	Correction of error	Restated
Inventories <sup>3</sup>	35,438,098	(15,138,202)	20,299,896
Operating lease asset <sup>3</sup>	1,102,329	(31,148)	1,071,181
Receivables from exchange transactions <sup>3</sup>	23,906,076	(296,428)	23,609,648
Receivables from non-exchange transactions <sup>3</sup>	16,009,479	(95,836)	15,913,643
Investment property <sup>3</sup>	155,268,500	(852,000)	154,416,500
Property, plant and equipment <sup>3</sup>	3,378,479,047	1,302,409	3,379,781,456
Payables from exchange transactions <sup>3</sup>	(79,318,587)	(698,381)	(80,016,968)
Unspent conditional grants and receipts <sup>3</sup>	(6,474,277)	44,000	(6,430,277)
Accumulated surplus <sup>3</sup>	(3,293,898,215)	15,765,586	(3,278,132,629)
	<b>230,512,450</b>	<b>-</b>	<b>230,512,450</b>

##### 2018

	As previously reported	Correction of error	Restated
Inventories <sup>3</sup>	50,094,533	(17,742,995)	32,351,538
Operating lease asset <sup>3</sup>	722,533	(26,125)	696,408
Receivables from exchange transactions <sup>3</sup>	25,188,771	(309,586)	24,879,185
Receivables from non-exchange transactions <sup>3</sup>	20,435,970	(77,679)	20,358,291
Consumer debtors <sup>3</sup>	63,126,279	1,830,811	64,957,090
Investment property <sup>3</sup>	114,846,000	(895,000)	113,951,000
Property, plant and equipment <sup>3</sup>	3,345,285,384	909,830	3,346,195,214
Payables from exchange transactions <sup>3</sup>	(97,006,590)	(1,025,757)	(98,032,347)
Unspent conditional grants and receipts <sup>3</sup>	(21,872,199)	96,039	(21,776,160)
Accumulated surplus <sup>3</sup>	(3,439,498,784)	17,240,462	(3,422,258,322)
	<b>61,321,897</b>	<b>-</b>	<b>61,321,897</b>



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### 43. Prior-year adjustments (continued)

#### Statement of financial performance

2018

	As previously reported	Correction of error	Re-classification	Restated
Service charges <sup>3</sup>	590,194,473	12,781	(95,719)	590,111,535
Rental of facilities and equipment <sup>3</sup>	12,324,087	78,387	(6,786,755)	5,615,719
Other income <sup>3</sup>	23,070,881	2,672,380	6,882,474	32,625,735
Interest received	33,307,513	-	867,189	34,174,702
Property rates <sup>3</sup>	214,845,385	917,459	-	215,762,844
Property rates - penalties imposed <sup>3</sup>	866,642	547	(867,189)	-
Government grants and subsidies <sup>3</sup>	180,668,797	52,039	-	180,720,836
Public contributions and donations <sup>3</sup>	4,847,307	(13,158)	-	4,834,149
Fines, penalties and forfeits <sup>3</sup>	31,633,676	3,948	-	31,637,624
Employee costs <sup>3</sup>	(296,535,978)	(146,107)	-	(296,682,085)
Depreciation and amortisation <sup>3</sup>	(130,034,485)	96,621	-	(129,937,864)
Impairment loss <sup>3</sup>	(4,365,588)	(542,826)	-	(4,908,414)
Lease rentals on operating lease <sup>3</sup>	(590,933)	3,411	(82,578)	(670,100)
Materials <sup>3</sup>	(38,054,292)	(2,845,734)	-	(40,900,026)
Contracted services <sup>3</sup>	(167,065,075)	(13,477)	-	(167,078,552)
General expenditure <sup>3</sup>	(54,883,767)	(255,014)	82,578	(55,056,203)
Gain/loss on disposal of assets <sup>3</sup>	28,077,096	18,754	-	28,095,850
Fair value adjustments <sup>3</sup>	10,976,754	55,000	-	11,031,754
<b>Surplus for the year</b>	<b>439,282,493</b>	<b>95,011</b>	<b>-</b>	<b>439,377,504</b>

### 44. Risk management

#### Financial risk management

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IFRSs' mainly apply. Generally, financial assets and liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Finance directorate monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk and liquidity risk. Compliance with policies and procedures are reviewed by the internal auditors on a continuous basis and annually by the external auditors. The municipality does not enter into or trade with financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

#### Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.



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### 44. Risk management (continued)

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

The municipality manages credit risk in its borrowing and investing activities by only dealing with well-established financial institutions of high credit standing, and by spreading its exposure over a range of such institutions in accordance with its approved investment policies. Credit risk relating to consumer debtors is managed in accordance with the municipality's credit control and debt collection policy. The municipality's credit exposure is spread over a large number and wide variety of consumers and is not concentrated in any particular sector or geographical area. Adequate provision has been made for anticipated bad and doubtful debts. Additional information relating to the analysis of consumer debtors is given in note 13 to the financial statements.

Financial assets exposed to credit risk at year end were as follows:

#### Counter parties with external credit rating (Fitch's):

##### Investments

F1	409,199,854	380,514,135
F2	50,523,542	44,594,781

#### Counter parties without external credit rating:

##### Receivables from exchange and non-exchange transactions

Group 1	19,060,757	15,669,193
Group 3	13,637,607	9,108,866
Group 4	20,426,526	20,459,418

##### Consumer debtors

Group 1	23,475,431	21,771,491
Group 2	1,333,636	714,599
Group 3	1,601,544	1,055,096
Group 4	47,070,855	41,415,902

##### Other assets

Group 4	20,081	30,358
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F1 = Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments.

F2 = Good credit quality. A satisfactory capacity for timely payment of financial commitments.

F3 = Fair credit quality. The capacity for timely payment of financial commitments is adequate.

Group 1 = Speculative. Minimal capacity for timely payment of financial commitments, plus vulnerability to near term adverse changes in the financial and economic conditions.

Group 2 = Fair credit quality. The capacity for timely payment of financial commitments is adequate.

Group 3 = Good credit quality. A satisfactory capacity for timely payment of financial commitments.

Group 4 = Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments.



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### 44. Risk management (continued)

#### Market risk

##### Interest rate risk

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk. Municipality policy is to maintain approximately 60% of its borrowings in fixed rate instruments. During 2019 and 2018, the municipality's borrowings at variable rate were denominated in Rand.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well established financial institutions of high credit standing. No investment with a tenure exceeding twelve months shall be made without consultation with the councillor responsible for financial matters.

Consumer debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Consumer debtors are presented net of a provision for impairment. In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Interest rate risk for trade and other payables is managed by ensuring that all payments are made within 30 days of receipt of statement, as prescribed by the MFMA.

##### Interest rate sensitivity analysis:

###### Financial assets:

If the average interest rate at a given date had been 100 basis points higher, with all other variables held constant, the fair value impact on the Statement of Financial Performance would have been R 227,718 (2018: R 210,409) with the opposite effect if the interest rate had been 100 basis points lower.

###### Financial liabilities:

If the average interest rate at a given date had been 100 basis points higher, with all other variables held constant, the fair value impact on the Statement of Financial Performance would have been R 16,462 (2018: R 24,503) with the opposite effect if the interest rate had been 100 basis points lower.

##### Cash flow interest rate risk

Financial Instrument	Current interest rate	Due in less than a year	Due in one to two years	Due in two to five years	Due after five years	Total
Trade and other receivables - normal credit terms	14.15 %	47,070,855	26,410,611	-	-	73,481,466
Cash in current banking institutions	6.25 %	533,172,574	-	-	15,280	533,187,506
Fixed interest rate instruments	10.30 %	86,017,450	84,162,487	226,397,602	330,541,201	727,118,740
Variable interest rate instruments	9.17 %	930,493	137,249	-	-	1,067,742

### 45. Unauthorised expenditure

#### Operational expenditure

There was no overspending on the total amount appropriated or the total amount per vote appropriated in the municipality's approved operational budget for the period under review.

The over expenditure incurred on capital by municipal functions during the year is attributable to the following categories:

Non-cash  
Cash



24,353,490	-
48,081	-
<b>24,396,571</b>	<b>-</b>

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### 45. Unauthorised expenditure (continued)

#### Overspending of the total amount appropriated in the municipality's approved capital budget

Electricity	8,437,520	-
Sport and recreation	15,915,970	-
Finance and administration	36,117	-
Waste management	2,191	-
Housing	4,773	-
	<u>24,396,571</u>	<u>-</u>

### 46. Fruitless and wasteful expenditure

Opening balance as previously reported	26,374	26,374
<b>Opening balance as restated</b>	<u>26,374</u>	<u>26,374</u>
Refund paid iro costs incurred relating to erf 4278	14,364	-
Less: Amount written off	(14,364)	-
<b>Closing balance</b>	<u>26,374</u>	<u>26,374</u>

A report, relating to the balance, has served before the Municipal Public Accounts Committee (MPAC) and has been referred back for more information.

#### Amounts written-off

After the council committee investigations, council adopted the council committee recommendations to write-off an amount of R 14,364 from the total fruitless and wasteful amount as it was proven without reasonable doubt that the amount was not recoverable.

### 47. Irregular expenditure

Opening balance	216,157	191,880
<b>Opening balance as restated</b>	<u>216,157</u>	<u>191,880</u>
Procuring goods and services without following the official procurement process - current	157,348	24,277
Procuring goods and services without following the official procurement process - prior period	-	-
Non-compliance with Municipal Supply Chain Regulation 32	3,624,737	-
Procuring legal services through a deviation process	340,763	-
Less: Amounts recovered - prior period	(2,193)	-
Less: Amount written off - current	(62,138)	-
Less: Amount written off - prior period	(206,464)	-
<b>Closing balance</b>	<u>4,068,210</u>	<u>216,157</u>

#### Cases under investigation

Investigations are still in progress regarding 10 (2018: 6) which are all related to non-compliance with procurement process requirements.

#### Amounts written-off

After the council committee investigations, council adopted the council committee recommendations to write-off an amount of R 270,794 from the total irregular expenditure amount as it was proven without reasonable doubt that the amount was not recoverable.



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### 48. Actual operating expenditure versus budgeted operating expenditure

Refer to Appendix E(1) and the Statement of comparison of budget and actual amounts for the comparison of actual operating expenditure versus budgeted expenditure.

### 49. Actual capital expenditure versus budgeted capital expenditure

Refer to Appendix E(2) for the comparison of actual capital expenditure versus budgeted expenditure.

### 50. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government Gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same Gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the council and includes a note to the audited annual financial statements.

SCM Policy	Description		
Clause 36(1)(a)(i)	Emergency	6,377,747	3,049,293
Clause 36(1)(a)(ii)	Available from single provider only	2,126,385	968,992
Clause 36(1)(a)(v)	Impractical or impossible to follow the normal procurement process	12,456,573	7,748,135
		<b>20,960,705</b>	<b>11,766,420</b>

The detailed deviations are available for inspection in the monthly, quarterly and annual reports tabled in council.

### 51. Multi-employer retirement benefit information

Overstrand Municipality makes provision for post-retirement benefits to eligible councillors and employees, who belong to different pension schemes.

One councillor belongs to the Pension Fund for Municipal Councillors.

Employees belong to a variety of approved Pension and Provident Funds as described below.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution schemes.

All of these afore-mentioned funds are multi-employer plans and are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

The total expense recognised in the Statement of Financial Performance of R48.9 million (2018: R11.5 million) represents contributions payable to these plans by the municipality at rates specified in the rules of the plans. These contributions have been expensed.

#### DEFINED BENEFIT SCHEMES

##### LA Retirement Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2018. The scheme both operates a defined benefit and defined contribution scheme.

##### Defined Benefit Scheme:

The contribution rate payable under the defined benefit section is 27%, 9% by the members and 18% (up to 31 January 2012) and 23.06% (from 1 February 2012) by their councils. The actuarial valuation report at 30 June 2018 disclosed an actuarial valuation amounting to R1.776 billion (2017 : R1.859 billion), with a net accumulated surplus of R63.423 million (2017 : R46.989 million), with a funding level of 103.7% (2017 : 102.6%).

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### 51. Multi-employer retirement benefit information (continued)

#### Defined Contribution Scheme:

The actuarial valuation report at 30 June 2018 indicated that the defined contribution scheme of the fund is in a sound financial position, with a assets amounting to R2.018 billion (2017 : R1.911 billion), net investment reserve of R0 million (2017: R0 million) and a funding level of 100.0% (2017: 100%).

#### South African Local Authorities Pension Fund (SALA):

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 1 July 2018.

The statutory valuation performed as at 1 July 2018 revealed that the assets of the fund amounted to R14.299 billion (2015 : R13.231 billion), with funding levels of 96% (2015 : 100%). The contribution rate paid by members was 9% and by Council 18% and is sufficient to fund the benefits accruing from the fund in the future. The next statutory valuation of the Fund is due on 1 July 2019.

#### DEFINED CONTRIBUTION SCHEMES

#### Consolidated Retirement Fund for Local Government:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2017.

The statutory valuation performed as at 30 June 2017 revealed that the assets of the fund amounted to R21.359 billion (2016 : R20.075 billion), with funding levels of 100.3% and 127.3% (2016 : 100.5% and 118.0%) for the Share Account and the Pensions Account respectively. The contribution rate paid by the members (8%) and the municipalities (19%) is sufficient to fund the benefits accruing from the fund in the future.

#### Municipal Councillors Pension Fund:

The scheme is subject to an actuarial valuation every three years. The last statutory valuation was performed as at 30 June 2015.

The statutory valuation performed as at 30 June 2015 revealed that the assets of the fund amounted to R2.552 billion (2014 : R2.229 billion) with funding levels of 101.08% (2014 : 98.83%). The contribution rate paid by the members (13.75%) and the municipalities (15.00%) is sufficient to fund the benefits accruing from the fund in the future.

#### South African Municipal Workers Union National Provident Fund:

The last statutory valuation was performed as at 30 June 2017.

The statutory valuation performed as at 30 June 2017 revealed that the assets of the fund amounted to R7.721 billion (2014 : R6.574 billion) with funding levels of 102.0% (2014 : 111.7%). The contribution rate paid by the members not less than 7.50% and Council not less than 18.00% is sufficient to fund the benefits accruing from the fund in the future.

### 52. Awards to close family members of persons in the service of the state

Refer to page 64 for detail relating to awards made to close family members of persons in the service of the state for the year ended 30 June 2019.

### 53. Distribution losses

**Water  
Technical losses**  
Rand value  
No. of units (kl)  
% loss

182,326	262,104
222,190	163,145
3.17%	2.41%



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<b>53. Distribution losses (continued)</b>		
<b>Non-technical losses</b>		
Rand value	2,126,488	1,870,193
No. of units (kl)	1,478,668	1,310,939
% loss	21.08 %	19.35 %
<b>Electricity</b>		
<b>Technical losses</b>		
Rand value	9,478,011	8,669,675
No. of units (kWh)	12,827,152	12,550,195
% loss	5.00 %	5.00 %
<b>Non-technical losses</b>		
Rand value	2,741,394	212,634
No. of units (kWh)	3,710,090	307,817
% loss	1.45 %	0.12 %

Non-technical water losses to the amount of R2,126,487 (21.08%) (2018: R1,870,193 (19.35%)) were incurred as a result of unmetered connections, ageing pipeline infrastructure, burst pipes, old reticulation networks and other leakages. Technical water losses to the amount of R182,326 (3.17%) (2018: R262,104 (2.41%)).

Electricity losses to the amount of R9,478,011 (5.00%) (2018: R8,669,675 (5.00%)) were incurred as a result of technical losses caused by the nature of electricity and the manner of its distribution, via the network, status/condition and age of the network, weather conditions and load on the system as well as non-technical losses, e.g. theft and vandalism, to the amount of R2,741,394 (1.45%) (2018: R212,634 (0.12%)).

### 54. Budget variances

#### Material variances between budget and actual amounts

#### Changes from the approved budget to the final budget

The changes between the approved and final budget are a consequence of changes in the overall budget parameters.

#### Explanations for variances greater than 10% between budget and actual figures

#### Statement of Comparison of Budget and Actual Amounts

##### Revenue:

Other income - 10.21% - Insurance claims received in excess of estimate.

Investment revenue - 42.70% - Slower capital budget implementation, increased interest on outstanding consumer debtors and more cash available for investing.

Public contributions and donations - 100% - Non-cash contributions primarily from electricity turnkey projects and Hermanus sports complex infrastructure that vested to the municipality.

Fines, penalties and forfeits - (18.00%) - Less fines issued.

##### Expenditure:

Impairment loss/reversal of impairments - 100% - The budget format does not provide a separate item for impairment loss as it is budgeted together with depreciation, but is shown separately in the financial statements.

Debt impairment - (23.60%) - Reduced impairment of fines due to less fines issued.



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### 54. Budget variances (continued)

Lease rentals on operating leases - (121.43%) - Reduced expenditure due to the termination of certain leases.

Materials – (11.82%) – More top structures expenditure transferred to housing inventory than transfers to beneficiaries.

Transfers and subsidies - (15.52) - Less paid out to organisations

Inventory - (10.30%) - More Top Structures expenditure transferred to Housing Inventory than transfers to beneficiaries

General expenses – (11.42%) – General cost savings and efficiencies.

#### Other revenue and costs:

Loss on disposal of assets - 100% - Budgeting subject to impracticalities for the determination of the outcome in advance.

Fair value - 234.76% - Budgeting subject to impracticalities for the determination of the outcome in advance.

#### Statement of financial position:

Inventory – (12.62%) - Less housing inventory transferred to beneficiaries.

Receivables from exchange, receivables from non-exchange, operating leases and VAT - 21.28% - (in total, but individual items are below and above 10%) - The budget template does not provide for detail splitting of the various types of receivables therefore it is shown as one line item in the budget, but separate line items in the financial statements. All these items need to be seen as a whole to determine the actual variance. The major influence on this variance relates to the raising of a debtor for Provincial Housing Grant Funding, which was settled in July 2019 and VAT receivable.

Other assets (Long term and short term portion) – 0% (in total, but individually above 10%).

Intangible assets - 42.19% - Expenditure higher than estimated.

Unspent conditional grants – 231.31% - Budgeting subject to impracticalities for the determination of the outcome in advance, such as the Disaster Management Grant received in June 2019 in respect of 2019/2020.

#### Cash flow statement:

Interest income - 39.67% - Slower capital budget implementation, increased interest on outstanding debtors and more cash available for investing.

Other receipts - 60.42% - Public contributions of R26,9m received.

Proceeds on sale of assets (PPE, Investment property, heritage and intangible assets) - (100.0%) - The budget does not provide a separate item for the proceeds of other types of assets and therefore it is included with the proceeds of property, plant and equipment, if any. These items need to be seen as a whole to determine the actual variance. Budgeting is subject to impracticalities for the determination of the outcome in advance.

Movement in financial assets - (16.32%) - Fair Value of Sinking Fund is subject to market forces.

### 55. B-BBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

### 56. Events after the reporting date

On 2 October 2019 it was discovered that the Zwelihle Library was in a state of demolition. As at 30 June 2019 the building had a carrying value of R2,204,246 and will be subsequently impaired.



AUDITOR-GENERAL  
SOUTH AFRICA

# Overstrand Municipality

Audited Annual Financial Statements for the year ended 30 June 2019

## Notes to the Audited Annual Financial Statements

Figures in Rand

2019

2018

### 57. Public-private partnership

#### Gansbaai Landfill Site

The municipality entered into a public-private partnership during the 2010/11 financial year. The service consists of the chipping of garden waste to reduce the transportable volume and the hauling by road of all waste from the Public Drop-offs at Stanford and Pearly Beach to the Gansbaai Landfill as well as the operation of these two Public Drop-offs and the Gansbaai Landfill. The agreement was for a period of eight years ending on 30 November 2018, further extended and terminated on 28 February 2019.

The following facilities were made available to the Contractor:

#### Gansbaai Landfill Site:

Weighbridge, Office, ablution facilities, kitchen, Material Recovery Facility, Public Drop-off and limited container storage,

#### Stanford Drop-off:

Access Control Building, ablution facilities and limited container storage

#### Pearly Beach Drop-off:

Access Control Building, ablution facilities and limited container storage.

Equipment and materials made available to the Service Provider by the Employer, or purchased by the Service Provider with funds provided by the Employer for the performance of the Services shall be the property of the Employer and shall be marked accordingly.



NOTE 52. (CONTINUED)

RELATIONS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE IN ACCORDANCE WITH SECTION 25(4)(b) OF THE POLICY AND THE YEAR ENDED 30.06.2018

No.	Creditor Name	Relations hip	Person in The Service Of The State	Capacity	2018/2019	2017/2018
1	A2 Loodjeters Cc	Spouse	Beatrix Magdalena Nel	Prison Warden (Department of Correctional Services)	792,263.99	2,473,630.38
2	Appel VM	Spouse	Delcia Appel	Marketing & Communications Officer (SANBI)	235,725.00	80,760.00
3	Arendse RW	Spouse	Esmarilda Arendse	Teacher (Department of Education)	527,183.40	568,714.08
4	Aurecon	Spouse	WZ Erasmus	Manager (Cape Nature)	1,914,281.89	-
5	Bergstan South Africa	Spouse	Jacqueline Reukes	Social Worker (Department of Social Services)	-	80,171.64
6	Boland Valuers CC	Spouse	Ester Groenewald	Part time Councillor (Stellenbosch Municipality)	338,436.60	243,800.00
7	Conlog (Pty) Ltd	Spouse	Mrs N Moodley	Director: Informatics - GIS	28,830.50	8,223.18
8	CSM Consulting Services (Pty) Ltd	Child	Andre Vancolle	Chief Town Planner (Department of Environmental)	-	46,975.00
9	D & J Vervoer	Parent	JC Vermeulen (Hate)	Accountant: Revenue (Overstrand Municipality)	-	45,298.15
10	Du Plessis AA (Angles Catering)	Child	Bronwyn Du Plessis	Temp LED (Overstrand Municipality)	28,455.00	18,760.00
11	Engelbrecht & Scorgie Tekenkantoor BK	Spouse	Carlow Engelbrecht	ICT Administrator (Overstrand Municipality)	-	385,297.34
12	Four Help Enterprise	Spouse	Stephen Williams & M	Clerk: Operational (Overstrand Municipality)	245,907.85	67,812.00
13	Greater Overberg Fire Protection Association	Child	Dr Pam Albertyn	National Parks	37,887.10	54,272.00
14	Henry Moses Spandiel Projects	Spouse	EC Spandiel	Teacher (Western Cape Dept of Education)	1,084,327.86	812,222.54
15	Heneke EA (Eleanor's Catering Service)	Brother	Lionel Heneke	Paramedic (Western Cape Dept of Health)	54,230.00	-
16	Kapa Reticulation & Flow	Spouse	Sophia Frances Anita Davids	Teacher (Department of Education)	5,642,525.38	4,366,727.52
17	Jordan BJ	Spouse	Merle Jordan	Teacher (Depart of Western Cape)	-	8,500.00
18	Jc Refrigeration - Cape (Pty) Ltd	Spouse	Hayline Esterhuizen	Captain (South African Police Services)	179,150.00	-
19	Kareise G (Glenwan Kareise Cleaning Services)	Brother	Wille Kareise	Truck driver (Overstrand Municipality)	30,060.00	-
20	KLF Services and Suppliers (Pty) Ltd	Spouse	Imogene Bridgette Fijali	Control Room Officer (Overstrand Municipality)	20,780.00	-
21	Kreesean Investments (Pty) Ltd	Parent	Sivalingum Subramoney	Deputy Director (Department of Correctional Services)	31,600.00	-
22	Main En Sea, Glades Elanndomme CC	Spouse	Carlow Engelbrecht	ICT Administrator (Overstrand Municipality)	20,792.58	-
23	Masiphume Trading 77 CC	Child	Simplice Gxiliha	Teacher (Department of Education)	5,750.25	3,377.25
24	Mixitec CC	Spouse	Riana Steenkamp	Media Liaison Officer (Overstrand Municipality)	264,157.05	190,535.08
25	Nco Environmental Services	Spouse	Chandre Rhoda	Head of Invasive Species Programme (City of Cape Town)	39,224.95	65,298.60
26	Nel MM	Spouse	JG Nel, Gbaal Admin.	General Worker (Overstrand Municipality)	-	8,330.00
27	Nidrxis Services (Pty) Ltd	Spouse	Xolani Gqoli	Sergeant (South African Police Services)	170,480.00	24,150.00
28	Oliver MK (DJ Magle)	Parent	Lewis Adonis	Driver: Refuse - Kleinmond (Overstrand Municipality)	24,500.00	39,050.00
29	Piston Power Chemicals CC	Spouse	Nobra Andree	Teacher (Department of Education)	186,607.76	-
30	PJ Bookbinders	Child	Simone Barnes	Org. Development Practitioner: Dept of Premier	20,935.75	18,725.30
31	Premises	Spouse	Charlotte Hector	Quality Assessor (NHBRC)	20,294.19	41,825.13
32	Quintessential Security CC	Spouse	Hannie Van Tonder	Manager: Council Support Services (Overstrand Municipality)	525,697.90	3,694,943.53
33	Rhode Bros Steel Projects CC	Child	Don Rhode	Police Officer (South African Police Services)	120,885.00	70,000.00
34	Rita du Toit Recruitment Advertising	Spouse	Leon Egbert du Toit	Chief Inspector (Department of Agriculture)	-	20,057.05
35	Sa Employment Law Services CC	Spouse	Gertruda Aletta Bukendag	Head: Payroll & Personnel (City of Cape Town)	11,131.00	18,079.60
36	Sales A	Spouse	Eimarie Sales	Personal Assistant (Department of Social Development)	7,740.00	10,060.00
37	Ukhato Projects (Pty) Ltd	Spouse	Celeste Harding	Administrator (Overstrand Municipality)	-	99,625.13
38	Sobantu M	Spouse	Nomabhele Sobantu	Clerk (South African Police Services)	14,760.00	33,470.00
39	Sound Works Hermanus (Pty) Ltd	Parent	JD Mitchell	Fireman (Theewaterskloof Municipality)	53,320.00	32,280.12
40	Swart JI	Spouse	Madelein Swart	Administrator (Overstrand Municipality)	8,400.00	6,000.00
41	Swartz L	Child	Carla Swartz	Administrator (Overstrand Municipality)	-	10,610.00
42	Technology Corporate Management (Pty) Ltd	Child	Zeth Malele	Manager: Marketing (Brand South Africa)	67,887.07	-
43	Tech International Holdings (Pty) Ltd	Spouse	Eugene Hlongwane	Manager: Solid Waste Management (City of Cape Town)	923,465.85	-
44	Uylensiel Retreat	Spouse	Ms JP Van Deventer	Teacher (Department of Education)	32,390.00	18,870.00
45	Vermaak EW	Spouse	JMC Vermaak	Pharmacist (Department of Health)	48,240.00	-
46	Wab Printmedia (Pty) Ltd	Spouse	Adaline Brink	Manager: Corporate Services-Drakenstein Muni.	41,056.50	14,060.00
47	Wally's Paralelters	Spouse	Jonelle Williams (Traffic)	Clerk: Traffic Department (Overstrand Municipality)	22,016.00	13,625.35
48	Eyona Khoza Trading (Pty) Ltd	Spouse	Ronald Williams	Prison Warden (Department of Correction Services)	-	5,500.00
49	GIBB (Pty) Ltd	Spouse	Alan Moon	Head of Business Continuity (City of Cape Town)	5,140,991.00	4,961,243.86
		Spouse	Sonnicka Olliers	Teacher (Western Cape Dept of Education)		
		Spouse	Nokuthula Mkhize	Accounting Clerk ( Department of Water Affairs )		
		Parent	Irma Brink	Teacher (Free State Dept of Education)		
		Spouse	Nkosinathi Mzizya	Prison Warden (Department of Correction Services)		
		Spouse	Jacqueline Gooch	Head of Department ( Department of Transport)		
		Spouse	Unathi Lekonyana	Deputy Director: Grant Monitoring (National Treasury)		
50	AKV Services (Pty) Ltd	Spouse	Rajiv Beharie	Senior Engineer (ESKOM)	144,000.00	-
51	Nedbank	Spouse	K Naidoo	Head of Department ( Department of Education)	Rates based	Rates based
		Spouse	C Vlotman	Police Officer (South African Police Services)		
52	Red Ant Security, Relocation And Eviction Services (Pty) Ltd	Brother	MM Matogane	Project Manager	663,174.93	-
		Spouse	B Radebe	Director		

19,778,964.64 18,840,741.82



AUDITOR-GENERAL SOUTH AFRICA

**Overstrand Municipality  
Appendix A**

**Schedule of external loans as at 30 June 2019**

Loan Number	Redeemable	Balance at 2018/06/30	Received during the period	Redeemed written off during the period	Balance at 2019/06/30
		Rand	Rand	Rand	Rand
<b>Development Bank of Southern Africa</b>					
DBSA @ 9.292%	13535/102	2020	628,195	-	314,097
DBSA @ 9.292%	13543/101	2019	547,229	-	273,615
DBSA @ 8.992%	13761/101	2020	651,861	-	260,744
DBSA @ 9.860%	102169/1	2022	7,111,514	-	1,529,975
DBSA @ 10.920%	103946/1	2026	32,000,000	-	4,000,000
DBSA @ 10.600%	103946/2	2026	100,000,000	-	-
DBSA @ 11.833%	61007348	2030	28,115,939	-	1,078,537
DBSA @ 10.728%	61007381	2030	28,607,614	-	1,180,390
DBSA @ 10.205%	61007382	2030	29,611,101	-	1,264,375
DBSA @ 9.240%	61007559		-	54,000,000	-
			<b>227,273,453</b>	<b>54,000,000</b>	<b>9,901,733</b>
					<b>271,371,720</b>
<b>Annuity loans</b>					
INCA @ 10.090%		2022	26,053,293	-	5,585,636
ABSA @ 10.440%	4073054262	2024	23,357,122	-	2,974,187
ABSA @ 10.820%	4073923493	2024	24,786,384	-	3,124,758
ABSA @ 10.380%	0387230981	2024	43,005,303	-	4,924,051
ABSA @ 9.110%	0387230982	2028	25,358,935	-	1,645,121
ABSA @ 7.920%	0387230983	2020	2,401,584	-	1,154,248
ABSA @ 10.940%	0387230984	2029	34,525,579	-	1,744,167
ABSA @ 9.690%	0387230985	2021	714,390	-	216,019
ABSA @ 9.950%	0387230986	2030	31,259,288	-	1,446,732
ABSA @ 9.200%	0387230987	2022	3,370,726	-	731,797
			<b>214,832,604</b>	<b>-</b>	<b>23,546,716</b>
					<b>191,285,888</b>
<b>Total external loans</b>					
Development Bank of Southern Africa			227,273,453	54,000,000	9,901,733
Annuity loans			214,832,604	-	23,546,716
			<b>442,106,057</b>	<b>54,000,000</b>	<b>33,448,449</b>
					<b>462,657,608</b>



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*  
29 November 2019

**Overstrand Municipality  
Appendix B**



Auditing to build public confidence  
29 November 2019

**Analysis of property, plant and equipment as at 30 June 2019  
Cost/Revaluation**

**Accumulated depreciation**

	Opening Balance Rands	Additions Rands	Disposals Rands	Transfers Rands	Fair value Rands	Other changes, movements Rands	Closing Balance Rands	Opening Balance Rands	Disposals Rands	Transfers Rands	Depreciation Rands	Impairment loss Rands	Closing Balance Rands	Carrying value Rands
<b>Land end buildings</b>														
Land (Separate for AFS purposes)	348,443,609	1,427,636	(5,154)	(3,167,421)	-	-	346,689,670	(425,208)	-	-	-	-	(425,208)	346,273,462
Buildings (Separate for AFS purposes)	151,575,127	227,607	-	-	-	-	151,806,734	(56,984,759)	-	-	(3,800,992)	-	(60,785,721)	91,021,013
	<b>500,022,736</b>	<b>1,655,243</b>	<b>(5,154)</b>	<b>(3,167,421)</b>	<b>-</b>	<b>-</b>	<b>498,506,404</b>	<b>(57,409,967)</b>	<b>-</b>	<b>-</b>	<b>(3,800,992)</b>	<b>-</b>	<b>(61,210,929)</b>	<b>437,294,475</b>
<b>Infrastructure</b>														
Roads, Pavements & Bridges	1,515,095,154	49,089,220	(2,072,848)	-	-	-	1,561,095,726	(460,786,515)	2,072,848	-	(32,824,984)	(898,332)	(492,237,183)	1,068,858,543
Storm water	303,395,381	4,954,812	-	-	-	-	308,351,193	(101,525,798)	-	-	(5,826,699)	-	(107,352,497)	200,998,696
Electricity	1,028,868,558	27,168,863	-	-	-	-	1,056,055,421	(505,914,870)	-	-	(24,985,216)	-	(530,880,086)	525,175,335
Water purification	1,037,127,872	12,270,442	(816,302)	-	-	-	1,048,581,812	(565,760,558)	816,302	-	(27,430,236)	(281,921)	(872,666,713)	485,975,089
Sewerage purification	663,622,843	31,113,013	(819,121)	-	-	-	694,116,735	(286,380,279)	819,122	-	(16,980,142)	(277,825)	(302,366,924)	381,877,811
Other	54,170,149	39,452	-	-	-	-	64,209,601	(23,866,870)	-	-	(3,842,664)	-	(27,709,334)	26,500,267
	<b>4,992,502,757</b>	<b>123,615,802</b>	<b>(3,708,071)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,712,410,488</b>	<b>(1,934,244,950)</b>	<b>3,708,072</b>	<b>-</b>	<b>(111,279,841)</b>	<b>(1,207,878)</b>	<b>(2,043,024,737)</b>	<b>2,669,385,751</b>
<b>Community Assets</b>														
Other	302,818,502	29,070,631	-	-	-	-	331,889,133	(119,196,230)	-	-	(8,170,418)	-	(127,386,646)	204,522,487
	<b>302,818,502</b>	<b>29,070,631</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>331,889,133</b>	<b>(119,196,230)</b>	<b>-</b>	<b>-</b>	<b>(8,170,418)</b>	<b>-</b>	<b>(127,386,646)</b>	<b>204,522,487</b>
<b>Heritage assets</b>														
Other	133,432,197	-	-	-	-	-	133,432,197	(9,250,000)	-	-	-	-	(9,250,000)	124,182,197
	<b>133,432,197</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>133,432,197</b>	<b>(9,250,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,250,000)</b>	<b>124,182,197</b>
<b>Other assets</b>														
General vehicles	66,425,779	15,045,089	(328,947)	-	-	-	83,141,901	(18,938,650)	328,946	-	(3,292,411)	(223,947)	(22,128,062)	61,015,839
Plant & equipment	8,690,915	1,120,138	-	-	-	-	9,811,053	(5,148,551)	-	-	(738,658)	-	(5,887,209)	3,923,844
Office Equipment	22,564,072	2,180,128	(88,080)	-	-	-	24,656,120	(13,891,164)	49,158	-	(1,852,123)	(12,529)	(15,706,628)	8,949,462
	<b>99,680,766</b>	<b>18,345,335</b>	<b>(417,027)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117,809,074</b>	<b>(37,978,365)</b>	<b>378,104</b>	<b>-</b>	<b>(5,883,192)</b>	<b>(236,476)</b>	<b>(43,719,929)</b>	<b>73,869,145</b>
<b>Total property plant and equipment</b>	<b>5,628,458,958</b>	<b>172,687,011</b>	<b>(4,130,252)</b>	<b>(3,167,421)</b>	<b>-</b>	<b>-</b>	<b>5,793,848,286</b>	<b>(2,156,079,552)</b>	<b>4,086,176</b>	<b>-</b>	<b>(128,134,811)</b>	<b>(1,444,954)</b>	<b>(2,264,572,241)</b>	<b>3,509,274,055</b>
<b>Land and buildings</b>														
Infrastructure	500,022,736	1,655,243	(5,154)	(3,167,421)	-	-	498,506,404	(57,409,967)	-	-	(3,800,992)	-	(61,210,929)	437,294,475
Community Assets	302,818,502	29,070,631	-	-	-	-	331,889,133	(119,196,230)	-	-	(8,170,418)	-	(127,386,646)	204,522,487
Heritage assets	133,432,197	-	-	-	-	-	133,432,197	(9,250,000)	-	-	-	-	(9,250,000)	124,182,197
Other assets	99,680,766	18,345,335	(417,027)	-	-	-	117,809,074	(37,978,365)	378,104	-	(5,883,192)	(236,476)	(43,719,929)	73,869,145
	<b>500,022,736</b>	<b>1,655,243</b>	<b>(5,154)</b>	<b>(3,167,421)</b>	<b>-</b>	<b>-</b>	<b>498,506,404</b>	<b>(57,409,967)</b>	<b>-</b>	<b>-</b>	<b>(3,800,992)</b>	<b>-</b>	<b>(61,210,929)</b>	<b>437,294,475</b>
<b>Intangible assets</b>														
Computers - software & programming	7,065,727	2,422,704	-	-	-	-	9,488,431	(2,726,836)	-	-	(524,840)	-	(3,251,676)	6,236,755
Other	2,360,000	-	-	-	-	-	2,360,000	-	-	-	-	-	-	2,360,000
	<b>9,425,727</b>	<b>2,422,704</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,848,431</b>	<b>(2,726,836)</b>	<b>-</b>	<b>-</b>	<b>(524,840)</b>	<b>-</b>	<b>(3,251,676)</b>	<b>8,596,755</b>

**Overstrand Municipality  
Appendix C**

**Segmental analysis of property, plant and equipment as at 30 June 2019  
Accumulated Depreciation  
Cost/Revaluation**

	Opening Balance		Additions		Disposals		Transfers		Fair value		Closing Balance		Opening Balance		Disposals		Transfers		Depreciation		Impairment loss		Closing Balance		Carrying value								
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand						
<b>Municipality</b>																																	
Finance & Admin/Finance	858,512,426	22,423,282	(422,181)	(3,167,421)	5,746,500	881,092,608	(107,365,168)	378,104	(10,208,894)	(286,476)	(117,492,834)	763,660,072																					
Comm. & Social/Libraries and archives	302,818,502	29,070,631	-	-	-	331,889,133	(119,196,230)	-	(6,170,416)	-	(127,366,646)	204,522,487																					
Waste Water Management/Sewerage	957,219,224	38,087,825	(819,121)	-	-	982,467,928	(387,916,077)	819,122	(22,216,841)	(277,625)	(409,691,421)	592,876,507																					
Road Transport/Roads	1,515,069,154	48,068,220	(2,072,648)	-	-	1,661,065,726	(460,786,515)	2,072,648	(32,824,954)	(698,332)	(492,237,183)	1,068,858,543																					
Water/Water Distribution	1,037,127,872	12,270,442	(816,302)	-	-	1,046,581,812	(555,760,858)	816,302	(27,430,236)	(231,921)	(582,906,713)	465,975,098																					
Electricity /Electricity Distribution	1,028,866,558	27,168,863	-	-	-	1,056,035,421	(505,914,870)	-	(24,965,216)	-	(630,880,086)	525,175,385																					
Waste management/Refuse	54,170,149	39,452	-	-	-	54,209,601	(23,866,670)	-	(3,842,664)	-	(27,709,334)	28,500,267																					
<b>Total</b>	<b>5,761,833,686</b>	<b>175,108,715</b>	<b>(4,130,252)</b>	<b>(3,167,421)</b>	<b>5,746,500</b>	<b>5,925,392,227</b>	<b>(2,160,806,388)</b>	<b>4,086,176</b>	<b>(129,659,351)</b>	<b>(1,444,354)</b>	<b>(2,287,823,917)</b>	<b>3,637,568,310</b>																					
<b>Municipality</b>																																	
Finance & Admin/Finance	5,751,833,686	175,108,715	(4,130,252)	(3,167,421)	5,746,500	5,925,392,227	(2,160,806,388)	4,086,176	(129,659,351)	(1,444,354)	(2,287,823,917)	3,637,568,310																					
<b>Total</b>	<b>5,751,833,686</b>	<b>175,108,715</b>	<b>(4,130,252)</b>	<b>(3,167,421)</b>	<b>5,746,500</b>	<b>5,925,392,227</b>	<b>(2,160,806,388)</b>	<b>4,086,176</b>	<b>(129,659,351)</b>	<b>(1,444,354)</b>	<b>(2,287,823,917)</b>	<b>3,637,568,310</b>																					



**AUDITOR-GENERAL  
SOUTH AFRICA**

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**Overstrand Municipality  
Appendix B**

**Analysis of property, plant and equipment as at 30 June 2019  
Cost/Revaluation**

**Accumulated depreciation**

	Opening Balance Rand	Additions		Disposals		Transfers		Fair value		Other changes, movements		Closing Balance		Opening Balance		Disposals		Transfers		Depreciation		Impairment loss		Closing Balance		Carrying value		
		Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
<b>Investment properties</b>																												
Investment property	113,951,000	-	-	-	5,746,500	-	-	-	-	-	-	-	119,697,500	-	-	-	-	-	-	-	-	-	-	-	-	-	119,697,500	
<b>Total</b>	<b>113,951,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,746,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,697,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,697,500</b>		
Land and buildings	500,022,736	1,655,243	(5,154)	(3,167,421)	-	-	-	-	-	-	-	498,505,404	(57,409,967)	-	-	-	-	-	-	-	(3,800,952)	(1,207,878)	-	-	(81,210,928)	437,294,475		
Infrastructure	4,592,502,757	123,615,802	(3,708,071)	-	-	-	-	-	-	-	-	4,712,410,488	(1,934,244,950)	3,708,072	-	-	-	-	-	-	(111,279,941)	-	-	-	(2,043,024,737)	2,669,385,751		
Community Assets	302,818,502	29,070,631	-	-	-	-	-	-	-	-	331,889,133	(118,196,230)	133,432,197	(9,250,000)	-	-	-	-	-	-	(8,170,418)	-	-	-	(127,366,646)	204,522,487		
Heritage assets	133,432,197	-	-	-	-	-	-	-	-	-	133,432,197	(9,250,000)	117,609,074	(37,978,365)	-	-	-	-	-	-	(5,883,192)	(236,476)	-	-	(43,719,923)	73,889,145		
Other assets	99,680,766	18,345,395	(417,027)	-	-	-	-	-	-	-	117,609,074	(37,978,365)	11,848,431	(2,726,836)	-	-	-	-	-	-	(524,840)	-	-	-	(3,251,876)	8,596,755		
Intangible assets	9,425,727	2,422,704	-	-	-	-	-	-	-	-	11,848,431	(2,726,836)	119,697,500	-	-	-	-	-	-	-	-	-	-	-	-	119,697,500		
Investment properties	113,951,000	-	-	-	5,746,500	-	-	-	-	-	-	119,697,500	-	-	-	-	-	-	-	-	(128,659,351)	(1,444,354)	-	-	(2,287,823,917)	3,637,568,310		
	<b>5,761,838,085</b>	<b>175,108,716</b>	<b>(4,130,252)</b>	<b>2,579,079</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,925,392,227</b>	<b>(2,160,806,398)</b>	<b>4,066,176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(128,659,351)</b>	<b>(1,444,354)</b>	<b>-</b>	<b>-</b>	<b>(2,287,823,917)</b>	<b>3,637,568,310</b>		



**AUDITOR-GENERAL  
SOUTH AFRICA**

Auditing to build public confidence  
28 November 2019

**Overstrand Municipality  
Appendix D**

**Segmental Statement of Financial Performance for the year ended 30 June 2019**  
**Prior Year** **Current Year**

<b>Actual Income</b>	<b>Actual Expenditure</b>	<b>Surplus / (Deficit)</b>		<b>Actual Income</b>	<b>Actual Expenditure</b>	<b>Surplus / (Deficit)</b>
<b>Rand</b>	<b>Rand</b>	<b>Rand</b>		<b>Rand</b>	<b>Rand</b>	<b>Rand</b>
<b>Functions</b>						
21,598,636	24,779,537	(3,180,901)	Executive and Council	39,901,317	55,957,426	(16,056,109)
313,490,470	161,882,133	151,608,337	Finance and Administration	372,977,028	163,546,715	209,430,313
14,259,224	85,205,372	(70,946,148)	Planning and Development	14,034,314	36,781,887	(22,747,573)
-	-	-	Internal Audit	86,460	2,667,844	(2,581,384)
4,148,780	33,855,507	(29,706,727)	Community and Social Services	8,471,058	16,971,724	(8,500,666)
56,186,314	12,588,702	43,597,612	Housing	47,457,067	18,299,479	29,157,588
40,605,211	73,286,398	(32,681,187)	Public Safety	2,817,746	43,920,849	(41,103,103)
8,217,635	18,306,801	(10,089,166)	Sport and Recreation	29,227,378	43,904,713	(14,677,335)
22,169	5,705,407	(5,683,238)	Environmental Protection	294,953	6,820,973	(6,526,020)
95,069,965	64,937,052	30,132,913	Waste Water Management	110,676,558	99,416,701	11,259,857
8,969,603	91,196,805	(82,227,202)	Road Transport	37,854,781	140,112,662	(102,257,881)
125,311,786	66,052,168	59,259,618	Water	145,980,226	122,989,424	22,990,802
380,758,022	295,385,999	85,372,023	Energy Sources	419,560,383	365,115,031	54,445,352
72,638,810	63,963,892	8,674,918	Waste Management	76,776,550	81,024,260	(4,247,710)
-	-	-	Other: Tourism	-	3,031,175	(3,031,175)
<b>1,141,276,625</b>	<b>997,145,773</b>	<b>144,130,852</b>		<b>1,306,115,819</b>	<b>1,200,560,863</b>	<b>105,554,956</b>
<b>Other charges</b>						
-	-	-	Departmental charges	(91,989,230)	(91,989,230)	-
-	-	-		<b>(91,989,230)</b>	<b>(91,989,230)</b>	<b>-</b>
1,141,276,625	997,145,773	144,130,852	Functions	1,306,115,819	1,200,560,863	105,554,956
-	-	-	Other charges	(91,989,230)	(91,989,230)	-
<b>1,141,276,625</b>	<b>997,145,773</b>	<b>144,130,852</b>	<b>Total</b>	<b>1,214,126,589</b>	<b>1,108,571,633</b>	<b>105,554,956</b>



**AUDITOR - GENERAL  
SOUTH AFRICA**

**Overstrand Municipality  
Appendix E(1)**

**Actual versus Budget(Revenue and Expenditure) for the year ended  
30 June 2019**

	<b>Act. Bal.</b>	<b>Adjusted budget</b>	<b>Variance</b>		<b>Explanation of Significant Variances greater than 10% versus Budget</b>
	<b>Rand</b>	<b>Rand</b>	<b>Rand</b>	<b>Var</b>	
<b>Revenue</b>					
Service charges	648,200,079	624,718,100	23,481,979	3.8	
Rental of facilities and equipment	6,340,863	5,842,802	498,061	8.5	
Agency services	4,912,994	4,526,000	386,994	8.6	
Licences and permits	2,526,365	2,446,700	79,665	3.3	
Property rates	233,274,257	234,998,400	(1,724,143)	(0.7)	
Government grants and subsidies	185,036,029	184,258,489	777,540	0.4	
Public contributions	26,418,172	250,001	26,168,171	10,467.2	Non-cash contributions primarily from electricity turnkey projects and Hermanus sports complex infrastructure that vested to the municipality.
Fines, penalties and forfeits	24,734,386	30,164,902	(5,430,516)	(18.0)	Less fines issued.
Other income	30,028,074	27,247,395	2,780,679	10.2	Insurance claims received in excess of estimate.
Interest received - investment	45,928,236	32,905,399	13,022,837	39.6	Slower capital budget implementation, increased interest on outstanding consumer debtors and more cash available for investing.
Interest received - other	31,870	1,100	30,770	2,797.3	Interest received on Eskom deposits
	<b>1,207,431,325</b>	<b>1,147,359,288</b>	<b>60,072,037</b>	<b>5.2</b>	
<b>Expenses</b>					
Employee related costs	(367,857,726)	(375,805,125)	7,947,399	(2.1)	
Remuneration of councillors	(10,573,228)	(10,972,260)	399,032	(3.6)	
Depreciation	(129,134,511)	(129,709,455)	574,944	(0.4)	
Amortisation	(524,840)	(652,783)	127,943	(19.6)	
Impairments	(1,444,354)	-	(1,444,354)	100.0	The budget format does not provide a separate item for impairment loss as it is budgeted together with depreciation, but shown separate in the financial statements.
Finance costs	(44,920,621)	(47,834,480)	2,913,859	(6.1)	
Debt Impairment	(17,948,502)	(23,492,000)	5,543,498	(23.6)	Reduced impairment of fines due to less fines issued.
Lease rentals	(330,049)	(1,550,773)	1,220,724	(78.7)	Reduced expenditure due to the termination of certain leases.
Bulk purchases	(242,613,624)	(242,613,627)	3	-	
Contracted Services	(186,758,281)	(202,991,895)	16,233,614	(8.0)	
Transfers and Subsidies	(485,850)	(575,124)	89,274	(15.5)	
Materials	(47,091,540)	(52,496,628)	5,405,088	(10.3)	More Top Structures expenditure transferred to Housing Inventory than transfers to beneficiaries
General Expenses	(58,278,588)	(65,782,238)	7,503,650	(11.4)	General cost savings and efficiencies.
	<b>(1,107,961,714)</b>	<b>(1,154,476,388)</b>	<b>46,514,674</b>	<b>(4.0)</b>	
<b>Other revenue and costs</b>					
Gain or loss on disposal of assets and liabilities	(609,917)	11,000	(620,917)	(5,644.7)	Budgeting subject to impracticalities for the determination of the outcome in advance.
Fair value adjustments	6,695,262	2,000,000	4,695,262	234.8	Budgeting subject to impracticalities for the determination of the outcome in advance.
	<b>6,085,345</b>	<b>2,011,000</b>	<b>4,074,345</b>	<b>202.6</b>	
<b>Net surplus/(deficit) for the year</b>	<b>105,554,956</b>	<b>(5,106,100)</b>	<b>110,661,056</b>	<b>(2,167.2)</b>	



**AUDITOR - GENERAL  
SOUTH AFRICA**

**Overstrand Municipality  
Appendix E(2)**

**Budget Analysis of Capital Expenditure as at  
30 June 2019**

	<b>Additions</b>	<b>Revised Budget</b>	<b>Variance</b>	<b>Variance</b>	<b>Explanation of significant variances in excess of 10% of the budget</b>
	<b>Rand</b>	<b>Rand</b>	<b>Rand</b>	<b>%</b>	
<b>Municipality</b>					
Executive & Council/Mayor and Council	295,165	571,968	(276,803)	(48)	Savings on vehicles purchased
Planning and Development/Economic Development/Plan	1,345,505	1,720,179	(374,674)	(22)	Roll over project identified to be completed in 2019-2020
Comm. & Social/Libraries and archives	5,163,604	5,249,401	(85,797)	(2)	
Housing	34,275,986	34,271,213	4,773	-	
Public Safety/Police	4,809,422	6,556,202	(1,746,780)	(27)	Roll over projects identified to be completed in 2019-2020
Sport and Recreation	23,922,928	8,006,958	15,915,970	199	Capital-in-kind donation w.r.t Hermanus Sports complex
Waste Water Management/Sewerage	42,209,616	54,744,054	(12,534,438)	(23)	Roll over projects identified to be completed in 2019-2020
Road Transport/Roads	12,061,188	12,830,567	(769,379)	(6)	
Water/Water Distribution	12,270,442	21,945,225	(9,674,783)	(44)	Roll over projects identified to be completed in 2019-2020
Electricity /Electricity Distribution	28,893,042	20,455,522	8,437,520	41	Turnkey electrical projects identified in Gansbaal area
Waste Management	1,498,982	1,496,791	2,191	-	
Corporate Services	6,936,200	6,900,083	36,117	1	
	<b>173,682,080</b>	<b>174,748,163</b>	<b>(1,066,083)</b>	<b>(1)</b>	



**AUDITOR-GENERAL  
SOUTH AFRICA**

Overstrand Municipality  
Appendix F

Disclosures of Grants and Subsidies in terms of Section 123 MIFMA, 56 of 2003, for the year ended 30 June 2019

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts					Quarterly Expenditure					Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		Dec	Mar	Jun	Total	Sep	Dec	Mar	Jun	Total				
		Sep	Dec	Mar	Jun	Total	Sep	Dec	Mar	Jun	Total			
FMG	Net Treasury	1,550	-	-	1,550	203	169	235	943	1,550	N/A	Yes	N/A	
EPWP	Prov Treasury	483	577	-	1,060	310	490	362	765	1,927	N/A	Yes	N/A	
MIG	Net Treasury	6,241	3,719	8,469	21,639	3,043	6,502	2,518	14,119	26,182	N/A	Yes	N/A	
INEP	DME	2,262	2,000	-	4,262	-	951	(161)	3,472	4,262	N/A	Yes	N/A	
Library	Prov Treasury	2,649	2,049	-	6,747	1,826	2,335	1,873	1,242	7,276	N/A	Yes	N/A	
Housing	Prov Treasury	-	1,211	11,195	24,189	36,595	3,671	7,733	35,392	46,796	N/A	Yes	N/A	
Main road sub	Prov Treasury	-	-	137	137	-	-	-	137	137	N/A	Yes	N/A	
Thusong Centre	Prov Treasury	-	100	-	100	-	2	-	98	100	N/A	Yes	N/A	
Fin Man Capacity	Prov Treasury	-	360	-	360	-	-	-	-	-	N/A	Yes	N/A	
FMSG	Prov Treasury	-	-	280	280	-	-	-	-	-	N/A	Yes	N/A	
Graduate Internship	Prov Treasury	-	-	72	72	23	22	19	22	86	N/A	Yes	N/A	
K9 Unit	Prov Treasury	-	-	4,000	4,000	-	-	-	200	200	N/A	Yes	N/A	
Mun Serv Delivery and Capacity	Prov Treasury	-	-	200	600	-	-	-	62	62	N/A	Yes	N/A	
Disaster Management	Prov Treasury	-	-	5,000	5,000	-	-	-	-	-	N/A	Yes	N/A	
Public Transport Non-motorised Infrastructure	Prov Treasury	-	-	-	-	-	-	56	334	390	N/A	Yes	N/A	
		<b>13,185</b>	<b>10,205</b>	<b>17,820</b>	<b>41,658</b>	<b>5,405</b>	<b>14,142</b>	<b>12,635</b>	<b>56,786</b>	<b>88,968</b>				

Note: A municipality should provide additional information on how a grant was spent per Vote. This excludes allocations from the Equitable Share.



AUDITOR-GENERAL  
SOUTH AFRICA

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28 November 2019

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**ANNEXURE B:**  
**REPORT OF THE AUDITOR-GENERAL**

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# Report of the auditor-general to the Western Cape Provincial Parliament and the Council on the Overstrand Municipality

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of the Overstrand Municipality set out on pages 2 to 64, which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Overstrand Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act no. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act no. 1 of 2018) (Dora).

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants*, and parts 1 and 3 of the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA codes), as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### **Restatement of corresponding figures**

7. As disclosed in note 43 to the financial statements, the corresponding figures for 30 June 2018 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2019.

### **Impairment of receivables from non-exchange**

8. As disclosed in note 11 to the financial statements, debt impairment of R13 251 958 was incurred as a result of potential irrecoverable receivables from non-exchange. This largely relates to the impairment of traffic fines.

### **Other matters**

9. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### **Unaudited supplementary schedules**

10. The supplementary information set out on pages 65 to 72 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

### **Unaudited disclosure notes**

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

### **Responsibilities of the accounting officer for the financial statements**

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the Overstrand Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

## Auditor-general's responsibilities for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

## Report on the audit of the annual performance report

### Introduction and scope

16. In accordance with the Public Audit Act of South Africa, 2004 (Act no. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected objective presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
17. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the annual performance report of the municipality for the year ended 30 June 2019:

Objective	Pages in the annual performance report
The provision and maintenance of municipal services	116 – 123

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and

related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

20. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected objective.

### **Other matters**

21. I draw attention to the matters below.

### **Achievement of planned targets**

22. Refer to the annual performance report on pages 116 to 123 for information on the achievement of planned targets for the year.

## **Report on the audit of compliance with legislation**

### **Introduction and scope**

23. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

24. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

### **Other information**

25. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected strategic objective presented in the annual performance report that have been specifically reported in this auditor's report.

26. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

27. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

28. I have nothing to report in this regard.

## Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

## Other reports

30. I draw attention to the following engagement conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

31. An investigation into allegations relating to fraud in allocating beneficiaries on housing projects was ongoing at year-end.

*Auditor - General*

Cape Town

29 November 2019



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Annexure – Auditor-general's responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected objectives and on the municipality's compliance with respect to the selected subject matters.

### **Financial statements**

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
  - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Overstrand Municipality's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Communication with those charged with governance**

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

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**ANNEXURE C:**  
**REPORT OF THE AUDIT COMMITTEE**

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# OVERSTRAND MUNICIPALITY

## **ANNUAL OVERSIGHT REPORT OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE (JAPAC) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

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### **1. INTRODUCTION**

The Joint Audit and Performance Audit Committee (JAPAC) is an independent statutory committee appointed by the Council in terms of section 166 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and Local Government: Municipal Planning and Performance Management Regulations, 2001. We are pleased to present our oversight report for the financial year ended 30 June 2019.

### **2. JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE (JAPAC)**

#### **2.1 Members**

The members of the JAPAC were:

- Mr BH van Staaden (Chairperson)
- Mr R Kingwill
- Mr M Mdludlu
- Mr T Lesihla (resigned on 14 September 2018)
- Mr G Serfontein (appointed as from 03 June 2019)
- Ms M Koekemoer (appointed as from 03 June 2019)

#### **2.2 Meetings**

The JAPAC met on the following dates during the year under review:

- 22 August 2018
- 18 September 2018
- 21 November 2018
- 26 February 2019
- 25 June 2019

The Executive Mayor, Chairperson of the Finance & Economic Development Portfolio Committee, Municipal Manager, Director: Finance, Director: Management Services and Chief Audit Executive and Internal Audit officials, attended the meetings of the JAPAC.

#### **2.3 Role and responsibilities**

The JAPAC was fully functional for the year under review and operated in accordance with the adopted Joint Audit and Performance Audit Committee Charter, which were approved by Council. The provisions contained in the Local Government: Municipal Finance Management Act, 2003 and Internal Audit Framework, which was developed by National Treasury, are included in the Charter.

The JAPAC substantially fulfilled its responsibilities for the year under review, as set out in section 166 of the Municipal Finance Management Act, 2003.

## OVERSTRAND MUNICIPALITY

### **ANNUAL OVERSIGHT REPORT OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE (JAPAC) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

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#### **3. INTERNAL AUDIT**

The following internal audit engagements was approved by JAPAC and completed by the internal audit unit during the period under review:

- 3.1 Theft and vandalism (Infrastructure and Planning)
- 3.2 Management of solid waste (Waste management)
- 3.3 Armed robberies (susceptibility of armed robberies at municipal buildings)
- 3.4 Housing administration/ Management re allocation of low cost housing
- 3.5 Risk management process
- 3.6 Combined Assurance (Bi-annual) **1**
- 3.7 Combined Assurance (Bi-annual) **2**
- 3.8 mSCOA (Implementation/ Review)
- 3.9 Division of Revenue Act (DORA)
- 3.10 Key Controls Assessment **1**
- 3.11 Key Controls Assessment **2**
- 3.12 Supply Chain Management (Contract Management)
- 3.13 Ageing and deterioration of fleet and small plant
- 3.14 Not all Municipal Buildings used as partial care facilities comply with the norms and standards for such facilities
- 3.15 Predetermined Objectives – Q4 2017/18 financial year
- 3.16 Predetermined Objectives – Q1 2018/19 financial year
- 3.17 Predetermined Objectives – Q2 2018/19 financial year
- 3.18 Predetermined Objectives – Q3 2018/19 financial year

During the year under review the Internal Audit Unit of the municipality was subjected to an External Quality Assessment. The result of the External Quality Assessment was partial conformance by the Internal Audit Unit with the international internal audit standards and IAA Code of Ethics. The JAPAC will continue to monitor the Quality Assurance and Improvement Program of the Internal Audit.

#### **4. ANNUAL FINANCIAL STATEMENTS: 2018/2019 financial year**

The JAPAC commends the municipality for compiling and completing the Annual Financial Statements in-house and with own resources.

The JAPAC takes note that some misstatements in the Annual Financial Statements were identified by the auditors, however these misstatements were subsequently corrected. The JAPAC will continue to monitor the internal controls relating to the annual financial statement preparation process to reduce the risk of misstatement in the Annual Financial Statements.

## OVERSTRAND MUNICIPALITY

### **ANNUAL OVERSIGHT REPORT OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE (JAPAC) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

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#### **5. AUDIT REPORT OF THE AUDITOR GENERAL: 2018/2019 financial year**

The Audit Report of the Auditor- General for the 2018/2019 financial year has been reviewed by the JAPAC and we commend the Municipality in maintaining its clean audit status for the seventh consecutive year. This audit outcome is as a result of the good governance practices that has been embedded in the organisation as well as a commitment to excellence by management and staff within the organisation.

#### **6. PERFORMANCE MANAGEMENT**

Based on the processes and assurances obtained from management, Internal Audit and Auditor-General, the JAPAC is satisfied that the performance management processes and the reporting thereof are adequate.

The Joint Audit and Performance Audit Committee (JAPAC) has taken note that no material findings were raised by the Auditor-General on the usefulness and reliability of the reported performance information.


#### **7. RISK MANAGEMENT**

During the year under review, the municipality experienced significant challenges relating to risk management due to the collapse of the Overberg Risk Management Shared Services Centre. Subsequent to the financial year end, the municipality has appointed a new risk manager and is in the process of capacitating its own risk management unit. The JAPAC will continue to monitor this process to ensure that an efficient and effective risk management unit is established and that sound risk management practices are embedded within the organisation.

#### **8. CONCLUSION**

The JAPAC enjoyed a good working relationship with the Municipal Manager and Directors as well as the Executive Mayor and councillors that attended meetings of the committee. The Internal Audit department did valuable work and the JAPAC relied heavily on their inputs and effort.

Good corporate governance practices have been imbedded within the organisation and overall Overstrand Municipality can truly be recognised as one of the best managed and best performing municipalities in South Africa.

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**BH van Staaden**

***Chairperson:***

*Joint Audit Committee and Performance Audit Committee*

*Date: 13 December 2019*

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**ANNEXURE D:  
WATER SERVICES PLAN FOR  
2018/19**

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# **OVERSTRAND MUNICIPALITY**

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## *Annual Water Services Development Plan Performance- and Water Services Audit Report*

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*as directed by the Water Services Act (Act 108 of 1997) and the Regulations relating to Compulsory National Standards and Measures to Conserve Water*

**FY 2018/2019**

**28 OCTOBER 2019**

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OVERSTRAND MUNICIPALITY



**Ref 301533**

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## OVERSTRAND MUNICIPALITY

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Version Control:

Status	Description	Date	Reference
Draft	Draft 2018/2019 Annual WSDP Performance- and Water Services Audit Report	October 2019	Project No. 301533
Approval	Final 2018/2019 Annual WSDP Performance- and Water Services Audit Report		The Municipality will forward the Council Resolution for the approval of the WSDP Performance- and Water Services Audit Report to the DWS.

Prepared by:

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### PROJECT 301533 - OVERSTRAND MUNICIPALITY: ANNUAL WSDP PERFORMANCE AND WATER SERVICES AUDIT REPORT FOR 2018/2019

REV	DESCRIPTION	ORIG	REVIEW	IX ENGINEERS	DATE	CLIENT APPROVAL	DATE
Draft	Draft issued for external review	R Kuffner Author	JT Human A Reviewer	Approval		Approval	
Final	Final for approval by Council	R Kuffner Author	JT Human A Reviewer	Approval		Approval	

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## FOREWORD:

Overstrand Municipality is required in terms of Section 18 of the Water Services Act, 1997 (Act No.108 of 1997), as well as the “Regulations relating to compulsory national standards and measures to conserve water”, as issued in terms of sections 9(1) and 73(1)(j) of the Water Services Act, to report on the implementation of its WSDP during each financial year and to include a water services audit in such an annual report.

The WSDP Performance- and Water Services Audit is designed to monitor the compliance of Overstrand Municipality with these regulations. It also assists the communities within Overstrand Municipality’s Management Area and the DWS to assess how well the Municipality is performing relative to their stated intentions and their capacity. The WSDP Performance- and Water Services Audit Report can be seen as an annexure to the Municipality’s Annual Report. The Annual Report is compiled as required by the Local Government Municipal Systems Act, Act no 32 of 2000 (Section 46) and the Local Government: Municipal Finance Management Act, Act no 56 of 2003 (Section 121).

Overstrand Municipality’s Vulnerability Index for 2019 was indicated as 0.14 “Low Vulnerability” in the Municipal Strategic Self-Assessment Report. The vulnerability of all the KPIs for the 2019 assessment were low, except Information Management (60%) and Financial Asset Management (60%) for which the vulnerability was indicated as moderate.

A new Water and Waste Water Bulk Works Contract was signed on the 8<sup>th</sup> of December 2018 between Overstrand Municipality and Veolia Water Solutions & Technologies South Africa (Pty) Ltd to operate the bulk infrastructure in Overstrand Municipality’s Management Area for a period of fifteen (15) years. The Municipality also has the right to extend the contract for a further five (5) years.

The water and sanitation services of Overstrand Municipality is managed in a financial sustainable manner, with a surplus generated on the operation and maintenance budgets of these services for the last nine financial years.

Overstrand Municipality also successfully completed various capital projects over the last financial year. The capital budget expenditure, for the 2018/2019 financial year, was R12.270 million (55.9% of the budget) for the water infrastructure projects and R34.963 million (77.9% of the budget) for the sewerage infrastructure projects.

The implementation of the Municipality’s WDM Strategy has been extremely successful, with the overall raw water requirements for all the systems reduced from 9 206 MI in 2008/2009 to 7 028 MI in 2011/2012 (annual decrease of -8.6% over three year period) and a further steady increase over the last seven years to 7 854 MI in 2018/2019 (annual increase of 1.60% over last seven year period). The overall NRW for all the systems for the 2018/2019 financial year was 1 511 MI, which is a respectable 21.54%. The overall water losses was 1 419 MI (21.23%).

The Western Cape experienced a severe drought over the period 2015 to 2017, with some relief during the 2018 and 2019 winter months. This drought reduced the safe yield of the Municipality’s own existing surface and groundwater resources. WC/WDM measures to lower the current and future water requirements and the augmentation of the existing water resources with groundwater or other sources are therefore critical. Overstrand Municipality continue to actively plan for the augmentation of their existing water resources for the systems where the future water requirements will exceed the safe yields of the existing resources. The augmentation of the Greater Hermanus existing water sources is currently the most critical. The Municipality is currently busy with the augmentation of the Hermanus (Gateway) boreholes. A Scoping Report for the augmentation of potable water supplies to Hermanus was also completed during August 2018, which investigated the feasibility of various augmentation options.

The Municipality performed “Excellent” with regard to their Water Quality Compliance for the last financial year. The overall percentage compliance of the water quality samples taken over the period July to June for the last two financial years are indicated in the table below.

Overall Percentage Compliance of the Water Quality Samples Taken Over the Period July to June for the Last Two Financial Years										
Distribution System	Acute Health				Chronic Health		Aesthetic		Operational Efficiency	
	Microbiological		Chemical		18/19	17/18	18/19	17/18	18/19	17/18
	18/19	17/18	18/19	17/18						
All Systems	98.5%	98.8%	100.0%	100.0%	99.6%	99.5%	96.4%	97.7%	92.8%	94.7%

An Operational and Compliance Water Quality and Final Effluent Monitoring Programme, which meets the requirements of SANS:241 and the DWS’s Blue and Green Drop sampling criteria are implemented by the Municipality.

The overall percentage compliances of the final effluent samples taken over the last three financial years are summarised in the table below.

Overall Percentage Compliance of the Final Effluent Samples Taken Over the Last Three Financial Years									
WWTW	Microbiological			Chemical			Physical		
	18/19	17/18	16/17	18/19	17/18	16/17	18/19	17/18	16/17
All WWTWs	95.0%	96.7%	90.0%	95.4%	90.4%	90.8%	95.6%	95.0%	93.9%

A comprehensive Performance Management System and Customer Services and Complaints system are also in place. The SDBIP is the process plan and performance indicator / evaluation process for the execution of the budget. The SDBIP is being used as a management, implementation and monitoring tool that assists and guide the Executive Mayor, Councillors, Municipal Manager, Senior Managers and the community. The plan serves as an input to the performance agreements of the Municipal Manager and Directors. It also forms the basis for the monthly, quarterly, mid-year and the annual assessment report and performance assessments of the Municipal Manager and Directors.

The Municipality has maintained a high and consistent level of service to its urban water consumers. After hours emergency requests are being dealt with by the control room on a twenty-four hour basis. Requests are furthermore captured on an electronic mail or works-order system to ensure the execution thereof.

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## OVERSTRAND MUNICIPALITY

### ANNUAL WSDP PERFORMANCE AND WATER SERVICES AUDIT REPORT FOR 2018/2019

#### EXECUTIVE SUMMARY

Overstrand Municipality is required in terms of Section 18 of the Water Services Act, 1997 (Act No.108 of 1997), as well as the “Regulations relating to compulsory national standards and measures to conserve water”, as issued in terms of sections 9(1) and 73(1)(j) of the Water Services Act, to report on the implementation of its WSDP during each financial year and to include a water services audit in such an annual report.

Section 62 of the Water Services Act further requires the Minister to monitor every WSI in order to ensure compliance with the prescribed national standards. This regulation requires a WSA to complete and submit a WSDP Performance- and Water Services Audit Report every financial year.

The WSDP Performance- and Water Services Audit is designed to monitor the compliance of the WSA and other WSIs with these regulations. The Water Services Act allows the audit to be used as a tool to compare actual performance of the WSA against the targets and indicators set in their WSDP. The WSDP Performance- and Water Services Audit also assists local communities and DWS to assess how well WSAs are performing relative to their stated intentions and their capacity.

The WSDP Performance- and Water Services Audit Report will give an overview of the implementation of the Municipality’s previous year’s WSDP, for the 2018/2019 financial year, and can be seen as an annexure to Overstrand Municipality’s Annual Report. The Annual Report is compiled as required by the Local Government: Municipal Systems Act, Act no 32 of 2000 (Section 46) and the Local Government: Municipal Finance Management Act, Act no 56 of 2003 (Section 121).

Availability of the Water Services Audit Report: The WSDP Performance- and Water Services Audit Report is a public document and must be made available within four months after the end of each financial year and must be available for inspection at the offices of the WSA. It is also recommended that the document be placed on the Municipality’s website and that copies of the document be placed at the public libraries. The Water Services Audit Report also needs to be made available to the Minister of the DWS, the Minister of the Department of Cooperative Governance, the Province and to SALGA, as required by the Water Services Act, 1997.

The WSDP Performance- and Water Services Audit Report include the following detail information:

- The Municipality’s performance with regard to their KPIs for water and sewerage services for the 2018/2019 financial year, as included in the Municipality’s SDBIP.
- The Municipality’s Performance with regard to DWS’s Blue and Green Drop Assessments. Blue drop status is awarded to those towns that comply with 95% criteria on drinking water quality management. Green drop status is awarded to those WWTWs that comply with 90% criteria on key selected indicators on waste water quality management.
- DWS’s Scorecard for assessing the potential for WC/WDM efforts in the Municipality.
- Information to be included in a WSDP Performance- and Water Services Audit as stipulated in regulations under section 9 of the Water Services Act, “Guidelines for Compulsory National Standards” and also required by DWS’s 2014 WSDP Performance- and Water Services Audit Report guidelines.
- Information on the implementation of the various WSDP activities, as included under the WSDP Business Elements in DWS’s WSDP guidelines.

The Municipality has a comprehensive Performance Management System in place. The SDBIP is the process plan and performance indicator / evaluation for the execution of the budget. The SDBIP is being used as a management, implementation and monitoring tool that assists and guide the Executive Mayor, Councillors, Municipal Manager, Senior Managers and the community. The plan serves as an input to the performance agreements of the Municipal Manager and Directors. It also forms the basis for the monthly, quarterly, mid-year and the annual assessment report and performance assessments of the Municipal Manager and Directors.

The following water and sanitation related investigations were successfully completed during the last financial year.

- The Water Services Audit Report for 2017/2018 was finalised and approved by Council as part of the Annual Report. The NRW water balance models were updated for each of the distribution systems (Up to the end of June 2018) as part of the Water Services Audit Process.
- Overstrand Municipality continues with the implementation of their Drinking Water Quality and Effluent Quality Sampling Programmes (Both Operational and Compliance Monitoring). Sample results are loaded on a monthly basis onto DWS's IRIS. All the WTWs and WWTWs are registered on the IRIS website. The quality of the treated effluent re-used for irrigation purposes is also analyzed on a monthly basis.
- Overstrand Municipality continues with their Groundwater Monitoring and Management Programmes (Umvoto Africa for the Greater Hermanus area, Stanford and Baardskeerdersbos, and SRK for the monitoring of the potential impact of the Gansbaai WWTW on the groundwater).
- The Asset Register was updated to include all the water and sewerage capital projects completed during the 2018/2019 financial year.
- Detailed WTW and WWTW Process Audits were completed during the last financial year for all the WTWs and WWTWs.
- A Scoping report was completed for the "Augmentation of potable water supplies to Hermanus".
- The following Technical investigations were completed during the 2018/2019 financial year:
  - MIG Technical Reports for Zwelihle:
    - Improvement of the internal sewerage: Bypass sewer from the Asazani – and Tsepe Tesepe Informal Settlements.
    - Improvement of the internal sewerage: Bypass sewer from the Tambo Square Informal Settlement.
    - Improvement of the internal sewerage: Bypass sewer for the Zwelihle South Western Sewers.
  - A technical report was prepared for the upgrading of the filters at the Buffels River WTW.
  - Gateway Borehole Study for the Preekstoel Biological WTW was done by Veolia.
  - Baardskeersbos WTW Plant Evaluation was done by Veolia.
  - Assessment was done by Aurecon for the upgrading of the existing equipment at the Gateway boreholes.

The Municipality also received the following awards / acknowledgements:

- Overstrand Municipality achieved a 100% score for their No Drop assessment by the DWS, which was assessed as part of the 2014 Blue Drop assessment (the last assessment completed by DWS). The Municipality's overall Blue Drop score came down from 96.82% for 2012 to 90.79% for 2014. The Overstrand Municipality team was well prepared and demonstrated their commitment to the Blue Drop assessment and water quality excellence. The Municipality obtained Blue Drop status for the Greater Hermanus system. Significant progress has been made by the municipality with regard to WC/WDM and projects have been ongoing for the last three years. Good baseline information and a formal strategy are available that enables the municipality to make informed decisions regarding ongoing planning to minimise NRW.

The overall 2014 Risk Rating for Overstrand Municipality is 41%, which translates into the 10<sup>th</sup> best performance in the Western Cape. This risk value is based on Process Control RR, Drinking Water Quality RR and Risk Management RR, with scores above 50% (medium to critical risks) for Process Control in 6 of the 8 systems and Drinking Water Quality in 2 of the 8 systems.

- **2013 Green Drop awards (>90%) were received for four of the WWTWs and drainage systems.** The overall Green Drop Score for the Municipality was 89.14%. The strengths noticed by the DWS included the high overall compliance of effluent quality, prominent risk abatement and technical skilled staff with strong management support and involvement. The highest Green Drop score of 93.39% was for the Stanford WWTW and drainage system and the lowest Green Drop Score of 77.61% was for the Kleinmond WWTW and drainage system.

The CRRs decreased in two of the systems (Hermanus and Kleinmond), increased in two of the systems (Gansbaai and Hawston) and stayed the same for Stanford during the 2013/2014 Green Drop Progress Reporting in 2014. The Municipality is encouraged to continue with implementation of the GDIP and thus to ensure that progress at the systems is achieved and maintained. The overall risk profile is still very good, with 4 of 5 plants residing in low risk space.

- DWS's Western Cape Provincial Office completed an unofficial Green Drop Review process for Overstrand Municipality during the 2017/2018 financial year. **The 2016 Green Drop Scores were as follows:**
  - Hermanus A- (90% - 100%)
  - Kleinmond B+ (80% - 90%)
  - Stanford A- (90% - 100%)
  - Gansbaai C+ (50% - 80%)
  - Hawston C- (50% - 80%)
- 100% MIG expenditure in the previous financial year from the DLG.

#### Quantity of Water Services Provided (Water Balance)

Detail water balance models are in place for each of the distribution systems in Overstrand Municipality's Management Area. These models include the volume of raw water abstracted from the various resources, the treated volume supplied from the WTW (System Input Volume) and the NRW and Water Losses for each of the distribution systems. The flows at each of the WWTWs are also recorded by the Municipality.

#### Water Services Delivery Profile

The number of consumer units per category or user type is available for each of the distribution systems. All the formal households in the urban areas of Overstrand Municipality's Management Area are provided with water connections inside the erven. Informal areas are supplied with communal shared services as an intermediary measure. Overstrand Municipality is committed to ensure that private landowners provide at least basic water and sanitation services to those households in the rural areas with existing services below RDP standard.

All schools and medical facilities in Overstrand Municipality's Management Area are supplied with adequate water and sanitation services.

### Cost Recovery and Free Basic Services

A detailed step block tariff system is implemented by Overstrand Municipality. This tariff system discourages the wasteful or inefficient use of water. It is expected that this tariff structure will continue to be implemented in the future. The sustainable supply of potable water is however becoming an ever-increasing challenge.

The first six (6) kl of water are provided free to all indigent consumers. Overstrand Municipality's tariffs support the viability and sustainability of water supply services to the poor through cross-subsidies (where feasible). Free basic water and sanitation services are linked to the Municipality's Indigent Policy and all indigent households therefore receive free basic water and sanitation services. This implies that either the equitable share is used to cover this cost, or higher consumption blocks are charged at a rate greater than the cost in order to generate a surplus to cross-subsidise consumers who use up to six (6) kilolitres per month.

The operational budget of the past five financial years for water and sanitation services is summarised in the table below:

Operational Expenditure and Income Budgets for Water and Sanitation Services						
Service	Expenditure / Income	Actual 18/19	Actual 17/18	Actual 16/17	Actual 15/16	Actual 14/15
Water	Expenditure	R117 615 148	R115 139 624	R103 668 318-50	R105 388 386-73	R87 684 218-72
	Income	R145 980 226	R123 749 823	R121 632 409-97	R117 279 277-35	R109 580 993-32
	<b>Surplus / Deficit</b>	<b>R28 365 078</b>	<b>R8 610 199</b>	<b>R17 964 091-47</b>	<b>R11 890 890-62</b>	<b>R21 896 774-60</b>
Sanitation	Expenditure	R86 438 364	R79 310 459	R67 828 646-82	R64 371 024-75	R59 653 861-52
	Income	R104 583 319	R83 627 554	R82 291 447-63	R77 211 013-42	R75 482 947-03
	<b>Surplus / Deficit</b>	<b>R18 144 955</b>	<b>R4 317 095</b>	<b>R14 462 800-81</b>	<b>R12 839 988-67</b>	<b>R15 829 085-51</b>

### Water Quality

An Operational and Compliance Water Quality and Final Effluent Monitoring Programme, which meets the requirements of SANS:241 and the DWS's Blue and Green Drop sampling criteria are implemented by the Municipality. The percentage compliance of the water quality samples taken over the period July to June for the last two financial years for the various distribution systems, with regard to the four SANS:241:2015 categories, are summarised in the table below.

Percentage Compliance of the Water Quality Samples Taken Over the Period July to June for the Last Two Financial Years										
Distribution System	Acute Health				Chronic Health		Aesthetic		Operational Efficiency	
	Microbiological		Chemical		18/19	17/18	18/19	17/18	18/19	17/18
	18/19	17/18	18/19	17/18						
Buffels River	96.3%	98.0%	100.0%	100.0%	100.0%	100.0%	99.7%	99.6%	<u>79.4%</u> *	90.4%
Kleinmond	98.9%	100.0%	100.0%	100.0%	100.0%	98.9%	100.0%	100.0%	96.5%	98.6%
Greater Hermanus	98.2%	99.6%	100.0%	100.0%	100.0%	99.9%	97.7%	98.7%	98.3%	97.6%
Stanford	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.6%	100.0%
Greater Gansbaai	98.7%	99.2%	100.0%	100.0%	100.0%	99.5%	100.0%	100.0%	92.4%	92.0%
Pearly Beach	98.9%	95.3%	100.0%	100.0%	100.0%	100.0%	99.6%	100.0%	99.7%	98.4%
Baardskeerdersbos	100.0%	100.0%	100.0%	100.0%	97.7%	97.7%	<u>87.1%</u> *	93.6%	<u>84.6%</u> *	<u>86.6%</u> *
Buffeljags Bay	98.6%	96.5%	100.0%	100.0%	100.0%	97.7%	<u>79.6%</u> *	<u>77.6%</u> *	97.1%	97.1%
<b>All Systems</b>	<b>98.5%</b>	<b>98.8%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>99.6%</b>	<b>99.5%</b>	<b>96.4%</b>	<b>97.7%</b>	<b>92.8%</b>	<b>94.7%</b>

Note: \* *Unacceptable*

The operational water sampling programmes of Overstrand Municipality complies with the minimum monitoring requirements of the SANS 241-2:2015 (Table 1: Minimum monitoring for prescribed process risk indicators) for the various WTWs and distribution systems.

The table below indicates the compliance of the E.Coli monitoring frequency in the water distribution systems of Overstrand Municipality, in terms of the minimum requirements of SANS:241-2: 2015 (Table 2). The period assessed was for samples taken from July 2018 to June 2019.

Overstrand Municipality's Compliance of the Monthly E.Coli Monitoring Frequency in the Water Distribution Systems in Terms of the Minimum Requirements of SANS 241-2:2015 (Table 2)			
Distribution System	Population served	Required number of monthly samples (SANS 241-2:2015: Table 2)	Number of monthly E.Coli samples taken by Municipality during 2018/2019
Buffels River	3 053	2	10.8
Kleinmond	7 880	2	7.3
Greater Hermanus	64 197	12.8	18.5
Stanford	5 742	2	6.9
Greater Gansbaai	18 614	3.7	18.7
Pearly Beach	1 212	2	7.1
Baardskeerdersbos	126	2	7.3
Buffeljags Bay	152	2	5.5

It can be noted from the above table that the number of monthly E.Coli samples taken by the Municipality during the 2018/2019 financial year was far more than the required number of samples for all the water distribution systems.

The overall percentage compliances of the final effluent samples taken over the last three financial years at the Kleinmond, Hawston, Hermanus, Stanford and Gansbaai WWTW (General Limits) are summarised in the table below.

Overall Percentage Compliance of the Final Effluent Samples Taken Over the Last Three Financial Years									
WWTW	Microbiological			Chemical			Physical		
	18/19	17/18	16/17	18/19	17/18	16/17	18/19	17/18	16/17
Kleinmond	83.3%	100.0%	91.7%	85.4%	83.3%	93.8%	100.0%	97.2%	100.0%
Hawston	100.0%	100.0%	100.0%	95.8%	91.7%	72.9%	83.3%	83.3%	72.2%
Hermanus	100.0%	100.0%	91.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Stanford	91.7%	91.7%	91.7%	97.9%	79.2%	91.7%	100.0%	97.2%	97.2%
Gansbaai	100.0%	91.7%	75.0%	97.9%	97.9%	95.8%	94.4%	97.2%	100.0%
<b>All WWTWs</b>	<b>95.0%</b>	<b>96.7%</b>	<b>90.0%</b>	<b>95.4%</b>	<b>90.4%</b>	<b>90.8%</b>	<b>95.6%</b>	<b>95.0%</b>	<b>93.9%</b>

### Water Conservation and Water Demand Management

The implementation of Overstrand Municipality's WDM Strategy and Action Plan has been extremely successful and the Municipality was able to reduce the water requirements of the towns significantly. **The overall NRW for all the systems for the 2018/2019 financial year was 1 511 MI, which is a respectable 21.54%. The overall water losses was 1 419 MI (21.23%).** The table below gives a summary of the treatment losses, non-revenue water and water losses for the various distribution systems in Overstrand Municipality's Management Area.

Treatment Losses, NRW and Water Losses for the various water distribution systems								
Description	Component	Unit	18/19	Record: Prior (MI/a)				
				17/18	16/17	15/16	14/15	13/14
Buffels River	Treatment Losses	Volume	60.724	64.571	61.541	54.157	43.886	62.577
		Percentage	7.6%	9.9%	7.0%	7.1%	5.3%	7.1%
	NRW	Volume	407.056	265.104	455.126	327.463	400.622	478.209
		Percentage	54.98%	45.31%	55.42%	46.22%	50.83%	58.19%
	Water Losses	Volume	345.276	263.934	453.483	326.046	399.046	476.565
		Percentage	46.63%	45.11%	55.22%	46.02%	50.63%	57.99%
	ILI		<b>3.45</b>	<b>2.67</b>	<b>4.63</b>	<b>3.36</b>	<b>4.34</b>	<b>5.21</b>
Kleinmond	Treatment Losses	Volume	67.349	16.091	68.368	51.584	33.890	42.628
		Percentage	8.6%	2.2%	8.3%	6.7%	4.4%	5.6%



Treatment Losses, NRW and Water Losses for the various water distribution systems								
	NRW	Volume	183.409	188.379	203.625	202.304	227.374	237.027
		Percentage	25.8%	26.9%	27.1%	28.1%	30.9%	33.2%
	Water Losses	Volume	178.280	186.978	202.120	200.863	225.901	235.598
		Percentage	25.0%	26.7%	26.9%	27.9%	30.7%	33.0%
ILI			2.17	2.28	2.48	2.49	2.16	2.26
Greater Hermanus	Treatment Losses	Volume	487.283	539.107	654.274	572.544	672.217	525.115
		Percentage	11.77%	12.89%	13.73%	12.35%	14.58%	13.09%
	NRW	Volume	332.685	262.270	317.045	474.020	359.729	380.399
		Percentage	9.10%	7.20%	7.71%	11.66%	9.13%	10.91%
	Water Losses	Volume	316.318	254.983	308.822	465.893	351.849	373.425
		Percentage	8.66%	7.0%	7.51%	11.46%	8.93%	10.71%
ILI			0.75	0.62	0.77	1.19	0.88	0.96
Stanford	Treatment Losses	Volume	53.133	20.993	9.125	85.643	12.841	-
		Percentage	14.2%	6.5%	2.9%	22.0%	4.1%	-
	NRW	Volume	90.868	78.723	76.937	73.438	80.356	76.516
		Percentage	28.2%	26.2%	25.3%	24.2%	27.0%	25.9%
	Water Losses	Volume	87.478	78.122	76.329	72.831	79.760	75.924
		Percentage	27.2%	26.0%	25.1%	24.0%	26.8%	25.7%
ILI			4.16	3.81	3.80	3.69	2.81	2.69
Greater Gansbaai	Treatment Losses	Volume	66.610	55.750	67.191	74.357	111.472	106.295
		Percentage	5.6%	5.0%	6.4%	7.4%	11.2%	10.9%
		Volume	71.221	68.287	95.258	85.837	90.727	108.285
		Percentage	19.7%	16.3%	17.9%	16.9%	17.8%	19.4%
	NRW	Volume	450.328	449.900	529.125	384.841	363.302	413.621
		Percentage	31.7%	32.0%	37.3%	28.5%	28.0%	31.3%
	Water Losses	Volume	445.817	447.089	526.290	382.139	360.704	410.978
		Percentage	31.4%	31.8%	37.1%	28.3%	27.8%	31.1%
ILI			3.58	3.84	4.58	3.35	2.93	3.34
Pearly Beach	Treatment Losses	Volume	29.603	5.860	10.044	5.489	6.461	9.175
		Percentage	17.0%	4.6%	7.0%	3.6%	4.0%	4.8%
	NRW	Volume	38.499	23.495	21.928	36.951	52.640	87.708
		Percentage	26.6%	19.5%	16.5%	25.4%	33.7%	48.4%
	Water Losses	Volume	37.760	23.254	21.663	36.660	52.327	87.346
		Percentage	26.1%	19.3%	16.3%	25.2%	33.5%	48.2%
ILI			2.35	1.43	1.43	1.00	2.86	4.79
Baardskeerdersbos	Treatment Losses	Volume	3.101	2.446	2.967	3.736	3.953	-
		Percentage	17.2%	14.3%	18.5%	20.3%	22.6%	-
	NRW	Volume	7.509	6.752	5.047	6.654	6.251	5.665
		Percentage	50.1%	45.9%	38.7%	45.4%	46.3%	48.6%
	Water Losses	Volume	7.313	6.723	5.021	6.625	6.224	5.642
		Percentage	48.8%	45.7%	38.5%	45.2%	46.1%	48.4%
ILI			2.29	2.12	1.58	1.30	1.28	1.16
Buffeljags Bay	Treatment Losses	Volume	0.048	0.523	0.606	0.979	-	-
		Percentage	1.0%	10.5%	13.4%	18.0%	-	-
	NRW	Volume	0.770	0.373	0.200	0.705	0.612	-
		Percentage	15.8%	8.4%	5.1%	15.8%	15.4%	-
	Water Losses	Volume	0.741	0.364	0.192	0.696	0.604	-
		Percentage	15.2%	8.2%	4.9%	15.6%	15.2%	-
ILI			4.05	2.0	1.06	3.83	3.80	0.42
TOTAL	NRW	Volume	1 511.124	1 274.996	1 609.033	1 506.376	1 490.886	1 679.149
		Percentage	21.54%	18.82%	21.29%	20.60%	20.61%	24.56%
	Water Losses	Volume	1 418.983	1 261.447	1 593.920	1 491.753	1 476.416	1 665.478
		Percentage	21.23%	18.62%	21.09%	20.40%	20.41%	24.36%
ILI			1.73	1.57	2.03	1.74	1.78	2.02

Infrastructure Leakage Index (ILI) for Developed Countries = 1 – 2 Excellent (Category A), 2 – 4 Good (Category B), 4 – 8 Poor (Category C) and > 8 – Very Bad (Category D)

**Category A** = No specific intervention required.

**Category B** = No urgent action required although should be monitored carefully.

**Category C** = Requires attention

**Category D** = Requires immediate water loss reduction interventions

### Water Services Asset Management

The CRC, CV, RUL, Age distribution and Condition of the water and sewerage infrastructure in Overstrand Municipality's Management Area is summarised in the table below (June 2019):

CRC, CV, RUL, Age Distribution and Condition of the Water and Sewerage Infrastructure					
Asset Type	CRC		CV	% DRC / CV	
Water Infrastructure	R1 220 598 409		R457 227 459	37.5%	
Sewerage Infrastructure	R558 885 085		R354 303 215	63.4%	
Remaining Useful Life (CRC)					
Asset Type	0 – 5 yrs	6 – 10 yrs	11 – 15 yrs	16 – 20 yrs	> 20 yrs
Water Infrastructure	R554 207 774	R72 874 989	R33 457 416	R129 839 115	R430 219 114
Sewerage Infrastructure	R51 651 002	R64 923 543	R56 388 660	R51 004 886	R334 916 993
Age Distribution (CRC)					
Asset Type	0 – 5 yrs	6 – 10 yrs	11 – 15 yrs	16 – 20 yrs	> 20 yrs
Water Infrastructure	R20 545 664	R218 813 468	R281 148 868	R41 205 092	R658 885 317
Sewerage Infrastructure	R42 068 863	R67 132 914	R86 522 155	R31 504 300	R331 656 854
Condition grading by Facility Type (CRC)					
Asset Type	Very Poor	Poor	Fair	Good	Very Good
Water Infrastructure	R381 667 000	R44 474 651	R432 188 992	R160 049 199	R202 218 566
Sewerage Infrastructure	R16 106 545	R56 193 310	R247 624 676	R165 781 722	R73 178 831

The CRC and CV in the above table indicate that 62.5% of the value of the water infrastructure and 36.6% of the value of the sewerage infrastructure has been consumed.

The CRC of the water and sewerage infrastructure that will need to be replaced over the next five years (RUL <5 yrs) is R605.858 million. The asset renewal needs for the **water infrastructure assets** over the next 10 years is R62.708 million per year. The reinvestment required is R554.208 million in the first 5 years and R72.875 million in the second 5-year period. The age of 54.0% of the water infrastructure assets is greater than 20 years. The CRC of the water infrastructure with a condition grading of "Very Poor" is R381.667 million. The asset renewal needs for the **sewerage infrastructure assets** over the next 10 years is R11.657 million per year. The reinvestment required is R51.651 million in the first 5 years and R64.924 million in the second 5-year period. The age of 59.3% of the sewerage infrastructure assets is greater than 20 years. The CRC of the sewerage infrastructure with a condition grading of "Very Poor" is R16.107 million.

Some of the key challenges of Overstrand Municipality are to identify adequate funds for the rehabilitation and maintenance of their existing infrastructure, which is critical to ensure the sustainability of the services that are provided by the Municipality. The Water and Waste Water Bulk Works Contract ensures that the new technology installed is adequately maintained and operated in order to prevent a massive increase in maintenance in the future due to backlog being created (Objective is asset preservation). This Bulk Works Contract addresses the capacity constraints, the Municipality previously experienced, with regard to the operation of the WTWs and WWTWs (Objectives are skills development and retention and long term improvement of efficiency of operations).

It is however still important for the Municipality to secure adequate funding for major refurbishment and maintenance work, the provision of bulk infrastructure and development of additional sources to keep up with the high demand for services.

## Water Resources

The Western Cape experienced a severe drought over the period 2015 to 2017, with some relief during the 2018 and 2019 winter months. This drought reduced the safe yield of the Municipality's own existing surface and groundwater resources. WC/WDM measures to lower the current and future water requirements and the augmentation of the existing water resources with groundwater or other sources are therefore critical.

Overstrand Municipality continue to actively plan for the augmentation of their existing water resources for the systems where the future water requirements will exceed the safe yields of the existing resources. The table below gives an overview of the years in which the annual water requirements are likely to exceed the sustainable yields from the various resources.

Years in which the Annual Water Requirement will Exceed the Sustainable Yields from the Various Resources				
Distribution System	Total sustainable Yield ( $\times 10^6 \text{ m}^3/\text{a}$ )	Annual Growth on 2018/2019 requirement (2.5% or 3%)	Annual Growth on 2018/2019 requirement (3.5% or 4%)	WSDP Projection Model
Buffels River	1.717	> 2043 (2.5%)	2040 (3.5%)	> 2043
Kleinmond	2.589	> 2043 (2.5%)	> 2043 (3.5%)	> 2043
Greater Hermanus	5.200*	2025 (3.0%)	2023 (4.0%)	2022
Stanford	1.600	> 2043 (2.5%)	> 2043 (3.5%)	> 2043
Greater Gansbaai	2.768	2037 (3.0%)	2032 (4.0%)	2035
Pearly Beach	0.307	> 2040 (2.5%)	2034 (3.5%)	2032
Baardskeerdersbos	0.090	> 2043 (2.5%)	> 2043 (3.5%)	> 2043
Buffeljags Bay	0.028	> 2043 (2.5%)	> 2043 (3.5%)	> 2043

Note \* With Gateway, Camphill and Volmoed Well Fields fully operational according to the licensed volumes.

The augmentation of the Greater Hermanus existing water sources is currently the most critical. The Municipality is currently busy with the augmentation of the Hermanus (Gateway) boreholes. A Scoping Report "Augmentation of potable water supplies to Hermanus" was also completed during August 2018. The following augmentation schemes were considered:

- Seawater reverse osmosis;
- Desalination-based direct reuse scheme;
- Non-desalination based direct reuse scheme;
- Remix scheme;
- Palmiet river abstraction; and
- Aquifer recharge.

## Water Services Institutional Arrangements and Customer Services

Overstrand Municipality is the official WSA for the entire Municipal Management Area and act as the WSP for the whole area. Current water services are delivered by way of an internally operated and managed mechanism. The Municipal personnel is continuously exposed to training opportunities, skills development and capacity building at a technical, operations and management level in an effort to create a more efficient overall service to the users. A Workplace Skills Plan is compiled every year and the specific training needs of the personnel, with regard to water and wastewater management are determined annually.

**Overstrand Municipality's Vulnerability Index for 2019 was indicated as 0.14 "Low Vulnerability" in the Municipal Strategic Self-Assessment Report. The vulnerability of all the KPIs for the 2019 assessment were low, except Information Management (60%) and Financial Asset Management (60%) for which the vulnerability was indicated as moderate.**

A Water and Waste Water Bulk Works Contract was signed on the 8<sup>th</sup> of December 2018 between Overstrand Municipality and Veolia Water Solutions & Technologies South Africa (Pty) Ltd to operate the bulk infrastructure in Overstrand Municipality's Management Area for a period of fifteen (15) years. The Municipality also has the right to extend the contract for a further five (5) years. The operation and maintenance of the following bulk infrastructure forms part of the Contract:

- Hawston, Hermanus, Stanford, Gansbaai, Kleinmond and Eluxolweni WWTW;
- Preekstoel, Buffels River, Franskraal, Pearly Beach, De Kelders, Stanford, Kleinmond, Baardskeerdersbos and Buffeljags Bay WTW;
- Resources;
- Surface water pump stations and borehole pumps;
- Bulk water and sewer pipelines;
- Reservoirs; and
- Water and sewer pump stations and rising main pipelines.

DWS's new WSDP website was rolled-out to all the WSAs in the Overberg District on the 17<sup>th</sup> of October 2017. Overstrand Municipality populated the new WSDP website early in 2018, as requested by the DWS. The Municipality is further busy with the updating of their Water Supply and Sanitation Services By-law, which cover the provision of services for water supply, sanitation and industrial effluent.

In line with Overstrand Municipality's Vision – **to be a centre of excellence to the community** – the Municipality has developed a comprehensive customer care strategy. The strategy has now rolled out into consumer services charters for the following departments: electricity, water and sanitation, solid waste management and roads and storm water.

A comprehensive Customer Services and Complaints system is in place at Overstrand Municipality. The Municipality has maintained a high and a very consistent level of service to its urban water consumers. Help-desks were developed at all the municipal administrations with the objective to assist customers. Disabled people are supported to do business from the help-desks. Requests by the illiterate are being captured and forwarded to the relevant official / section. All municipal buildings are accessible and wheel-chair friendly.

Access to safe drinking water is essential to health and is a human right. Safe drinking water that complies with the SANS:241 Drinking Water specification does not pose a significant risk to health over a lifetime of consumption, including different sensitivities that may occur between life stages. Overstrand Municipality is therefore committed to ensure that their water quality always complies with national safety standards.

The Water Safety Plans of Overstrand Municipality includes an Improvement / Upgrade Plan. The purpose of the Improvement / Upgrade Plan is to address the existing significant risks where the existing controls were not effective or absent. Barriers implemented by Overstrand Municipality against contamination and deteriorating water quality include the following:

- Participate in Catchment management and water source protection initiatives.
- Protection at points of abstraction such as river intakes and dams (Abstraction Management).
- Correct operation and maintenance of WTWs (Coagulation, flocculation, sedimentation and filtration).
- Protection and maintenance of the distribution system. This includes ensuring an adequate disinfectant residual at all times, rapid response to pipe bursts and other leaks, regular cleaning of reservoirs, keeping all delivery points tidy and clean, etc.

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Three other important barriers implemented by Overstrand Municipality against poor quality drinking water that are a prerequisite to those listed above are as follows:

- A well-informed Council and top management that understands the extreme importance of and are committed to providing adequate resources for continuous professional operation and maintenance of the water supply system.
- Competent managers and supervisors in the technical department who are responsible for water supply services and lead by example and are passionate about monitoring and safeguarding drinking water quality.
- Well informed community members and other consumers of water supply services that have respect for water as a precious resource.

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**ANNEXURE E:**  
**INTEGRATED WASTE MANAGEMENT  
PLAN REPORT FOR 2018/19**

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# OVERSTRAND MUNICIPALITY



## INTEGRATED WASTE MANAGEMENT PLAN: *Annual Report (1 July 2018 – 30 June 2019)*

**COMPILED BY:**

**JPCE**

(Specialist Consulting Engineers)

**OCTOBER 2019**

## REPORT: INTEGRATED WASTE MANAGEMENT PLAN: Annual Report (1 July 2018 – 30 June 2019)

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## OVERSTRAND MUNICIPALITY

## INTEGRATED WASTE MANAGEMENT PLAN: ANNUAL REPORT

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ANNEXURES

ANNEXURE 1: AWARENESS AND EDUCATION EXAMPLES

# OVERSTRAND MUNICIPALITY

## INTEGRATED WASTE MANAGEMENT PLAN: ANNUAL REPORT

### 1. INTRODUCTION

#### 1.1 BACKGROUND

This report is a requirement as part of the Integrated Waste Management Plan (IWMP) monitoring and review process as well as being a requirement of the Waste Act to be submitted. The purpose is to determine whether the action plans and implementation items contained in the IWMP are being implemented and if not, what the planning is regarding these. Evaluating the above will provide insight into the extent to which the IWMP has been implemented during the evaluation period, the levels of compliance and if the IWMP is still useful in terms of its goals or if it should be updated.

The evaluation period for this report is from 1 July 2018 to 30 June 2019. The latest Overstrand IWMP dated May 2015 was used for the evaluation.

### 2. OVERSTRAND IWMP

#### 2.1 GOALS AND IMPLEMENTATION ITEMS SUMMARY

The following goals and implementation items were included in the IWMP:

Goal 1: Awareness and Education:

Educate, strengthen capacity and raise awareness in integrated waste management. The public will be informed and continually made aware of the impacts of waste on the environment. Municipal staff will receive training and attend forums.

Goal 2: Improve Waste Information Management:

Ensure the reporting of all waste management facilities to IPWIS. Waste quantification systems to be in place. Registration of hazardous waste generators (industry & medical) and service providers (e.g. transporters).

Goal 3: Effective Solid Waste Service Delivery:

Ensure that waste services are provided in an effective and environmentally responsible manner to all residents of the Overstrand Municipality.

Goal 4: Promote and Ensure Waste Minimisation:

Maximise waste minimisation in the Overstrand Municipality. The aim is to consistently divert high percentages of waste from landfill

Goal 5: Improve Regulatory Compliance:

Ensure the licensing of all waste management facilities that require licensing. Rehabilitate all closed landfills in Overstrand. Ensure auditing of waste management facilities and compliance with licence conditions.

Goal 6: Ensure Safe and Integrated Management of Hazardous Waste:

Provide education and management options for hazardous wastes. Ensure legal compliance by hazardous waste generators and transporters. Ensure the monitoring of the incoming waste stream at disposal facilities.

Goal 7: Ensure Sound Budgeting for Integrated Waste Management:

Ensure that upcoming implementation actions are in the budget. Explore sources of funding.

**3. 1 JULY 2018 TO 30 JUNE 2019 EVALUATION**

As per the Waste Act, this report must evaluate the implementation of the IWMP in terms of the following:

- a) the extent to which the plan has been implemented during the period;
- b) the waste management initiatives that have been undertaken during the reporting period;
- c) the delivery of waste management services and measures taken to secure the efficient delivery of waste management services, if applicable;
- d) the level of compliance with the plan and any applicable waste management standards;
- e) the measures taken to secure compliance with waste management standards;
- f) the waste management monitoring activities;
- g) the actual budget expended on implementing the plan;
- h) the measures that have been taken to make any necessary amendments to the plan;
- i) in the case of a province, the extent to which municipalities comply with the plan and, in the event of any non-compliance with the plan, the reasons for such non-compliance: and
- j) any other requirements as may be prescribed by the Minister.

To reflect the required information, the extent to which action items and goals listed above were implemented are described below:

3.1 **GOALS AND IMPLEMENTATION FOR ASSESSMENT PERIOD**

Goals and implementation items	2018/2019	Future planning / Comments
<b>Goal 1: Awareness &amp; education</b>		Implemented? (1 = yes, 0 = no)
Continue waste education as currently done and make use of the Youth Jobs In Waste project. It is planned that nine individuals will be working in waste awareness and education for the duration of the project.	1	Waste education to continue. See discussion and details of implementation under 4.1. Youth Jobs In Waste Project has been completed and is no longer running.
Overstrand Municipality Solid Waste employees to attend education seminars and waste forums. Capacity training and education conducted within the Municipality where needed.	1	To continue.
<b>Goal 2: Improve Waste Information Management</b>		
Registering of waste generators, transporters and recyclers and reporting to the Municipality.	1	To continue.
Conduct the Waste Characterisation Study	1	The study has been commissioned and the results will be included in the new IWMP that is due for development.
Install a weighbridge at Hermanus transfer station	Completed in 2015	Completed in 2015
Install weighbridge at Kleinmond transfer station	0	Delayed to a future appropriate date.
Continual recording of weighbridge readings and reporting to the Waste Information System.	1	To continue.
<b>Goal 3: Effective solid waste service delivery</b>		
Collection Service Review: The Overstrand Municipality must ensure that all residents receive an affordable waste service at an acceptable level. Current service levels are good and it needs to be ensured that this remains the case. Waste collection planning must be reviewed in order to provide services to new developments. The Town Engineers must liaise with the town planning department to stay up to date with new areas that require or will require service. The complaints registry and service requests must be reviewed by the Waste Management Officer at least weekly to ensure that these are properly addressed.	1	To continue.
Collection Vehicles Review: The older Municipal collection vehicles currently in the Municipal fleet aged above 7 to 8 years, must be assessed in terms of running cost and effectivity. Where vehicles are operating beyond their effective economic lifetimes or are not the most efficient vehicles for their functions, they must be replaced. It must also be ensured that each vehicle's function is thoroughly assessed in order to replace the old vehicles with the most efficient and cost-effective ones. The Waste Management Officer will be responsible.	1	To continue.
Vacant positions need to be filled. In order to provide an effective service, key vacant positions in the solid waste department need to be filled.	1	Overstrand's Waste Manager, Mr. Johan van Taak has retired after 38 years of service. Mr. Craig Mitchell has been appointed as the new Waste Manager.

Goals and implementation items	2018/2019	Future planning / Comments
<b>Goal 4: Promote and Ensure Waste Minimisation</b>		
Expand the source separation service where feasible. Part of the collection service review of Goal 3.	N/A	No further expansion planned, due to the Swop shops servicing the other areas, therefore this goal is completed.
<b>Goal 5: Improve Regulatory Compliance</b>		
Enforce by-laws and review as is necessary alongside new national and provincial legislation.	N/A	No need during the assessment period. Will be verified with the new IWMP development.
Rehabilitate the Onrus, Hermanus, Hawston, Fisherman's Haven, Voëlklip, Stanford and Pearly Beach landfills. Note that the Pearly Beach rehabilitation will be completed under the construction of the new dams at the sewerage works.	N/A	Postponement of the required rehabilitation dates have been approved by the D:EA&DP after applications were submitted by the municipality. This goal is therefore moved to later appropriate dates and will be included in the goals and implementation schedule of the new IWMP.
Conduct annual internal and external audits for waste management facilities. External audit cost estimates indicated below (all facilities that require audits). Costs to fix non-compliant items will be determined by the audit findings.	1	To continue.
<b>Goal 6: Ensure safe and integrated management of hazardous waste</b>		
The public must be informed about household hazardous waste and the avoidance, reduction and disposal options available to them regarding these wastes. This forms part of Goal 1 of this plan. Provision has been made at the transfer stations to allow household hazardous waste to be offloaded.	1	To continue.
As part of Goal 2 of this plan, the registration and reporting of hazardous waste generators at the Municipality will allow the Municipality as the service authority to ensure that the waste is stored, transported, treated or disposed as is legally required.	N/A	No large hazardous waste generators in Overstrand. A new hazardous waste study will be commissioned as part of the new IWMP development.
'Monitoring of waste: It must be ensured that waste management employees are familiar with the latest legislation regarding hazardous waste, the identification thereof and the disposal options that are legal. Employees at waste management facilities must be able to identify the received waste loads and prohibit the disposal or offloading where required. The incoming waste loads at disposal and waste management facilities must be monitored.	1	To continue.
<b>Goal 7: Ensure sound budgeting for integrated waste management</b>		
The Municipality will ensure that there is sufficient provision in the budget for upcoming projects and action items. This can be done with the annual IWMP implementation programme review and project evaluation.	1	To continue.
The Municipality will explore other sources of funding.	1	To continue.
The Municipality will as part of Goal 3 ensure that the service delivered is cost efficient.	1	To continue.
<b>IWMP implementation % (2018-2019)</b>	<b>93%</b>	

## 4. ADDITIONAL PROJECT INFORMATION

### 4.1 AWARENESS AND EDUCATION

The Overstrand Municipality conducts comprehensive awareness and education campaigns with continual involvement with the public in terms of solid waste management and the promotion of better waste management practices. Residents are informed and given feedback through the means of newsletters, pamphlets, social media and the municipal website. Schools are visited to educate learners about solid waste and recycling.

The following summarised examples indicate what was done during the assessment period of this report. Further details are attached as **Annexure 1**.

- Storyteam Storifactori: This is a team conducting an educational theatre project in collaboration with the Overstrand Municipality. They visit schools and community centres throughout Overstrand and perform environmentally themed puppet theatre productions with an interactive nature to teach learners about the importance of nature conservation and proper waste management and recycling. Their target audience is from grade R to grade 3. Productions are presented in Afrikaans, English and isiXhosa.
- The Village News newsletter: Poor disposal practices are addressed and the proper ways to dispose and where to dispose are explained.
- Press releases, website and pamphlets: Planning regarding re-establishing recycling in the Hermanus areas following violent protests and the destruction of the Hermanus Material Recovery Facility.
- Recycling at restaurants: Information and guidance pamphlet promoting recycling at restaurants.
- Multi-lingual notices: Warning and information distributed after specialist gas testing that the old Hermanus Landfill is not suitable for informal housing.
- Information pamphlets: Discouraging illegal dumping and information of all facilities where the public can take deliver their waste for disposal.
- Media interview: Question and answer session with Mr Van Taak regarding the separation at source programme.
- Cub Scouts Hermanus: Engagement and presentation to members by municipal officials which included recycling.
- Talks and presentations: Presentations were delivered to the public, the Overberg District and at events with the D:EA&DP, which included presentations on recycling, Municipal Waste Management Best Practices: The road to success with waste awareness.
- Municipal newsletter ("BULLETIN"): Solid waste events and information.
- Social Media: Announcements, public interaction, useful information

#### 4.2 WASTE INFORMATION MANAGEMENT & ENSURE WASTE MINIMISATION

Goals 2 and 4 are addressed in this section, as the waste information management system quantifies the extent of waste minimisation achieved by the Overstrand Municipality during the evaluation period. The ongoing implementation of this goal is under way and accurate data has been used to determine the portions of waste diverted from landfill. The monthly data is also reported to the Integrated Pollutant and Waste Information System (IPWIS) by the Municipality. This information is summarised as follows:

Month	Waste Diverted						Waste Disposed		
	Builder's Rubble used as Cover at Gansbaai (tonnes)	Builder's Rubble used as Cover at Karwyderskraal (tonnes)	Chips used as Cover at Gansbaai (tonnes)	Organic waste Composted at Karwyderskraal (tonnes)	Recycled at Gansbaai (tonnes)	Recycled at Hermanus (tonnes)	Total % diverted	Disposed at Gansbaai landfill (tonnes)	Disposed at Karwyderskraal (tonnes)
Jul-18	872.68	1887.48	54.98	570.14	55.89		52%	849.84	2324.35
Aug-18	1274.34	2340.85	86.54	495.45	43.13		50%	780.21	3422.19
Sep-18	957.70	1975.00	240.78	432.84	34.50		45%	657.96	3867.72
Oct-18	1177.22	2357.95	50.64	217.24	52.80		44%	771.17	4159.48
Nov-18	1360.04	3502.24	68.24	865.88	29.40		58%	781.58	3402.82
Dec-18	956.76	1669.66	60.10	409.42	45.41		43%	892.76	3291.22
Jan-19	1573.20	872.44	46.46	443.72	44.66		41%	928.36	3432.50
Feb-19	1355.72	2043.50	60.54	1592.78	44.75		61%	682.70	2595.50
Mar-19	1715.30	1180.82	59.50	1215.16	25.61		53%	901.02	2828.96
Apr-19	1119.10	1236.98	49.04	995.44	57.36		49%	822.94	2741.24
May-19	1424.50	1565.68	127.22	1104.64	25.19		57%	705.24	2553.06
Jun-19	1325.16	1023.39	39.48	770.20	23.82		49%	587.14	2659.80
<b>Year Total</b>	<b>15,111.72</b>	<b>21,655.99</b>	<b>943.52</b>	<b>9,112.91</b>	<b>482.52</b>	<b>0.00</b>	<b>50%</b>	<b>9,360.92</b>	<b>37,278.84</b>
Average Monthly	1,259.31	1,804.67	78.63	759.41	40.21			780.08	3106.57
Average Daily (6day)	48.44	69.41	3.02	29.21	1.55	0.00		30.00	119.48

From the table above, it can be seen that on average, 50% of the Overstrand's solid waste stream has been diverted during the evaluation period. This is over and above the target of 20% by 2019. It has however decreased since the previous evaluation by 4%, due to various disruptions during protest actions and the subsequent destruction of the Hermanus Material Recovery Facility.

Private recycling activities by Walker Bay Recycling in Hermanus further increase the overall diversion percentage by 1% according to their average reported monthly recycling figures of 223.2 tonnes per month. During the evaluation period, the Gansbaai material recovery facility was successfully operated by a private contractor appointed by the Municipality. A project is under way to establish a new Material Recovery Facility and Transfer Station in the Hermanus area.

### 4.3 **EFFECTIVE SOLID WASTE SERVICE DELIVERY & SAFE MANAGEMENT OF HAZARDOUS WASTE**

The Overstrand delivers weekly solid waste collection services to all residences in the municipal area. These services are also rendered free of charge to all registered indigent households. There are on average approximately 7500 registered indigent households which receive free basic services.

Waste is collected in informal settlements in the form of communal collection points (bins and skips). In addition to collection services at households, there are numerous public drop-off facilities where the public can offload their waste for collection and disposal. These facilities are either larger drop-off facilities which accommodate vehicles and large loads or “weekend” drop-offs which are smaller and convenient for weekend visitors who cannot put out their waste on collection days to deposit their waste before leaving the Overstrand. These facilities are the following:

- Hermanus Transfer Station, & Public Drop-off
- Kleinmond Transfer Station & Public Drop-off
- Pringle Bay Mini Drop-off
- Betty’s Bay Drop-off
- Hawston Drop-off
- Voëlklip Weekend Drop-off
- Voëlklip Drop-off
- Stanford Drop-off
- Pearly Beach Drop-off
- Betty’s Bay Mini drop-off

Waste is collected from households in either wheelie bins or refuse bags. A 2-bag system is implemented in order for residents to practice source separation. The system is temporarily suspended in Hermanus until the destroyed MRF is rebuilt.

Household hazardous waste containers are available at the Gansbaai Landfill, Kleinmond Transfer Station (temporarily unavailable until new containers and bins are delivered), Stanford Drop-off and Hermanus Transfer Station for the temporary storage of these waste types. When the containers reach capacity, they are transported to the Vissershok Hazardous Waste Landfill in Cape Town for disposal. Storage capacity at each facility for household hazardous waste is kept below 80m<sup>3</sup>. Gansbaai Landfill and the Voëlklip Drop-off have been supplied with containers for temporary asbestos storage. The Kleinmond Transfer Station will be supplied with such a container in 2020.

The rendered services as well as the availability of the above facilities prove adequate for effective solid waste service delivery.

All received complaints regarding solid waste are logged on the internal system. A work order is created when a complaint is received and sent to the appropriate responsible person. This person must then address the complaint and report back in order to complete the order.

Complaints can be logged at the following numbers for each area:

Hermanus:	(028) 313 8000
Gansbaai:	(028) 384 8300
Kleinmond:	(028) 271 8400
Stanford:	(028) 341 8500

### 4.4 **IMPROVE REGULATORY COMPLIANCE**

All solid waste management facilities that require licensing have been licensed in the Overstrand. Due to the requirements stipulated in the licences, regular audits are required of the facilities, even if they are no longer operational.

Annual external audits are conducted by an independent service provider. These reports are submitted to the Municipality and the D:EADP. The municipality conducts quarterly internal audits on the operational facilities.

The following solid waste facilities were audited during January 2019 in terms of their respective licence/permit conditions. Note that some facilities only require audits every second year and some do not require audits any longer.

- Hawston Closed Landfill
- Hermanus Closed Landfill
- Voëlklip Closed Landfill
- Gansbaai Operational Landfill
- Hermanus RTS
- Kleinmond RTS

The audits are used by the municipality to identify the non-compliances and addressing the identified issues. Not all issues can or need to be immediately addressed but are scheduled according to the available budget and/or according to stipulated dates in the licences. The audit reports can be obtained from the municipality on request.

The Municipality has therefore implemented the action under this goal in order to evaluate their solid waste management facilities and improve compliance.

#### 4.5 **BUDGETING**

The municipality appoints an external service provider annually in order to evaluate the waste disposal facilities and calculate cost estimates in order to rehabilitate each facility. This is done in accordance with the relevant accounting standards (GRAP19). The evaluation date of this annual report is at the municipal financial year-end, 30 June.

These costs need to be recalculated annually to provide the best estimate due to changes in legislation, rehabilitation requirements, expected year of rehabilitation and changing site conditions. A summary of the latest cost estimate (30 June 2019) for each site that would require future rehabilitation is provided below:

<b>Site Name:</b>	<b>Onrus Landfill</b>	<b>Hermanus Landfill</b>	<b>Hawston Landfill</b>	<b>Fisherhaven Landfill</b>
<b>Total (Excl. VAT)</b>	R12,065,950.30	R14,368,220.53	R4,444,737.05	R10,040,571.57
<b>Site Name:</b>	<b>Voëlklip Landfill</b>	<b>Stanford Landfill</b>	<b>Pearly Beach Landfill</b>	<b>Gansbaai Landfill</b>
<b>Total (Excl. VAT)</b>	R15,908,887.13	R4,460,219.53	R4,983,990.10	R34,137,572.24

These cost estimates are not all required in the assessment period, but are scheduled for upcoming financial years.

Adequate budget is available for the solid waste operational services, but currently limited funds are available for capital projects. It is planned to remove and remediate the Hawston Landfill. The waste will be transported to the Karwyderskraal Landfill for disposal. Establishment of a new transfer station and material recovery facility for Hermanus has been identified as priority and budget made available.

The Municipality needs to explore sources of funding in order to implement capital projects.

**4.6 SOLID WASTE EXPENDITURE DURING EVALUATION PERIOD**

<b>OPERATING REVENUE</b>	
Service Charges	61,788,413.00
Transfers Recognised - Operating	14,931,526.00
Other Revenue	56,611.00
<b>Total Operating Revenue</b>	<b>76,776,550.00</b>
<b>OPERATING EXPENDITURE</b>	
Employee Related Costs - Wages & Salaries	26,944,043.00
Employee Related Costs - Social Contributions	3,753,319.00
Debt Impairment	365,059.00
Depreciation and Asset Impairment	3,856,536.00
Interest Expense - External Borrowings	746,354.00
Other Materials	2,597,928.00
Contracted Services	24,565,623.00
Other Expenditure	737,801.00
Contributions To/(From) Provisions	6,587,366.00
<b>Total Direct Operating Expenditure</b>	<b>70,154,030.00</b>
<b>SURPLUS/DEFICIT</b>	
Operating Surplus : Total revenue less Total Expenditure	<b>6,622,520.00</b>
<b>Less: Expenditure</b>	
Departmental charges	10,015,410.00
<b>Deficit</b>	<b>-3,392,890.00</b>

**4.7 IWMP REVIEW AND UPDATE**

The next generation IWMP is scheduled to be developed during the Municipality's 2019/2020 financial year and consultants will be appointed for this process.

**5. CONCLUSIONS AND RECOMMENDATIONS**

Based on the goals that were set in the IWMP for each solid waste management category it is evident that the Overstrand Municipality followed the IWMP and implemented all actions as far as the budget allowed.

The Overstrand Municipality is committed to deliver efficient waste management services as is evident from the basic services they render as well as the supporting functions by implementing awareness and education, post-collection recycling, garden waste chipping and composting.

The only concern is the availability of fund for capital projects which would require large sums such as the future rehabilitation of disposal facilities.

## **ANNEXURE 1**

### **AWARENESS AND EDUCATION EXAMPLES**



**STORY TEAM**  
STORIFACTORI

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PLAY

PARTICIPATE

EMPOWER

Rommela de Mors / Amaxumbulu



Blou/Ibali Lamanzi



Boeboes die Breker en die Vleilande (Wetlands)



Vuur en Vlam (Fire awareness)



Tekie Plastiek - Plastiek maak die see siek (Marine Conservation)





Educational Theatre . Workshops . Scripts . Products

**JUNE 2019**

**REPORT: ENVIRONMENTAL PUPPET THEATRE**

Story Team started the educational theatre project with the Overstrand Municipality in the second half of 2017. The project entails:

Environmentally themed puppet theatre productions that Story Team performs at schools and community centres throughout the Overstrand District. The aim is to create both awareness, and to educate youngsters about the effect littering and the wasting of water has on the environment. Concepts like recycling and water preservation are introduced and explained through interactive theatre.

The two current productions we do in collaboration with the Overstrand Municipality include:

1. Rommella de Mors/Amaxumbululu
2. Blou/Ibali Lamanzi

The productions' target market is learners from grade R to grade 3. Performances are done in Afrikaans, English or a combination of English and isiXhosa.

Within the three-year cycle, we have rotated the schools to make sure that all the learners have seen each production once.

When a new cycle begins, the productions will be relevant for a new bunch of learners once again.

Because of the interactive nature of Story Team's productions, and the specific style of theatre presentation, it is possible for the actors to determine if the necessary information is successfully transferred to the learners during each performance. If not, to make adjustments to the content of the production to insure that the message is successfully communicated to the learners.

Some positive feedback:

***"Thank you for bringing this important message in such a fun, visual way!"***

***"It connects perfectly with the work we're doing in class!"***

***"We constantly hear these songs on the playground afterwards..."***

***"Thank you for letting our learners experience this, it's a first for them..."***

***"We love the characters just as much as the learners!"***

Measuring the success of this method of information sharing, is evident from the teachers' comments. Even more so in the number of learners, and teachers, who have been reached. (9 962 learners from mid-2017 until now.)

Please find attached detailed numbers of all the schools and learners reached from 2017 – 2019, as well as a photo sheet of productions.

We are looking forward to continuing making a positive change in our community, doing what we love!

Other environmentally themed productions are:

- Boeboes die Breker en die Vleilande (Wetlands)
- Vuur en Vlam (Fire awareness)
- Iekie Plastiek – Plastiek maak die see siek (Marine conservation)

Yours in education,

Marhette van Huyssteen en Celeste Loriston  
Directors





# STORY TEAM

## STORIFACTORI

Educational Theatre . Workshops . Scripts . Products

### 2017: POPPEKAS - Rommella (Herwinning)

Skole	Datum & Tyd	Grade	Taalvoorkeur	Plek	Getalle
Gansbaai Primer	15/9 @ 08:45	Gr 1-3	Afr/eng	Skoolsaal	239
Die Bron Primer	18/9 @ 09:00	Gr R-3	Afr/eng	Gemeenskapsaal Stanford	235
Hawston Primer	19/9 @ 09:00	GrR - 1	Afrikaans	Skoolsaal	264
Hawston Primer	19/9 @ 10:30	Gr 2 & R	Afrikaans	Skoolsaal	270
Kleinmond Laerskool	20/0 @ 09:00	Gr 1-3	Afr/eng	Dorpsaal Kleinmond	146
Mount Pleasant	22/09 @ 09:00	Gr 1-3	Afr/eng	Moffat saal	350
Zwelihle pre-primary Educare centre	01/12 @ 09:00	Gr R	Xhosa	Gemeenskapsaal Zwelihle	110

\*Nota 1

Nota 1: Eerste Xhosa poppekas sou by Zwelihle gewees het vir hulle Gr 1 leerders, hulle kon ons nie akkommodeer nie.

### 2018

#### POPPEKAS - BLOU (Waterbesparing) - 5 x afr/eng & 3 x Xhosa

Skole	Datum & Tyd	Grade	Taalvoorkeur	Plek	Getalle
Gansbaal Laerskool	19/3 @ 09:00	GrR & Gr 1	Afr & Eng	Skoolsaal	190
Hawston Primary	20/03 @ 09:00	Gr R & 1	Afr & Eng	Skoolsaal	269
Hawston Primary	20/03 @ 10:30	Gr 2 & 3	Afr & Eng	Skoolsaal	287
Kleinmond primer	22/3 @ 09:00	Gr 1 & 2	Afr & Eng	Kleinmond gemeenskapsaal	225
Mount Pleasant	23/3 @ 09:00	Gr 1 & 2	Afr & Eng	Moffatsaal	238
Masakhane primary	30/5 @ 09:00	Gr 1 & 2	Xhosa/Eng	Skoolsaal	235
Zwelihle primary	31/5 @ 09:00	Gr 1	Xhosa/Eng	Skoolsaal	202
Zwelihle primary	31/5 @ 11:00	Gr 2	Xhosa/Eng	Skoolsaal	196

#### POPPEKAS - ROMMELLA (Herwinning) x 11 Xhosa

Skole	Datum & Tyd	Grade	Taalvoorkeur	Plek	Getalle
Zwelihle primary	13/6 @ 08:30	Gr R	Xhosa/english	Skoolsaal	180
Zwelihle primary	13/6 @ 09:20	Gr 1	Xhosa/english	Skoolsaal	202
Lukhanyo primary	14/6 @ 08:20	Gr R & 1	Xhosa/english	Skoolsaal	275
Lukhanyo primary	14/6 @ 09:20	Gr 2	Xhosa/english	Skoolsaal	195
Lukhanyo primary	14/6 @ 11:00	Gr 3	Xhosa/english	Skoolsaal	187
Masakhane primary	15/6 @ 09:00	Gr R & 1	Xhosa/english	Skoolsaal	195
Masakhane primary	15/6 @ 10:45	Gr 2 & 3	Xhosa/english	Skoolsaal	235
Kleinmond Primary	18/6 @ 11:00	Gr R-4	Xhosa/english	Kleinmond gemeenskapsaal	155
Hermanus Waldorf School	18/6 @ 08:30	Hele skool	Xhosa/english	Skoolsaal	155
Maskakhane primary	6/9 @ 08:30	Gr R & 1	Xhosa/english	Skoolsaal	195
Masakhane primary	6/9 @ 09:15	Gr 2 & 3	Xhosa/english	Skoolsaal	235

\*Nota 1

\*Nota 2

Nota 1: Sou nog 2 x poppekaste gedoen het vir Zwelihle primary se gr 2 & 3, maar agv die riots was hulle agter met skoolwerk. Kon ons later ook nie akkommodeer nie, toe besluit om dit weer te doen by Masakhane, want hulle was min gewees met 15/6 vertoning agv slegte weer

Nota 2: Eiywoning deur Masakhane se kinders was nie baie goed nie, was toe gestryf aan weersomstandighede en kinders wat wegby as klaar is met assesserings

Nota 3: Hawston primary het ook Rommella poppekas gesien op 05/06/2018, het geval onder Liezl de Villiers (Omgewings kantoor)



# STORY TEAM

## STORIFACTORI

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### 2019: POPPEKAS - BLOU (Waterbesparing) x 8

Skole	Datum & Tyd	Grade	Taalvoorkeur	Plek	Getalle
Gansbaai Primary	09/04 @ 09:00	GrR & Gr 1	Afr & Eng	Skoolsaal	172
Gansbaai Primary	09/04 @ 10:30	Gr 2 & 3	Afr & Eng	Skoolsaal	157
Okkie Smuts	10/04 @ 09:00	Gr 1-3	Afr & Eng	Gemeenskapsaal Stanford	145
Hoopland Akademie	10/04 @ 09:00	Gr 1-3	Afr & Eng	Gemeenskapsaal Stanford	30
Die Bron Primer	10/04 @ 11:00	Gr 1-3	Afr & Eng	Gemeenskapsaal Stanford	220
Laerskool Kleinmond	11/04 @ 09:00	Gr 1-3	Afr & Eng	Laerskool Kleinmond	151
Krappies & Krefies Kleuterskool	11/04 @ 09:00	Gr R	Afr & Eng	Laerskool Kleinmond	27
Lukhanyo Primary	11/04 @ 12:15	Gr 1	Xhosa & Eng	Skoolsaal	237
Laerskool Hermanus	12/04 @ 10:00	Gr 1-3	Afrikaans	Skoolsaal	277
Laerskool Hermanus	12/04 @ 11:00	Gr 1-3	Engels	Skoolsaal	177

### POPPEKAS - ROMMELLA (Herwinning) x 13

Skole	Datum & Tyd	Grade	Taalvoorkeur	Plek	Getalle
Kleinmond Primary	30/05 @ 09:00	Gr 1 & 2	Afr & english	Kleinmond Gemeenskapsaal	220
Kleinmond Laerskool	30/05 @ 11:30	Gr 1-3	Afr & english	Kleinmond Dorpsaal	151
Mountpleasant Primary School	31/05 @ 09:00	Gr 1 & 2	Afr & english	Moffat saal	237
Curro Private School	04/06 @ 08:30	GrR-3	Afr & english	Skoolsaal	183
Hermanus Primary	04/06 @ 11:10	Gr1-3	Afrikaans	Skoolsaal	277
Hermanus Primary	04/06 @ 12:00	Gr 1-3	English	Skoolsaal	177
Okkie Smuts Primary School	11/06 @ 09:00	Gr1-3	Afr & English	Stanford gemeenskapsaal	145
Hoopland Akademie	11/06 @ 09:00	Gr R - 3	Afri & English	Stanford gemeenskapsaal	30
Die Bron Primary School	11/06 @ 10:30	Gr R-3	Afr & English	Stanford gemeenskapsaal	220
Gansbaai Laerskool	06/06 @ 08:45	Gr 1-3	Afrikaans	Skoolsaal	192
Masakhane Primary (Gansbaai)	06/06 @ 11:15	Gr R & 1	Xhosa & english	Skoolsaal	210 <sup>*Note 1</sup>
Masakhane Primary (Gansbaai)	06/06 @ 12:10	Gr 2 & 3	Xhosa & english	Skoolsaal	180 <sup>*Note 1</sup>
Lukhanyo Primary	07/06 @ 08:30	Gr 1	Xhosa & english	Skoolsaal	237
Lukhanyo Primary	07/06 @ 09:30	Gr R & Gr 2	Xhosa & english	Skoolsaal	245

**Nota 1:** Slegte opkoms by Masakhane agv kinders wat klaar is met assesserings voor skole sluit. 1ste vertoning omtrent 62 kinders en 2 de vertoning 158 (gr 4 kids en dramakinders ook laat kom)

**Nota 2:** Het vir Zwelihle primary ook gevra vir 2 vertonings, kon ons nie akkommodeer nie, agv van eksamen wat geskryf word in saal. In hul plek vir Lukhanyo genooi

## Make your waste disposal a priority

April 2, 2019

**S**ewerage blockages can to a large extent be attributed to objects such as stones, pieces of iron, plastic, branches, grease and household garbage that enter the system and form an obstruction.

In a press release, the [Overstrand Municipality](#) again appealed to residents not to dispose of materials such as used cooking oil, motor oil, yard and pet waste, paint, concrete slurry and construction materials or any other household hazardous chemicals into the storm water infrastructure.

### Preventive measures:

- Do not dispose of used cooking oil and grease by dumping it into the storm drain. Allow fat (from fatty foods when cooking) to cool and congeal or solidify. Once it is solid, wrap it in newspaper or put it in a bag before placing in the refuse bin which is emptied weekly.
- Rags, paper, tampons and disposable nappies should be disposed of in the normal household bin or sanitary bins provided by businesses.
- Keep yard clippings out of the street.
- Recycle used motor oil.
- Sweep driveways clean instead of hosing them down.
- Keep litter, pet waste, leaves, grass clippings and debris out of street gutters and storm drains. Outlets blocked by excessive debris, such as leaves and grass clippings, could lead to flooding of your street.
- Most building materials enter the sewer system when contractors/builders dump these materials into the sewer through manholes. This causes unnecessary stress on the system.

Please keep the manholes and drains clean and continue to report sewerage blockages at the municipal control room 028 313 8000/8111. Alternatively, phone Kleinmond on 028 271 8400, Hermanus on 028 313 8090, Gansbaai on 028 384 8300 and Stanford on 028 341 8500 to request service.

### Where to dump?

There is no excuse for dumping waste illegally in our neighbourhoods or next to the roads as the municipality provides a highly reliable refuse collection service and drop-off facilities across Overstrand.

**Hermanus:**

- Hermanus Transfer Station in Mbeki Street (general waste and garden refuse only). Mondays – Fridays 08:00 – 18:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00;
- Voëlklip Weekend Drop-Off in 7th Street (household waste, black bags only). Mondays to Fridays 08:00 – 18:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00;
- Voëlklip Prawn Flats Drop-Off (garden and general household waste). Mondays to Fridays 08:00 – 18:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00;
- Hawston Drop-Off in Church Street (garden and general household waste). Mondays to Fridays 08:00 – 18:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00;
- Karwyderskraal Landfill (builders' rubble, garden waste and general household waste). Mondays to Fridays 08:00 – 16:30.

**Kleinmond:**

- Pringle Bay and Betty's Bay weekend drop-off for household refuse and Betty's Bay drop-off for general and garden refuse. Mondays to Fridays 08:00 – 16:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00.
- Kleinmond Transfer Station for household, general and garden refuse and small quantities of builders' rubble (bakkie builders) up to 1 ton. Mondays to Fridays 08:00 – 16:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00
- Karwyderskraal Landfill for all your builders' rubble of more than 1 ton.

**Stanford:**

- Stanford Transfer Station for general and garden refuse and small quantities of building rubble. More than 1 ton should be taken to Gansbaai Landfill.

**Gansbaai:**

- Gansbaai Landfill for building rubble and general and garden refuse; and
- Pearly Beach drop-off for general and garden refuse and small quantities of building rubble (bakkie builders).

**PERSVERKLARING / PRESS RELEASE**

**CONTACT:**

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Overstrand Municipality

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**12 September 2018**

**THE FUTURE OF OVERSTRAND WASTE RECYCLING BEING REVIEWED**

Many residents are rightfully concerned about the abrupt halt to waste recycling activities in the Overstrand since the riots in Hermanus in July 2018.

Unfortunately the fact is that the material recovery facility in Hermanus, including all the equipment, has been destroyed during the riots, to such an extent that the repair and re-commissioning thereof may take years to complete.

There is no alternative facility available in the area where sorting and bailing of such volumes of recycled waste can take place in the interim.

The transport of material which has not been sorted and bailed is very expensive, and therefore not attractive to potential buyers in neighbouring towns or the city.

The current situation is however presenting an opportunity to eventually move to a higher level of recycling and improved diversion of waste from landfill.

Overstrand Municipality immediately commenced with a feasibility study to investigate the possibility of relocating the recycling facility to the Karwyderskraal Landfill site, to be operated as a regional facility by the Overberg District Municipality, thereby handling larger volumes, also including waste from neighbouring towns in other municipalities. The report should be completed by the end of September 2018.

Should the relocation option prove to be feasible, the planning and budgeting process will commence, and it is possible that the reinstatement of the damaged facility at its current location be abandoned, especially in view of the need for land for housing in the specific area, and the perceived risks associated with the previous operating arrangements.

The possibility of temporarily transporting all recycled material from the Kleinmond/Bettiesbaai/Pringle Bay/Rooi-Els areas to Gordon's Bay has also been investigated.

Challenges include that official approval of the City of Cape Town Municipality will have to be obtained, an extended procurement process for the transport of the material will have to be completed, which will take several months, and the issue of “donation” of municipal property (i.e. collected waste) to a single receiving “beneficiary” without an open tender process will be especially challenging to address in terms of legislation. Indications are that the transport will be expensive, considering the only routes available for large trucks between Kleinmond and Gordon’s Bay.

Many residents enquire about the possibility of transporting all the recycling to our material recovery facility in Gansbaai for sorting and bailing. Unfortunately that is not an option as the facility is too small to handle such a large volume of recycling and even further for transporting the recycling to the markets in Cape Town.

Overstrand Municipality will keep residents informed of progress made in reaching a solution. It is a high priority for the municipality to find the best possible solution as soon as possible, to ensure the long term sustainability of efficient waste management.

EINDE / END

Recycling at restaurants.

Background.

Waste management is becoming more and more complicated because of the norms and standards and legislation that becomes more and stricter. A cell at the landfill is becoming more and more expensive. To save the landfill we must separate our waste by taking out the recycling saving the air space on the landfill.

The following aspects must be in place to manage your waste in an effective manner.

- 1 Educate your staff to separate the recycling from the wet waste.
- 2 One staff member must be the waste management champion.
- 3 Owner or manager must be hands on and check the progress of the process and see if proper waste management and recycling do take place.
- 4 Penalty system must be in place to force the staff to recycle, although voluntary cooperation must be the first choice.
- 5 Meetings about the handling of waste must take place because if the owner or manager does not take responsibility it will not happen.
- 6 Bins for wet waste and recycling waste must be clearly marked and champion must do spot checks if staff adhere to the rules.

Advantages of separation at source is:

- 1 Restaurant can have a saving on bins that are removed by municipality.
- 2 Recycling bins are removed free of charge.
- 3 Restaurants will be more appealing to the clients who are more and more looking for environmental friendly business.
- 4 Restaurants that gives there cooperation will be awarded by publishing of a list of environmental friendly places.
- 5 More recycling will come from the restaurants saving the cell at the landfill.



### **Notice to informal residents on old Hermanus dumpsite**

This notice is to inform the *community regarding the potential risks of landfill (dumpsite) gas and the methods to avoid these and the danger of constructing temporary housing on an un rehabilitated dumpsite.*

The Old Hermanus Dumpsite received general waste (rubbish). General waste consists of, for example, waste from households and businesses such as old food, paper, plastic, garden waste (grass cuttings and branches), etc.

Landfill gas is generated when the organic portion (food and garden waste) of the waste starts to rot. This rotting process releases a gas that is mainly made up of carbon dioxide and methane. Carbon dioxide is colourless, odourless and non-flammable. Methane is also colourless and odourless, but is flammable.

Landfill gases are potentially dangerous when trapped so that it cannot mix with natural airflow. The most likely places where this can happen are inside trenches, excavations, manholes, informal structures, etc. close to the landfill.

Landfill gas can typically migrate up to 100m from the landfill through the soil.

**The community was requested by notice during October 2018 to take note of this danger and not to construct structures on the landfill site.**

**The results of gas sampling and testing by gas specialists indicate that there is a definite risk of dangerous gases which can potentially harm the community.**

**The Overstrand Municipality therefore reiterates the fact that the area is not suitable for residential use.**

**S. MÜLLER  
DIRECTOR: INFRASTRUCTURE AND PLANNING**

We need your help to stop illegal dumping on commonages and open erven in the Overstrand.

Please see the below list of facilities where domestic waste is accepted at no charge to the public. Note, small quantities of building rubble (bakkie builders) 0 to 1 ton, general and garden refuse as well as industrial waste can also be disposed of here. However, a disposal fee may apply, depending on the volume and type of waste. Builder's rubble of more than one ton can be dropped off at Karwyderskraal Landfill.

Weekend visitors are also urged to make use of one of the following transfer sites for the disposal of house hold refuse.

For your convenience, the transfer stations are also open during weekdays from 08:00 - 18:00 and Saturdays from 09:00 - 16:00.

As a reminder of where and when you can dispose of general waste

• **KLEINMOND: Kleinmond Transfer Station, Main Road**

Kleinmond Transfer Station	Monday – Friday	07:30 - 18:00
	Weekends & public holidays	07:30 - 16:30
Betty's Bay Drop-off Station	Monday – Saturday	08:00 - 16:00

• **HERMANUS: Hermanus Transfer Station, Swartdam Road**

Hermanus Transfer Station	Monday – Friday	08:00 - 18:00
	Saturdays & public holidays	09:00 - 14:00
Voëlklip Drop-off Station	Mondays	08:00 - 16:00
	Tuesday – Friday	08:00 - 18:00
	Saturdays & public holidays	09:00 - 16:00
Hawston Drop-off	Monday – Friday	08:00– 18: 00
	Saturdays	09:00 –16:00

• **STANFORD: Stanford Drop-off, Rivier Street, Industrial Area**

Stanford Drop-off Station	Monday – Friday	08:00 - 17:00
	Saturdays & public holidays	09:00 - 14:00

• **GANSBAAI: Gansbaai Landfill, Voortrekker Street**

As part of a trial run, additional bulk waste skip bins were placed at strategic positions in Franskraal (Rossouw Street), Kleinbaai (Perlemoen Street), Blompark (Kampeerweg) and Masakhane. This was to address the need of holidaymakers who are unable to dispose of their DOMESTIC refuse on the scheduled collection days in the areas concerned.

Gansbaai Landfill	Monday – Friday	08:00 - 18:00
	Saturdays & public holidays	08:00 - 16:00
Pearly Beach	Monday – Friday	08:00 - 17:00
	Saturdays & public holidays	9:00 - 14:00

## Interview Questions for Johan van Taak

1. When did you start your S@S programme in the Overstrand and what was the motivation for starting it?

We started the S@S in 2002 when the old Hermanus Landfill closed and the new regional landfill opened at Karwyderskraal. The motivation of this project was started through public demand for this action and Overstrand Municipality thought it was a wonderful idea to make the residents part of our solid waste action.

2. How does your S@S programme work?

- a. How does the contract work from notifications to residences, giving out of bags, collection of bags, sorting etc.

Our material recovery facility is outsourced to a private company. The reason for that is that municipal labor is expensive and a private company can employ more people for the same money. Overstrand Municipality is responsible for all the notifications and awareness for all the solid waste and recycling projects. We hand out the bags and collect all the bags and take it to the MRF where it is sorted and bailed.

- b. What is the responsibilities of the contractor?

Contractor managed the MRF and his responsibility is sorting, bailing and selling the product to the markets.

- c. What is the responsibilities of the Municipality?

Municipality hand out the clear bags and collect the recycling and take it to the material recovery facility. We do all the awareness and keep the public posted about all our recycling initiatives.

- d. How do you track and monitor performance of the contract?

Contractor must provide us with weighbridge figures of how many recycling was done each month. We also weigh the clear bags before delivering it at the MRF so the municipality is more or less aware how much recycling is supposed to be generate. Monthly meetings are held with contractor to discuss his performance and problems.

3. How do you monitor and increase participation rates?

- a) How do you create waste awareness and the S@S system within the Municipality?

Awareness is done via newspapers, monthly municipal newsletter, municipal face book and twitter. Power point presentations are done at organizations, schools etc. Puppet shows are held at schools.

- b) How do you get poorer communities to separate their waste at source given that split bags do not always work in these communities?

In poorer communities buy back centers help and also swop shops. Private people is running the Swop Shops and we help by collecting the recycling and take it to the recycling facility.

- c) How do you manage a S@S system with seasonal tourists? How do you get the tourists involved?

We notify all our residents and businesses. We hand out a pamphlet throughout the whole of Overstrand Municipality just before the season start explains exactly how the recycling works and what can be recycled and the days of removal in each area. The pamphlet stays in the house or flat so tourists knows exactly what they must do and also when to put their garbage and recycling out.

4. Which waste streams are covered by your S@S system?

Paper, carton, glass plastic and metal.

5. How much do you budget for S@S and what is the cost per ton?  
6. Our total budget for solid waste is R73 234 004.00 per annum. If you take the collection, running of the MRF and the establishment of infra structure it work out at about 1800 to 2000 rand per ton but you must compare that with building a new cell of R27 000 000 when you do not have a recycling program in place.

7. What was the challenges of the S@S system and how have you addressed them?

Challenges are the awareness must be done continuously. To motivate people to use the two bags. Motivate municipal workers to pick up clear and black bags separately.

8. What are the benefits of your separation at source program.

Although recycling at source is more expensive the educational value for your residents you cannot compare with money. Residents through our awareness program knows the value that the system has for the environment, its job creation value and saving valuable air space at the landfill.

9. Final note: Based on all your years of experience and lessons learnt, can you give any advice to municipalities who need to start or improve on their S@S programme?

Awareness, awareness, awareness. It must be continuously and residents needs to be reminded all the time. I find that because our residents knows how expensive a cell at the landfill is and all the benefits like job creation, saving on haulage cost, saving of raw material they appreciate it and does not complain for paying for refuse removal.

Lastly through this system residents is proud of our initiatives and positive public toward waste management and municipality you cannot compare with money.

# Cub Scouts Hermanus -Citizenship badge

## Programme for the day

### (30 November 2018 at 15:00)

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1. All meet in the Auditorium at 15:00
2. Welcome by .....
3. The purpose of the day by:.....  
  
15:10 Proceed to meet fire team : (Chief Lester & Angelo Aplon)  
  
at the parking lot adjacent to  
court for demonstration and  
presentation, after the demonstration,  
all go back to Auditorium.
4. Followed by presentations from the follows Departments:  
  
15:25 Water and Recycling : (Johan Van Taak)  
  
15:35 Road Safety measures (Traffic) : (Xen Titus)  
  
15:40 JTC : (Gerhard Smith)  
  
15:50 SAPS : (Captain September)
5. Closing: All rise and proceed to Zwelihle.
6. Visit to Zwelihle, accompanied by Thozamile tours : (Thozamile tours)
7. Law enforcement to accompany all. You all welcome to go with.

## Join hands and help keep Overstrand's streets clean

Overstrand Municipality had to cease their recycling programme in the Hermanus and Kleinmond areas after the Hermanus Transfer Station was destroyed during the unrest in town earlier in this year. And sadly all recyclables collected, has to be dumped together with household refuse at Karwyderskraal landfill site. Despite no active recycling, Overstrand Municipality is making an appeal to all residents to continue to recycle as we cannot afford for this recycling culture to be lost. **It is therefore recommended to take the recycling to Walker Bay Recycling in 2 Argon Street.**

Privately-owned Walker Bay Recycling was also destroyed by fire during the unrest but recently resumed its work. They invite residents to drop off their recyclables (cardboard, paper, glass and plastic) at the new sorting depot in Argon Street, Sandbaai Industrial. Phone the new owner, Jacques van Niekerk, for more information on 083 452 7465.

Rest assured that the Municipality is going ahead with the planning of a new recycling facility so that the full 'clear plastic bag' service for recyclable refuse, as well as a drop-off site for garden refuse and household waste will, yet again, be made available to residents in the not too distant future.

### ***Hermanus Administration:***

The Municipality received complaints regarding the state of the Prawn Flats drop-off in Voëlkliip as it is overfull and not as neat as it used to be. The Municipal Solid Waste team is as frustrated as most residents that are making use of this facility. This drop-off point has become five times busier than before and refuse there can only be collected once a day and taken to the Karwyderskraal landfill site. **We are happy to announce that the Hermanus Transfer Station is operational again.**

- VOËLKLIP Weekend Drop-Off in 7th Street (household waste, black bags only)

Mondays – Fridays 08:00 – 18:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00

- VOËLKLIP PRAWN FLATS Drop-Off (garden refuse only)

Mondays – Fridays 08:00 – 18:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00

- HAWSTON Drop-Off in Church Street (garden and general waste)

Mondays – Fridays 08:00 – 18:00, Saturdays 09:00 – 16:00, Public Holidays 09:00 – 14:00

- KARWYDERSKRAAL Landfill (builders' rubble, garden waste and general household waste)

Mondays – Fridays 08:00 – 18:00

### ***Kleinmond Administration:***

- Pringle Bay weekend drop-off for household refuse;
- Betty's Bay weekend drop-off for household refuse;
- Betty's Bay drop-off for general and garden refuse; and
- Kleinmond Transfer Station for household, general and garden refuse and small quantities of builders' rubble (bakkie builders) 0 to 1 ton
- Karwyderskraal Landfill for all your builders' rubble of more than 1 ton.

**Stanford Administration:**

- Stanford Transfer Station for general and garden refuse and small quantities of building rubble. More than one ton should be taken to Gansbaai Landfill.

**Gansbaai Administration:**

- Gansbaai dumping site for building rubble and general and garden refuse; and
- Pearly Beach drop-off for general and garden refuse and small quantities of building rubble (bakkie builders).

**THE REFUSE COLLECTION SCHEDULE IS AS FOLLOWS:**

Residents are encouraged to stick to the regular days and arrangements for the collection of household waste.

**HERMANUS ADMINISTRATION: MONDAY: Vermont, Fisherhaven, Voëlklip • TUESDAY: Onrus, Chanteclair, Berghof, Sandbaai, Hemel-en-Aarde • WEDNESDAY: Zwelihle, Mount Pleasant • THURSDAY: Westcliff, Northcliff, houses in the CBD and Hermanus Industrial Area • FRIDAY: Hawston, Eastcliff, Hermanus Heights, Kwaiwater.**

**GANSBAAI ADMINISTRATION: MONDAY: Pearly Beach • TUESDAY: De Kelders, Masakhane, Beverly Hills • WEDNESDAY: Franskraal • THURSDAY: Kleinbaai, Baardskeerdersbos • FRIDAY: Gansbaai, Perlemoen Bay, Masakhane, Beverly Hills**

**Masakhane, Beverly Hills appear on Tuesday AND Friday – is that correct?**

**STANFORD ADMINISTRATION: TUESDAY: North of De Bruyn Street • THURSDAY: South of De Bruyn Street**

**KLEINMOND ADMINISTRATION: MONDAY: Betty's Bay, Pringle Bay, Rooi-Els, Kleinmond • TUESDAY: Proteadorp, Extension 6, Overhills, Mountain View**

JUNE 2019

**24-hour Emergency Fire Brigade** 028 313 8000/8111  
028 312 2400

# Bulletin

Official newsletter of the Overstrand Municipality

## KARWYDERSKRAAL LANDFILL RIBBON-CUTTING CEREMONY



The event was attended by a long list of dignitaries, including Overstrand Executive Mayor Dudley Coetzee, Overstrand Municipal Manager Coenie Groenewald, Overberg District Mayor Sakkie Franken, Overberg District Deputy Mayor Archie Klaas, Overberg District Municipal Manager David Beretti, Overstrand Cllr Kari Brice and Overberg Cllr Steven Fourie.

A ribbon-cutting ceremony for the ceremonial opening of Cell 4, constructed at the regional landfill facility in Karwyderskraal, was held on Friday, 29 March 2019.

This terrain was designed and developed to provide for the long-term landfilling of regular household waste and to divert organic waste, which is composted on site.

The Karwyderskraal landfill site is the property of the Overberg District Municipality and has been functional since 2002.

Covering an area of ± 4.5 hectares, the construction of Cell 4 commenced in June 2018 and required the excavation of 130 000 m<sup>3</sup> of clay. The new cell is approximately 3 to 4 metres deep and will have an airspace capacity to accommodate 524 000 m<sup>3</sup> of solid waste, which means the cell will have a lifespan of approximately eight years based on current disposal rates.

With a life expectancy of 57 years, it is anticipated that the Karwyderskraal landfill site will provide airspace to its user municipalities for many years to come.

Cell 4, and the facility, complies with stringent conditions set by national and provincial government. Amongst other precautions, a high-density, polyethylene plastic liner has been installed to prevent the pollution of ground water. Given that Cell 3 is rapidly nearing the end of its lifetime, Cell 4 is now fully operational.

## New netball court for Stanford

On Monday, 6 May 2019, Overstrand Executive Mayor Dudley Coetzee, along with Stanford's Rotary Club, launched phase 3 of a dedicated netball court during a sod-turning ceremony held in Stanford.

Phase 3 was preceded by two earlier phases during which several schools and netball clubs from the area attended workshops on how to coach netball and to reinforce the benefits that can be derived from participating in sports in general.

Given that South Africa is to host the 2023 Netball World Cup in Cape Town, it is quite understandable why municipal officials and Rotarians alike are so pleased with the progress that has been made to date. Equally pleased are the Rotary Club of Knoxville, Tennessee in the USA and the Rotary Foundation who have raised funds to build this court in Stanford.

It is anticipated that the new netball court, adjacent to the existing soccer field in Bezuidenhout Street, will be completed by August this year.



Recently pictured at the sod-turning ceremony to mark the construction of the new Stanford netball court are (from left to right) Rotarian Shaman de Gale, Rotarian Malcolm Bury, netball coach Anshelle Damon, Rotarian Stephen Stocks, Area Manager for Gansbaai and Stanford Francois Myburgh, Rotarian Annie Ranger, Rotarian Lana Coates and, of course, Mayor Dudley Coetzee wielding the spade.

## Progress with regards to housing needs in Kleinmond / upgrading of Overhills

Studies with regards to utilising developable land in Kleinmond, upgrading the Overhills informal settlement and looking into the needs of backyard dwellers in Proteadorp are well underway.

Near the end of 2018, the team of professionals appointed to look into this matter submitted their report to the project steering committee and all officials involved.

Once this report and the reported housing needs in Kleinmond have been verified, it will serve as a basis to provide important social and economic information that is necessary to approach planning in Kleinmond and to determine, holistically, whether those who wish to reside in Kleinmond would, typically, prefer owning or renting a home, or to make use of GAP housing, or to have access to a serviced stand. Some may even prefer to live elsewhere.

Following on a rather protracted procurement process, the provincial Department of Human Settlements appointed VPUU (Violence Prevention through Urban Upgrades) in the course of March 2019 to undertake the survey at all informal and backyard structures in Overhills and Proteadorp.

Following on two recent engagements with the project steering committee and the general public, VPUU indicated that field workers have been recruited and trained and confirmed that the survey commenced at the end of May 2019. According to VPUU, fieldwork and data capturing will be completed by end August 2019, and it is anticipated that the findings will be presented to the steering committee at that time, where after those findings will be presented to the broader Kleinmond community for consideration.

Meanwhile, whilst awaiting the outcome of this report, Overstrand's housing department has launched a project in November 2018 whereby all residents are afforded the opportunity to complete an application for subsidised housing and to be registered on a potential beneficiary list.

Note, though, that the investigation conducted by the VPUU is totally separate and will have no bearing on housing applications submitted to Overstrand.

*FynArts*  
HERMANUS



Enjoy a bumper festival programme of visual and performing arts, music, cookery demonstrations, wine tastings and a wide range of interesting speakers and workshops.

Included in the line-up from 7 to 17 June are 10 demonstrations by renowned chefs who, in the company of television personalities, will share their skills, recipes and anecdotes, complete with a wine-tasting on the side. Each demonstration will be projected simultaneously onto a television screen. For a detailed programme, visit hermanusfynarts.co.za. Tickets can be purchased online from webtickets.co.za, from the tourism office in the station building or by calling 060 957 5371. Also remember to sign up for the

FynArts newsletter, Facebook and twitter (@hermanusfynarts).

### REDUCED BUILDING PLAN FEES FOR FIRE VICTIMS

The Overstrand Council has approved the request from the Building Control Department to assist property owners across the Overstrand, whose houses were destroyed or badly damaged during the devastating fires at the beginning of the year.

Residents, who have been affected by disasters and who are in the process of rebuilding their homes, will be charged a fixed amount of R500 (excluding VAT) for building plan fees. Normally, the 2018/19 tariff of charges for Building Plan Applications for a house of 250m<sup>2</sup> is R10 000.

The municipality took this decision in an effort to assist residents who suffered great financial losses. The period for reduced building plan fees for buildings destroyed or badly damaged during disasters, will be until 30 June 2021.

Should you require further information and/or advice in this regard, please feel free to contact us on enquiries@overstrand.gov.za or visit

**HERMANUS ADMINISTRATION**

16 Paterson Street, House no. 2

Tel: 028 313 8089

**GANSBAAI ADMINISTRATION**

1 Kapokblom Street

Tel 028 384 8321

**STANFORD ADMINISTRATION**

17 Queen Victoria Street

Tel: 028 341 8500

**KLEINMOND ADMINISTRATION**

37 Fifth Avenue

Tel: 028 271 8427

## CAMPBILL FIRE - PROGRESS REPORT

The process of tackling the smouldering underground fires in sections of the Onrus River peat wetland area, which is situated on the property of the Camphill School and Farm Community, has finally begun.

Characterised as the only remaining piece of palmiet vegetation wetland, this peat land is of considerable ecological importance since it plays a critical role in the functioning of the Onrus River and the Onrus Estuary and must, therefore, be protected. The peat land covers an extensive area of 33 hectares and is estimated to be 12 000 years old.

The sub-surface fire is burning in a 9 hectare area which is covered with invasive alien species and is eroded. This section of the Onrus River has been burning since 11 January 2019.

Because of the intensity of the fire, it is practically impossible to douse it in a conventional manner.

Unfortunately, the recent rains have not had an effect in filling up the water table, which is what is needed to extinguish the fires. Interesting to note is that the previous time the peat land burnt, it took eight months, without intervention, before the fire was extinguished by a wet rainy season.

Temperatures towards the centre have been recorded at 330°C.

The depth of the fire varies because of the eroded state of that part of the wetland: One of the peat ore sites measured heat at 3.9 m under the ground. In some parts, the peat is 7.25 m deep, although it is even deeper in the central channel.

In addition, the ground is fractured into honeycomb cracks through which strong smelling gas consisting of sulphates, carbon dioxide and methane emanating from these hot spots is seeping. The fire is creating a substantial amount of smoke that is affecting the air quality in the area significantly and has a detrimental effect on the health of individuals within the community and the school, necessitating the temporary relocation of the learners to alternative accommodation. (The learners are still not able to move back to the farm, and the school is accommodated in the Fernkloof Nature Reserve hall.)

#### The solution

- In a joint effort between Overstrand Municipality, the Department of Environmental Affairs, the Department of Agriculture, Forestry and Fisheries, Working on Fire (WoF), Rob Erasmus (a wildfire investigator), landowners, the Breede-Gouritz Catchment Management Agency and various other experts from across the country, it was agreed that a Working on Fire team, consisting of 25 members, will set up a base camp at Camphill farm and use the unique SPIKE TOOL developed in Indonesia.
- Focusing on an area of 800 m<sup>2</sup>, a series of nine holes per square metre will be drilled with the intention to flood the fire from the bottom up.
- The WoF team will be working seven days a week, and it is anticipated that they will need at least three months to fully extinguish the fire.

We urge the public to please avoid the area. This challenging fire has resulted in the ground becoming soft and unstable, and there are places where it simply sinks away. Motorists are also advised not to stop along the road to watch the WoF team at work.

## OFFICIAL INAUGURATION OF SPEED HUMPS IN WESTCLIFF DRIVE A 'JOYOUS' OCCASION

Two traffic-calming 'speed tables' (or speed humps) have been constructed along Westcliff Drive to deter motorists from racing down the street.

These traffic-calming measures were built at the Westcliff Drive and Arundel Street intersection and at the pedestrian crossing at the intersection of Westcliff Drive and Orothamnus Avenue.

"It's the first time I have officially opened a speed hump," Executive Mayor Dudley Coetzee said tongue in the cheek.

He thanked the ward committee members for their valuable input in making Overstrand's roads better and safer. "It pleases me to know that our ward committee system is working."

Ward 4 Councillor, Anton Coetzee, was justifiably pleased with the Westcliff residents' achievements and thanked Jan Cilliers for his relentless efforts in driving this project over many, many years. "The speed at which people drive down this road creates a dangerous situation and Jan refused to take 'no' for an answer, thank you."



Pictured at the jubilant occasion to mark the official inauguration of the speed humps in Westcliff Drive are Mayor Dudley Coetzee, Ward 4 Councillor Anton Coetzee, Ward 4 committee member Jan Cilliers who spearheaded the project and some of his fellow committee members as well as Westcliff residents.



## UPGRADES TO THE GANSBAAI LIBRARIES



Pictured here are the Gansbaai library personnel: Sharman Geldenhuys (librarian), Ronette Dreyer, Edna van der Linde and Busisiwe Mtatse (front).



Overstrand Municipality is upgrading two of the libraries in the Gansbaai area.

The Gansbaai library will remain open and operational throughout the renovation project, even though the work may get a little noisy at times.

Gansbaai library personnel appreciate the community's continued patience and support and encourage residents to make use of the facility and services. "We believe the improvements will be meaningful for the community and would have long-lasting benefits for current and future generations," librarian Sharman Geldenhuys said.

The Eloxulweni library will be closed to the public until June 2019, if everything goes according to plan.

Upgrades are expected to be completed in June 2019.

Contact the Gansbaai library for further information on 028 384 8346.



Overstrand Arts / Kunst (OAK) will host James Oesi (Double Bass) and Collaborative Pianist Andrea Vasi, from the Netherlands, in concert on Sunday



James Oesi

afternoon, 28 July. The concert will commence at 15h30 in the Civic Auditorium. These two artists are bound to wow the audience in more ways than one!

Tickets are R150 (R60 for students) and available from the Tourism Office (028 312 2629) in Mitchell Street, Hermanus. Enquiries to Ren  du Plooy on 082 940 4238.