



ANNUAL REPORT 2014/2015

CEDERBERG 2014/2015 ANNUAL REPORT

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COMPONENT A: MAYOR'S FOREWORD

The Municipality continued on a positive trajectory to provide quality service delivery to the people of Cederberg Municipality. The Municipality arrayed several projects

aimed at addressing the triple challenges of poverty, unemployment and inequality in a sustainable manner.

As outlined in The Municipal Systems Act 32 of 2000 that a Municipality must prepare for each financial year a performance report that provide for checks and balances. This performance report will give checks and balance as to whether we have delivered our mandate.

We are going to give account as to how far we have gone in implementing our strategic goals in terms of the Municipal Top Layers Service Delivery Budget Implementation Plan (SDBIP) as well as meeting our National Key Performance indicators.

The report will show that the Municipality collaborated with Provincial and National Departments in provision of social and economic infrastructure and services that will build sustainable communities and contribute to halving poverty.

We have also placed emphasis on utilisation of the principle of the Expanded Public Works Programme (EPWP) in service delivery projects so that we meet our objective of labour absorbing so we can be able to create long-term sustainable jobs and contribute to halving unemployment.

This report depicts the blueprint for the future of our Municipality and is informed by the development aspirations of our people. All our communities and social partners are therefore encouraged to continue to be part of the development trajectory as encapsulated herein.

Cllr. Lorna Scheepers

Executive Mayor

COMPONENT B: EXECUTIVE SUMMARY

1. CHAPTER 1: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

1.2. MUNICIPAL OVERVIEW

Cederberg Municipality is a local municipality which governs an area of the Western Cape Province of South Africa stretching from the Cederberg

Mountains through the middle valley of the Olifants River to the Atlantic coast. It includes the towns of Clanwilliam, Citrusdal and Lambert's Bay and the surrounding villages and farms.

1.2.1. Vision and Mission

VISION:

"A development centred municipality committed to the eradication of poverty, rural development, and excellence in service delivery"

MISSION:

The Cederberg Municipality is committed to improve the quality of life of its community:

Developing and executing policies and projects, which are pro-poor.

Unlocking the potential for economic growth and development in, especially, our rural areas.

Ensuring sustainable, efficient service delivery.
Advancing capacity building programmes for both our staff and the community.

1.3. MUNICIPAL FUNCTIONS, POPULATION, AND ENVIRONMENTAL OVERVIEW

1.3.1. Population

According to the 2011 census the municipality has a population of 49,768 people in 13,513 households. Of this population, 75.7% describe themselves as "Coloured", 12.7% as "Black African", and 11.0% as "White". The first language of 88.7% of the population is Afrikaans, while 5.0% speak Xhosa, 2.5% speak Sotho and 1.9% speak English.^[4]

The principal towns of the municipality are Clanwilliam (pop. 7,674) and Citrusdal (pop. 7,177) in the Olifants River valley, and Lambert's Bay (pop. 6,120) on the coastline. There are smaller agricultural settlements at Graafwater (pop. 2,261) and Leipoldtville (pop. 298), and a coastal village at Elands Bay.

1.3.2. Households

Households	2014/2015
Number of households in the Municipal area	13 513
Number of registered Indigent households	2140

1.3.3. Demographic Information

Municipal Geographical Information

The municipality covers a total area of 8,007 square kilometres (3,092 sq mi), stretching from the Atlantic Ocean in the west to the Doring River in the east. The Olifants River flows from south to north through the centre of the municipal area. The Cederberg mountains rise from the eastern bank of the river. To the west of the river are lower ranges of hills descending to the coastal plain. The municipality abuts on the Matzikama Municipality to the north, the Hantam Municipality to the east, and the Witzenberg and Bergrivier Municipalities to the south.

Wards:

Ward	Areas
1	Citrusdal (Farms)
2	Citrusdal (Town)
3	Clanwilliam
4	Graafwater and Elandsbay
5	Lambert's Bay and Leipoldtville
6	Wupperthal and Algeria

Below, is a map of Cederberg Municipality:



Key economic drivers in the municipal area are the following:

- Agriculture and fishing:

The biggest sector in the Cederberg Municipality is the Agricultural and fishing sectors. It is well known that both these sectors are in decline regarding employment with the fishing sector in decline due to fish stocks and the agricultural sector employing less people on a permanent basis and more people on a seasonal basis. The economy in Cederberg is highly seasonal with a huge influx of seasonal workers to harvest the citrus and grapes from January to July.

- Institutional & Community, Social and personal services:

The second biggest employer in the municipality is the institutional and the community, social and personal services sectors with just over 20% of people employed.

- Tourism & Agri-processing:

The tourism (4%) and agricultural processing sectors are possibly the two sectors with the greatest chance to sustainably create jobs.

1.4. SERVICE DELIVERY OVERVIEW

1.4.1. Basic service delivery performance highlights

Basic service	Highlight
Water	Completion of the Master Plan for water services
	Reallocation and Upgrading of Citrusdal WWTW.
	Upgrading of Lambertsbay WWTW.
	Graafwater WTW refurbishment phase1.
	GLS – Water Distribution System – Pipe replacement study.
	Updating of the Water Service Development Plan
Electricity	Electrification of 407 new low cost houses in Graafwater at a cost of R8.2 million
Waste Water (Sanitation)	Upgrading of Waste Water Masterplan
	The Upgrading of the Water Service Development Plan
Solid Waste Management	Entered the provincial greenest municipality competition
	Youth jobs in waste programme which created 16 work opportunities
	Development of a draft integrated waste management plan
Housing	Completion of 407 units in the Graafwater Housing Project.

1.4.2. Basic service delivery challenges

Basic service	Challenge	Action to address
	Water Losses	Water meter audit must be done to

Water		<p>determine water losses</p> <p>Water awareness campaigns at schools</p> <p>Distribution of Flyers to Guest houses, hotels and holiday facilities</p> <p>Reading of all municipality water consumptions at offices and all irrigation points.</p> <p>Replacement of bulk meters in Clanwilliam</p> <p>Identification of all meters, which are not registered on our billing system</p> <p>Quarterly reporting to Dwa on water losses progress</p> <p>Monthly reporting to Engineering Portfolio committee</p> <p>Replacement of Asbestos pipe with PVC pipe during repairs.</p>
	Infrastructure Backlogs	<p>Apply for funding to upgrade infrastructure</p>

Electricity	Shortage of bulk electricity in Clanwilliam.	Secure support from Eskom to help with the infrastructure in the next financial year.
	Electricity losses	Source funding to conduct an electrical meter audit.
	Reduction in the number of connected houses from the previous financial year from 8660 to 7943.	Reconcile the municipal accounting and metering system to ensure recorded information is accurate.
Waste water (sanitation)	Implement masterplan and wsdp, unaffordable counter-funding required for bulk infrastructure projects.	To conduct studies to determine costing and apply for funding
Solid Waste Management	Shortage of Staff	Filling of vacancies
	Lack of plant vehicles and equipment	Funding to be sourced
	Landfill Site Capacity	Implement the regional waste disposal facility, source funding for the implementation of the iwmp, source funding for the rehabilitation and closure of existing sites
Housing	Influx of people in Informal Settlements	Adopt Informal Settlement Control and Management Policy

1.4.3. Number of households with access to basic services

Basic Service	2013/2014	2014/2015
Electricity service connections	8 820	7 943

Water – available within 200m from dwelling	4 634	4 654
Sanitation – Households with at least VIP services	4 343	4 347
Waste collection – kerbside collection once a week	4500	4944

1.5. FINANCIAL HEALTH OVERVIEW

1.5.1. Financial Viability Highlights

Highlights	Description
Most Improved Municipality in Western Cape from Auditor General	Cederberg Municipality received the award for the most Improved Municipality in Western Cape from Auditor General during for the 2012/2013 financial year. We achieved full compliance relating financial Reporting and IYM from National Treasury.
Registration of Indigent Households	In our support to the indigent contingent in our communities we have followed a process of registration of all indigent families. In this regard we have increased the number of households receiving the minimum indigent subsidy as prescribed in National Treasury guidelines and the policy and budget of the Council.
Transparency	All Supply Chain Management Contracts in terms of Section 75(1)(g) of the MFMA are published on the municipal website to promote transparency.

1.5.2. Financial Viability Challenges

Cederberg Municipality is vastly rural and its biggest economic driver is agriculture. The current drought in the country is not assisting the farmers to create employment that the area needs for economic stimulation. The national

economic growth rate is also below 2%, and is at levels that make it difficult for our consumers to easily pay for municipal services.

The increase in outstanding is also a clear sign of the current economic strain. The Indigent dependant consumers have also increased compared to the previous financial year.

Our Municipality is also highly dependent on conditional grants from National and Provincial government. This forces us to ensure we implement strict and sound financial management initiatives that ensures, we get the maximum value from every rand the municipality spends.

1.5.3. National Key Performance Indicators – Municipal Financial Viability and Management

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.

FINANCIAL OVERVIEW			
Description	Basis of Calculation	Audited Outcome	
		2013/2014	2014/2015
Cost Coverage	(Available cash + Investments)		
	Cash Monthly Fixed Operating Expenditure	0,22	0,40
Total Outstanding Service Debtors to Revenue	(Total Outstanding Service Debtors)		
	Annual Revenue for Exchange Services		
	Debt Service payments due within financial year	0,07	0,08

1.5.4. Financial overview

FINANCIAL OVERVIEW	
	R'000

Details	2013/2014	2014/2015		
	Actual	Original Budget	Adjustment Budget	Actual
Income				
Grants	R 83 488	R 44 510	R 71 740	R 60 862,59
Taxes, Levies and tariffs	R 109 301	R 126 734	R 134 348	R 120 222,03
Other	R 12 602	R 16 181	R 18 760	R 35 708,53
Sub-total	R 205 391	R 187 425	R 224 849	R 216 793,15
Less Operating Expenditure	R 202 298	R 187 402	R 230 361	R 218 613,97
Net Surplus (Deficit)	R 3 093	R 23	(R 5 512)	(R 1 821)

1.5.5. Total Capital Expenditure

TOTAL CAPITAL EXPENDITURE		
	2013/2014	2013/2014
Original budget	70008	40902
Adjustment Budget	60204	37845
Actual	36243	34786
% Spent	60,2%	91,9%

The spending on the capital budget has shown a significant increase compared to the preceding financial year. This is credit to the improved planning, and implementation of better financial management practices.

1.6. AUDITOR-GENERAL REPORT

1.6.1. Audited outcomes

YEAR	2012/13	2013/14	2014/15
Opinion Received	Unqualified	Unqualified	Unqualified

2. CHAPTER 2: POLITICAL AND ADMINISTRATIVE GOVERNANCE

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 most vulnerable in society 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		
	2013/2014	2013/2014
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)	60,2%	91,9%

2.2. PERFORMANCE HIGHLIGHTS – GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Highlight	Description
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Ward Committees	All Wards have active ward committees. The ward committees hold regular ward committee meetings, under the leadership of the respective ward councilors.
Public Participation process	Public participation processes were followed to allow community inputs on the IDP, annual budget, and the 2013/2014 annual report. Our ward committees and councilors also remain in close contact with our communities.

2.3. CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Actions to address
The effective functioning of ward committees in two of the six wards are hampered by the demarcation of the ward boundaries which created ward committees comprising of different towns 40+ and 75+ kilometres apart from each another.	The establishment of sub committees to ensure the broadest representation and consultation

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 and the Mayoral Committee. Their 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.

a) Council:

The Council comprises 11 elected councillors, made up from 6 Ward Councillors and 5 Proportional Representation (PR) councillors. The portfolio committees are

made up of councillors drawn from all political parties. Below is a table that categorised the councillors within their specific political parties and wards for the 2014/15 financial year:

Council Member	Capacity	Political Party	Ward Representation or Proportional
Lorna Scheepers	Executive Mayor	ANC	Ward 3
Charmain September	Deputy Executive Mayor	ANC	Proportional
Johan Muller	Speaker	ANC	Ward 2
Danville Smith	Member of Mayco	ANC	Ward 4
Julio Fransman	Chairperson of MPACC	ANC	Ward 1
William Abels	Member of Mayco	ANC	Ward 6

Council Member	Capacity	Political Party	Ward Representation or Proportional
Judy Mouton	Councillor	DA	Proportional
Colin Erasmus	Councillor	DA	Proportional
Jimmy Barnard	Councillor	DA	Ward 4
Peter Petersen	Councillor	COPE	Proportional
Benjamin Zass	Councillor	PAC	Proportional

Below is the table indicating the council meetings and the attendance thereof for the 2014/2015 period:

Meeting Date	Meeting attendance	Apologies
July 2014	9	2
August 2014	7	2
September 2014	11	0
October 2014	8	3
November 2014	9	2
December 2014	8	3
January 2015	9	2
February 2015	10	1
March 2015	10	1
April 2015	9	2
May 2015	11	0
June 2015	11	0

b) Mayoral Committee:

Below, is the table indicating the Mayoral Committee for the 2014/2015 period:

Council Member	Capacity
Lorna Scheepers	Executive Mayor
Charmain September	Deputy Executive Mayor
Johan Muller	Speaker
Danville Smith	Member of Mayco
Julio Fransman	Chairperson of MPACC
William Abels	Member of Mayco

c) Portfolio Committee:

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 committee on policy matters and make recommendations to Council. Section 79 committees are temporary and appointed by the executive committee as needed. They are usually 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. Once their task had been completed, Section 79 committees are usually disbanded.

External experts, as well as councillors can be included on Section 79 committees. The portfolio committees for the 2014/15 mayoral term and their chairpersons are as follow:

Engineering and Planning Services Portfolio Committee		
Member	Capacity	Meeting Dates
Charmain September	Chairperson	01 October 2014 25 November 2014 25 February 201 15 April 2015
Danville Smith	Member	
Peter Petersen	Member	
Jimmy Barnard	Member	

Corporate and Financial Services Portfolio Committee

Member	Capacity	Meeting Dates
William Abels	Chairperson	25 November 2014 17 February 201 22 April 2015
Charmain September	Member	
Julio Fransman	Member	
Colin Erasmus	Member	

Community Development Services Portfolio Committee		
Member	Capacity	Meeting Dates
Danville Smith	Chairperson	25 November 2014 17 February 201 22 April 2015
Julio Fransman	Member	
William Abels	Member	
Benjamin Zass	Member	
Judy Mouton	Member	

2.4.2. Administrative governance structure

The Municipal Manager is the Chief 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)
Ian Kenned	Municipal Manager	Yes
Elrico Alfred	Chief Financial Officer	Yes
Jongi France	Director: Corporate Services	Yes
Phemelo Majeni	Director: Engineering and Planning Services	Yes
Andries Titus	Acting Director: Community Development Services	Yes

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.5. INTERGOVERNMENTAL RELATIONS

2.5.1. District intergovernmental relations

The Municipality participates in the district discussion. The platform currently opened for the district is to explore the initiative of a common landfill site with the various local Municipalities, including Matzikama and possibly Saldanha.

2.5.2. Provincial intergovernmental relations

We participate at the following forums:

- MIG Manager/Municipality Coordination Meetings - Western Cape Department of Local Government
- The Provincial Transport Technical Committee (ProvTech) - Western Cape Department of Transport and Public Works
- The Provincial Transport Committee (ProvCom) - Western Cape Department of Transport and Public Works
- Integrated Waste Management Forum - Western Cape Department of Environmental Affairs and Development Planning
- Western Cape Recycling Action Group - Western Cape Department of Environmental Affairs and Development Planning
- Municipal Infrastructure and Related Services Working Group - SALGA
- Working for Water: Implementing Agent Managers Forum - National Department of Environmental Affairs
- Provincial Public participation and communication Forum Municipal Managers Forum
- Provincial IDP Managers Forum
- EPWP District Forum
- Provincial EPWP Sectorial meetings

2.5.3. National intergovernmental relations

Our working relationship remains healthy with the National government, as well as the parastatals. We have managed to secure assistance, in principle, with ESKOM to assist the Municipality in expanding our electricity generation capacity in Clanwilliam.

2.5.4. International intergovernmental relations

Cederberg Municipality intends to establish a working relationship with various local authorities in other countries. This will ensure that we are able to learn from the world best practices in areas of service delivery and economic development. Our Municipality, primarily, depends on grant funding for sustaining itself. These initiatives can prove useful if we prioritise on them.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.6. 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.

2.6.1. Public meetings

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending
Community meeting (Ward 5 – Lambertsbay)	19 August 2014	1	2	50
Community meeting (Ward 3 – Clanwilliam)	24 August 2014	1	2	35
Community meeting (Ward 5 – Lambertsbay)	16 September 2014	1	2	40

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending
Focus on the slow process of Land Claims				
Public meeting – Risk and Disaster assessments	26 February 2015 (All wards)	0	2	50
Public meeting – Department of health	10 March 2015 (Ward 5 – Lambertsbay)	1	2	150
IDP/ BUDGET 2015/16 Public meetings	05/06 May 2015 all wards	6	18 (3 officials per ward)	200
	October 2015 (All wards)	6	18 (3 officials per ward)	300

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

a) Ward 1: Citrusdal (Farms):

Ward Committee Member	Capacity	Date of Meetings held
Johan Muller	Ward Councillor	13 January 2015 03 February 2015 01 April 2015 05 June 2015 05 July 2015 12 August 2015 01 October 2015 05 November 2015
Gert Bezuidenhout	Small famers development	
Jon Davids	Religion	
Derick Meyer	Rural Development	
Destia Fransman	Social Development	
Gilbert Syster	Sport	
Lena September	Womens Development/ empowerment	
Melony Smith	ECD	
Maria Fortuin	Proefplaas	
Jakobus Floors	Youth Development	
Susanna Mouton	Farm workers forum	

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b) Ward 2: Citrusdal: Town:

Ward Committee Member	Capacity	Date of Meetings held
Julio Fransman	Ward Councillor	20 January 2015 08 February 2015 16 April 2015 07 May 2015 11 June 2015 16 July 2015 04 August 2015 08 October 2015 16 November 2015
Cornelius Titus	Sport and Education	
Adrian Hill	Youth	
Andreas Mouton	Crime	
George Mentoer	Oranjeville	
Gheraldine Botha	Heuwilsig	
Jan Waterboer	Agriculture	
Piet van Rooi	Citrusdal Town	
Lawrence Madikwa	Riverview	

c) Ward 3: Clanwilliam:

Ward Committee Member	Capacity	Date of Meetings held
Lorna Scheepers	Ward Councillor	22 September 2015 22 October 2015
Riaan van Zyl	Business Chamber	
Fritz Swartbooi	LED & small businesses	
Rosina Beukes	Religion & Education	
Ester Steens	Tourism	
Marisa September	Sport	
Rozaan Holland	Art & Culture & Youth Development	
Wilfred Muller	Health & Elderly	
Zulu	Khayelitsha	
Colonel Banizi	Safety & Security	

d) Ward 4: Graafwater and Elandsbay:

Ward Committee Member	Capacity	Date of Meetings held
Jimmy Barnard	Ward Councillor	

Johannes v/d Westhuizen	Education & Churches	27 January 2015 10 February 2015 03 March 2015 14 April 2015 09 June 2015 14 July 2015 11 August 2015 09 September 2015
Susette Breedt	Geographical (Graafwater)	
Moorea Engelbrecht	Small & Emerging farmers	
Paul Strauss	Safety & Security (Graafwater)	
Carleton v/d Westhuizen	Sport & Youth (Graafwater)	
Cislag Louw- Southey	Geographical (Elandsbay)	
Klaas Taylor	Safety & Security (Elandsbay)	
Dawid John Heyns	Education & Health (Elandsbay)	
Paul Taylor	Sport & Education (Elandsbay)	

e) Ward 5: Lambertsbay and Leipoldville

Ward Committee Member	Capacity	Date of Meetings held
Danville Smith	Ward Councillor	23 May 2015 23 July 2015 12 August 2015 20 October 2015 06 November 2015
Elize Filand	Youth Development	
Pieter Kamfer	Health	
Gerrit Ockhuys	Lambertsbay	
Anna Saal	Tourism	
Hendry Louw	Sport and Education	
Nicolaas Booysen	Emerging farmers	
Henry Arangie	Safety & Social Development	
Lindi Maarman	Leipoldville	
Jacky Booysen	Landelike Ontwikkeling	
Elize Filand	Youth Development	
Pieter Kamfer	Health	

f) Ward 6: Wupperthal and Algeria:

Ward Committee Member	Capacity	Date of Meetings held
William Abels	Ward Councillor	16 February 2015 23 April 2015 21 August 2015 22 October 2015
Petrus Ockhuis	Witwater, Heiveld, Lankuilshoek	
Katrina Horings	Agterstevlei, Kleinvlei, Brugkraal, Grasvlei	
Charmelle Goes	Martiensrus	
Lizel Koopman	Nuweplaas/ Prinsekraal	
Magdaleen v/d Westhuizen	Heuningvlei	
Abraham van Rooi	Suurug, Menskraal, Koueberg	

Howard Abels	Beukeskraal	
Petrus Hanekom	Algeria	
Abraham Ockhuis	Church	

2.6.3. Functionality of ward committees

The purpose of a ward committee is:

- to get better participation from the community to inform council decisions;
- to make sure that there is more effective communication between the Council and the community; and
- to assist the ward councillor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to the administration. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

The table below provides information on the establishment of ward committees and their functionality:

Ward Number	Committee Establishes (Yes/No)	Number of Reports submitted to the Speaker's Office	Number of Meeting held	Committee Functioning effectively (Yes/No)
1	Yes	80	8	Yes
2	Yes	90	9	Yes
3	Yes	20	2	Yes
4	Yes	80	8	Yes
5	Yes	50	5	Yes
6	Yes	40	4	Yes

2.6.4. Representative forums

a) Labour Forum

The table below specifies the members of the labour forum for the 2014/2015 period:

Name of Representative	Capacity	Meeting Dates
Ian Kenned	Municipal Manager	27 August 2014 17 December 2014
Jongihlanga France	Director: Community Service	
William Abels	Councillor	
Danville Smith	Councillor	
Henry Witbooi	Human Resource Manager	
Izak Van der Westhuizen	Human Resource Practitioner: Training	
Lucas White – Left	Human Resource Practitioner: Health and Safety	
Enrico Sampson	Human Resource Practitioner: Labour Relations	
Dinah Sait	SAMWU Representative	
Sanna Hendricks	SAMWU Representative	
Henry Scheepers	SAMWU Representative	
Nolin Titus	IMATU Representative	
Rhoda Witbooi	IMATU Representative	
Christo Filander	IMATU Representative	

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

In terms of section 62(1)(c)(i) of the MFMA, “The accounting officer of a municipality has a responsibility for managing the financial administration of the municipality, and

must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient, and transparent system of financial and risk management”.

The role of the service departments is to identify, review and manage their risks on an ongoing basis, making risk management an integral or natural part of the organisational processes and procedures. Risk management should be embedded in the organisation, it becomes an intrinsic part of business planning and decision making there is no direction taken without looking at potential risks.

The table below include the top five risks of the municipality:

Risk	Department	Division
1) Excessive expectations from the community	Strategic	All
2) Poverty / Unemployment	Technical	All
3) Loss of income (Services)	Finance	Treasury
4) Staff shortage	Corporate	All
5) Illegal informal Settlements	Community	Housing

2.8. ANTI-CORRUPTION AND ANTI-FRAUD

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) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the Accounting Officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

2.9. AUDIT COMMITTEE

a) Developed strategies:

Name of strategy	Developed	Date Adopted
Anti-corruption and Fraud Prevention Strategy and Implementation Plan	Yes	2008

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b) Implementation strategies:

Key Risk Areas	Key Measures to curb risk
Compliance with legislation	Emphasising accountability
Limitations of internal control	Improve internal control
Supply chain management	Regular internal audit reviews and whistle blowing initiatives

Section 166(2) of the MFMA states that an Audit Committee is an independent advisory body which must –

- a) 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;
 - risk management;
 - performance Management; and
 - effective governance

The Audit Committee have the following main functions as prescribed in section 166(2)(a-e) of the Municipal Finance Management Act, 2003 and the Local Government Municipal and Performance Management Regulation:

b) Functions of the audit committee:

- To advise the Council on all matters related to compliance 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 its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- To review the quarterly reports submitted to it by the internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical

systems.

- The compilation of reports to Council, at least twice during a financial year.
- To review the performance management system and make recommendations in this regard to Council.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- To review the annual report of the municipality.
- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

c) Members of the Audit Committee:

Name of Member	Capacity	Meeting Dates
Francois Engelbrecht	Chairperson	28 August 2014 10 December 2014 10 April 2015 25 May 2015 26 June 2015
Christie Cloete	Member	
Denver Milner	Member	

2.10. 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;
 - v. performance management;
 - vi. loss control; and
 - vii. 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:

Annual Audit Plan:

52% of the Risk Based Audit Plan for 2013/14 was executed with the available resources. The table below provides detail on audits completed:

Description	No of Hours	Date completed
Phase 1		
Revisiting current risk profile and priorities	200	30 June 2014
Phase 2		
Compiling Risk Based Audit Plan	200	10 April 2015

Phase 3		
Departmental System	Detail	No of Hours
Human Resources	Completeness of Recruitment process; Leave Administration; Filling of vacancies;	120
Human Resources	Overtime management; Attendance administration; Inadequate or lack of disciplinary procedures.	120
Supply Chain Management	Contract Management - Procedure guideline to Contractors: Claims, Valid tax clearance certificates; Tender	320

Phase 3		
Departmental System	Detail	No of Hours
	proposes; Compliance with MFMA; SCM rules and regulations; Validation of supplier bank accounts.	
Cash and cash management	Internal controls at resorts as well as compiling SOP's	120
Treasury department	Complete internal controls for 1 st quarter	40
Treasury department	Complete internal controls for 2nd quarter	40
Treasury department	Complete internal controls for 3rd quarter	40
Treasury department	Complete internal controls for 4th quarter	40
Utilisation of assets	Fleet management, efficient and effective usage of assets, compliance to rules and regulations.	40

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

Function	Date/Number
Risk analysis completed/reviewed	30 June 2014
Risk based audit plan approved for 2014/15 financial year	10 April 2015
Internal audit programme drafted and approved	10 April 2015
Internal controls	On a quarterly bases

2.11. 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. No By-laws was adopted during the financial year.

No.:	POLICY	APPROVAL DATE	REVIEW DATE	STATUS
1	Appointment Policy	Unknown	Annually	Replaced
2	Asset Management Policy	May-14	Annually	Updated

3	Audit Committee Charter	Aug-14	Annually	Updated
4	Budget Policy (2)	May-14	Annually	Updated
6	Commonage Land Policy- Meetgrond Beleid	May-14	Annually	Updated
7	Communication Policy	Apr-10	Annually	Outdated
8	Credit Control & Debt Collection Policy	May-14	Annually	Updated
9	Creditors, Councillors & Staff Payment Policy	May-14	Annually	Updated
10	Emergency Relief Policy	Unknown	Annually	Outdated
11	Fraud and Corruption Policy	May-13	Annually	Outdated
12	Free Basic Energy Policy	May-94	Annually	Outdated
13	Funding & Reserve Policy	May-13	Annually	Updated
14	Health & Safety Policy	Aug-13	Annually	Outdated
15	HIV- Aids Policy	Jun-04	Annually	Outdated
16	Indigent Policy	May-12	Annually	Updated
17	Informal Housing Settlement Policy	Unknown	Annually	Updated
18	Insake Klagtesorg	Unknown	Annually	Outdated
19	Labour Relation Policy	May-13	Annually	Updated
20	Language Policy	Aug-14	Annually	Updated
21	Organisational Rights Agreement	Jun-10	Annually	Outdated
22	Overtime Policy	May-13	Annually	Review
23	Risk Management Policy	Mar-10	Annually	Updated
24	Sexual Harassment Policy	May-14	Annually	Updated
25	Smoking Policy	May-13	Annually	Updated
26	Substance Abuse	May-13	Annually	Updated
27	Supply Chain Management Policy	May-15	Annually	Updated
28	Tariff Policy (includes Rates, Elec, Water, etc.)	May-14	Annually	Updated
29	Travel & Subsistence	Aug-13	Annually	Updated
30	Vehicle Policy	Aug-10	Annually	REPLACED
31	Virement Policy	May-14	Annually	Updated
32	Recruitment & Selection Policy	May -14	Annually	Updated
31	Virement Policy	May-14	Annually	Updated
32	Audit Committee Charter	Aug-14	Annually	Updated
33	Performance Audit Committee Charter	Aug-14	Annually	Updated
34	MPACC Charter	Aug-14	Annually	Updated
34	Long –term financial planning	Aug-15	Annually	Updated
35.	Expanded Public Works Programme Policy	May -15	Annually	Updated

2.12. 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 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 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.

Below is a communication checklist of the compliance to the communication requirements:

2.13. WEBSITE

A municipal website 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:

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

Documents published on the Municipal Website	Yes/No
Annual Budget	Yes
Municipal policies and by-laws	Yes
Adjustment budget	Yes
Annual Report	Yes
IDP	Yes
Performance agreements	Yes
Section 71 report	Yes
All quarterly tabled section 52 report	Yes
	Ye

2.14. SUPPLY CHAIN MANAGEMENT

The Supply Chain Management Policy of Cederberg 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.

2.14.1. Competitive bids in excess of R200 000

a) Bid Committee Meetings

The following table lists the number of the bid committee meeting held during the 2014/2015 period:

Bid Specifications Committee	Bid Evaluation Committee	Bid Adjudication Committee
11	8	7

Members of the Bid Specifications committee:

JV JACOBS
H SLIMMERT
N SMIT
J MAARMAN
P TITUS
P MAJENI
B SCHIPPERS
J FRANCE
A TITUS

Members of the Bid Evaluation committee:

N SMIT
J MAARMAN
JV JACOBS
H SLIMMERT
A TITUS
B SCHIPPERS
P MAJENI
J FRANCE
N SMIT
J MAARMAN

Members of the Bid Adjudication committee:

ER ALFRED
J FRANCE
P MAJENI
A TITUS
P JANTJIES
A SAULSE
L VOLSCHENK

NOTE: Please note that some members served on different committees at different times. If someone's name appears in more than one committee does not necessarily mean that that member served on more than one committee for the same bid.

b) Bids awarded by the Bid Adjudication committee:

Bid Number	Date of award	Title of Bid	Successful bidder	Value of bid awarded
CED 16/2014-2015	2015-04-02	PROVISION OF SECURITY SERVICES	CNF SECURITY SERVICES	R3 851 400
CED 01/2014-2015	2014-10-02	SUPPLY, DELIVERY, INSTALLATION AND MAINTENANCE OF OFFICE AUTOMATION EQUIPMENT	CJJ BUSINESS DIRECTORIES	R561 384
CED 19/2013-2014	2014-07-31	UNDERWRITING OF THE SHORT TERM INSURANCE PORTFOLIO	AON SOUTH AFRICA	R458 924
CED 03/2014-2015	2014-10-28	PROFESSIONAL ENGINEERING SERVICES: REFURBISHMENT OF THE GRAAFWATER WATER SCHEME – PHASE 2	EDIFICE CONSULTING ENGINEERS	R257 184
CED 18/2014-2015	2015-06-18	SUPPLY AND DELIVERY OF TRAFFIC PATROL VEHICLES AND EQUIPMENT	PROTEA TOYOTA	R208 315
CED 18/2014-2015	2015-06-18	SUPPLY AND DELIVERY OF TRAFFIC PATROL VEHICLES AND EQUIPMENT	PERDEBERG MOTORGROUP (PTY) LTD	R160 613

2.14.2. Deviation from Normal Procurement Processes

The following table provides information on bids awarded through the deviations and reported to council:

Type	Number of deviations	%	Value of Deviations	Percentage of Monetary value
Section 36(1)(a)(i)	11	10%	R420 204	8%
Section 36(1)(a)(ii)	7	7%	R67 875	1%
Section 36(1)(a)(v)	90	83%	R4 907 236	91%
TOTAL	108	100%	R5 395 315	100%

3. CHAPTER 3: OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

This chapter provides an overview of the key service achievements of the municipality that came to fruition during 2014/2015 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 2014/2015 compared to actual performance in 2013/2014.

3.1. OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance managements is a process which measures the implementation of the organisation's strategy. It is also a management to plan, monitor, measure and review performance indicators to ensure 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 meet its strategic goals, set by the organisation and its employees are met.

The Constitution of SA (1996). Section 152, dealing with the objectives of Local government paves the way for performance management with 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.

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 be

aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery 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 organisation 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 processing 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 ongoing 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 municipal services.

3.1.3. The performance System followed for 2014/2015

(a) Adoption of a Performance Management Framework:

The municipality drafted a performance framework in the 2014/2015 financial year and it was approved by Council on 29 May 2015.

(b) The IDP and the Budget linking to the Annual Performance Report:

The IDP was reviewed, submitted to Council and approved on 29 May 2014. 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.

(c) The Service Delivery Budget Implementation Plan (SDBIP)

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level. 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.

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 Top Layer SDBIP was revised with the Adjustment Budget in terms of section 26 (2) (c) of the Municipal Budget and Reporting Regulations and an amended Top Layer SDBIP was approved by the Council on the 26 February 2015. The following were considered in the development of the amended Top Layer SDBIP:

- Areas to be addressed and root causes of the Auditor-General management letter, as well as the risks identified during the 2013/2014 audit
- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the Adjustment Budget
- Oversight Committee Report on the Annual Report 2013/2014

The risks identified by the Internal Auditor during the municipal risk analysis

(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):

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 process to provide the POE's for reporting and auditing purposes.

(e) 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.

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

3.1.4. Performance Management

Performance Management is prescribed by chapter 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.

(a) Organizational 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 on 12 June 2014.
- 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 15th working day 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.

(b) Individual Performance Management

Municipal Managers 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 all s57 managers 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 2014/2015 financial were signed during 01 July 2014.

The appraisal of the performance in terms of the signed agreements takes place twice per annum as regulated. The appraisal 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

3.2. INTRODUCTION TO STRATEGIC AND MUNICIPAL PERFORMANCE

3.2.1. Strategic Services Delivery Budget and Implementation Plan (Top Layer)

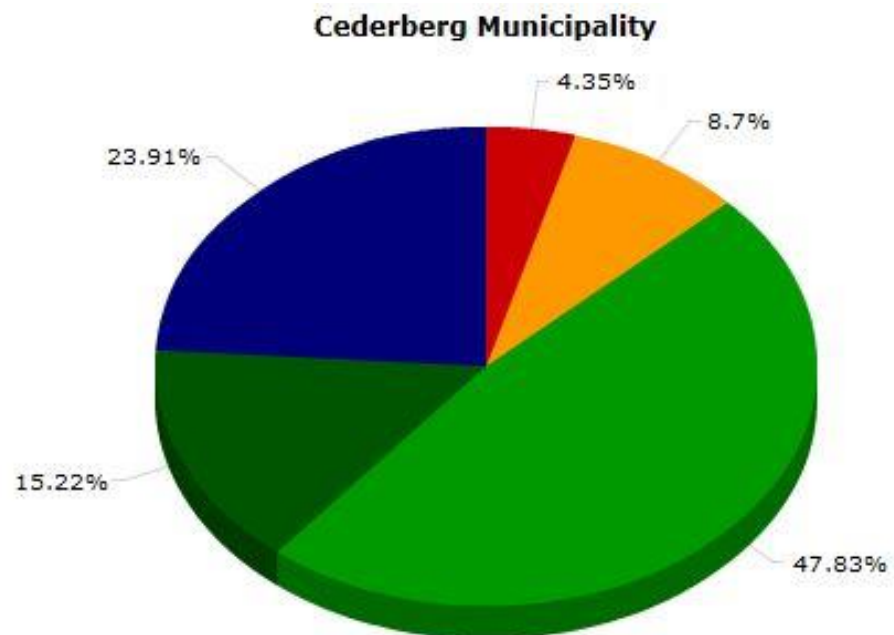
The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top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

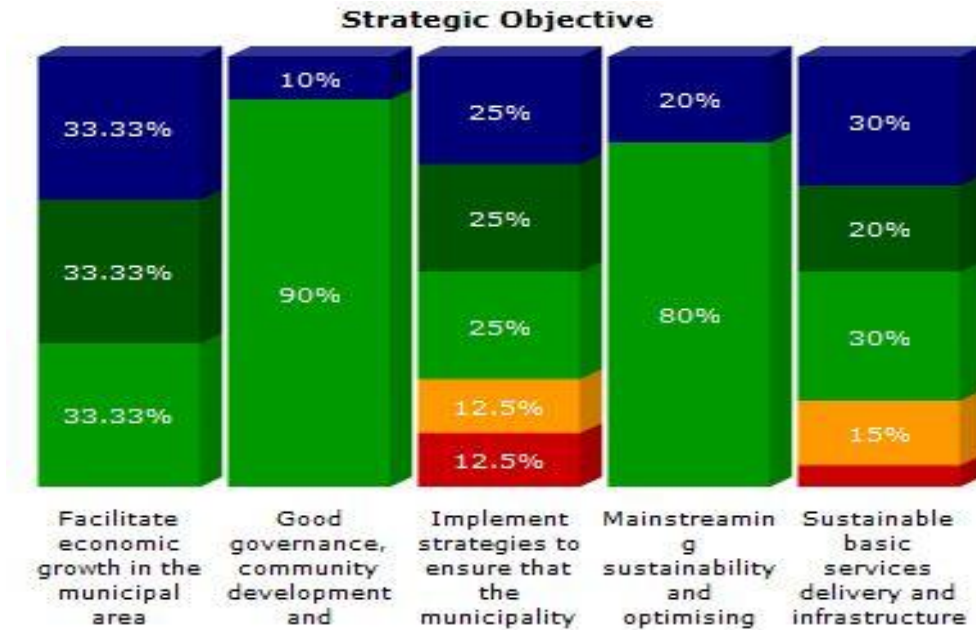
In the paragraphs below the performance achieved is illustrated against the Top layer SDBIP according to the IDP (strategic) objectives.

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	Colour	Explanation
KPI Not Yet Measured		KPI's with no targets or actuals in the selected period
KPI Not Met		$0\% \geq \text{Actual/Target} < 75\%$
KPI Almost Met		$75\% \geq \text{Actual/Target} < 100\%$
KPI Met		$\text{Actual/Target} = 100\%$
KPI Well Met		$100\% > \text{Actual/Target} < 150\%$
KPI Extremely Well Met		$\text{Actual/Target} \geq 150\%$

The graphs below display the overall performance per Strategic objectives for 2014/2015:





	Cederberg Municipality	Strategic Objective				
		Facilitate economic growth in the municipal area	Good governance, community development and community participation	Implement strategies to ensure that the municipality is financial viable	Mainstreaming sustainability and optimising resource efficiency	Sustainable basic services delivery and infrastructure development
KPI Not Met	2 (4.3%)	-	-	1 (12.5%)	-	1 (5%)
KPI Almost Met	4 (8.7%)	-	-	1 (12.5%)	-	3 (15%)
KPI Met	22 (47.8%)	1 (33.3%)	9 (90%)	2 (25%)	4 (80%)	6 (30%)
KPI Well Met	7 (15.2%)	1 (33.3%)	-	2 (25%)	-	4 (20%)
KPI Extremely Well Met	11 (23.9%)	1 (33.3%)	1 (10%)	2 (25%)	1 (20%)	6 (30%)
Total:	46	3	10	8	5	20

(a) Facilitate Economic Growth in The Municipal Area:

Ref	KPI	Unit of Measurement	Wards	Q1	Q2	Q3	Q4	Actual		Corrective Measures
				Target	Target	Target	Target			
TL32	Create 60 internal EPWP jobs opportunities and facilitate 150 external job opportunities with the Municipality)	Number of job opportunities created	All	0	0	0	210	452	G	N/A
TL44	Complete at least 2 of 4 buildings with regard to Elandsbay Fisheries National Projects by end June	Phase 1 completed	All	0	0	0	1	4	B	N/A
TL81	Co-late and compile data base list of unemployed for at least 1 National project in at least 2 wards	Data base compiled in at least 2 x wards	All	0	0	0	2	2	G	N/A

(b) Good governance, community development and community participation:

Ref	KPI	Unit of Measurement	Wards	Q1	Q2	Q3	Q4	Actual		Corrective Measures
				Target	Target	Target	Target			
TL8	Risk based audit plan approved by Audit Committee for 2015	Risk based audit plan approved by April 2015	All	0	0	0	1	1	G	N/A
TL62	Respond to all audit queries received as per Auditor General (AG) Management report within 5 days to ensure an effective external audit process	% of external audit queries responded to within 5 days	All	100%	100%	0%	0%	100%	G	N/A

TL64	Annual strategic planning in order to determine municipal targets for IDP and budgetary purposes before the finalisation of the IDP and budget	No of strategic session held annually before the finalisation of the budget and SDBIP process	All	0	0	0	1	1	G	N/A
TL65	Ensure that all issues raised in the management letter as identified by the Auditor General (A-G) are addressed and implemented in terms of a action plan	Action plan develop to ensure that identified issues raised are address and implemented	All	0	0	1	0	1	G	N/A
TL68	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved within 28 days after the Main Budget has been approved	All	0	0	0	1	1	G	N/A
TL69	Functional performance audit committee measured by means of meetings where committee dealt with performance reports	# of meetings	All	0	1	0	1	2	G	N/A
TL72	Submit final Annual Report and oversight report of council before legislative deadline	Final Annual Report and oversight report of council completed and submitted	All	0	0	1	0	1	G	N/A
TL74	Submission of APR before end of October	Submission of AFR before end of October	All	0	1	0	0	1	G	N/A
TL75	Ensure 4 x Council meetings are held per year	Ensure 4 x Council meetings are held per year	All	0	0	0	0	1	B	N/A
TL78	Ensure IDP public participation meetings are held	Ensure IDP public participation meetings are held per year	All	0	0	0	1	1	G	N/A

(c) Implement strategies to ensure that the municipality is financial viable:

Ref	KPI	Unit of Measurement	Wards	Q1	Q2	Q3	Q4	Actual		Corrective Measures
				Target	Target	Target	Target			
TL10	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)x100	(Total outstanding service debtors/ revenue received for services)x100	All	0%	0%	0%	30%	24%	B	N/A
TL11	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	All	0	0	0	1.1	0.38	R	Department in process to look at an revenue enhancement process and put cost savings initiatives in place in order to build reserves within municipality
TL12	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue- operating grants received)/debt service payments due within the year) (%)	(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant	All	0	0	0	1.1	13	B	N/A
TL13	Achieve a debt recovery rate of 90%	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written	All	90%	90%	90%	90%	112.50%	G2	N/A

		Off)/Billed Revenue x 100								
TL14	Submit financial statements to the Auditor General by 31 August	Approved financial statements submitted by 31 August	All	1	0	0	0	1	G	N/A
TL61	90% of MSIG and other grants spent by end June	% of budget spent	All	0%	0%	0%	90%	100%	G2	N/A
TL67	Submit the Mid-Year Performance Report in terms of sec72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary	Mid-year report submitted to council and treasury	All	0	0	1	0	1	G	N/A
TL70	Improvement in operational conditional grant spending measured by the percentage (%) spent	Percentage (%) of the grant spent i.t.o. budget allocations	All	0%	0%	0%	95%	78%	O	

(d) Mainstreaming sustainability and optimising resource efficiency:

Ref	KPI	Unit of Measurement	Wards	Q1	Q2	Q3	Q4	Actual		Corrective Measures
				Target	Target	Target	Target			
TL63	Ensure the timeous completion of formal evaluation of the performance of all identified personnel within the directorate in terms of the performance management system and	No of formal evaluations completed for all identified personnel within the directorate.	All	1	0	1	0	1	R	N/A

	adherence to the PM framework within required timeframes									
TL73	Compile and maintain Resolution register of all council decisions by end June	Resolution register of all council resolutions compiled and maintained by end June	All	0	0	0	1	1	G	N/A
TL76	Tabling and approval of Document Management Policy by end June	Tabling and approval of Document Management Policy	All	0	0	0	1	1	G	N/A
TL77	Ensure 4x LLF meetings are held per year	Ensure 4x LLF meetings are held per year	All	0	0	0	0	1	B	N/A
TL79	Ensure at least 8 x Occupational and Health and Safety meetings are held per town per year	At least 8x OHS meetings held per year per town	All	0	0	0	1	1	G	N/A

(e) Sustainable basic service delivery and infrastructure development:

Ref	KPI	Unit of Measurement	Wards	Q1	Q2	Q3	Q4	Actual		Corrective Measures
				Target	Target	Target	Target			
TL17	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	All	0	0	0	1,642	2 140	B	N/A

TL19	Provision of clean piped water to registered indigent account holders which are connected to the municipal water infrastructure network.	No of indigent account holders receiving free basic water	All	0	0	0	1,642	2 140	B	N/A
TL20	Provision of electricity to formal residential properties connected to the municipal electrical network for both conventional and prepaid metering	Number of formal residential properties connected to the municipal electrical network	All	0	0	0	6,991	7641	B	N/A
TL24	Limit unaccounted for electricity to less than 15% {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated} × 100}	% unaccounted electricity {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated} × 100}	All	0%	0%	0%	15%	13.77%	R	N/A
TL25	Provide 407 electricity connections for the housing project in Graafwater by the end of June 2015	Number of connections by end June 2015	5	407	0	0	0	407	G	N/A
TL27	90% of the budget spent for the design and installation of roads and storm water infrastructure for Citrusdal [(Total expenditure on project/ Approved budget for the project) × 100]	(Total expenditure on project/ Approved budget for the project) × 100	2	0%	0%	0%	90%	89.07%	O	N/A
TL29	Limit unaccounted for water to less than 30% {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified} × 100}	% unaccounted water {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water}	All	0%	0%	0%	25%	14%	B	N/A

		Purchased or Purified × 100}								
TL38	Spent 100% of MIG application for Elands bay municipal buildings by end June	100% MIG application spent	4	0%	0%	0%	100%	104.58%	R	N/A
TL51	Upgrade of infrastructure- water and sewerage with the installation of 30 water connections and 30 toilets at Riverview by end June	Number of water connections and toilets installed	All	0	0	0	60	190	G	N/A
TL52	Report to the Municipal Manager on the number of engagements with DWAS on the implementation of the National projects: Clanwilliam Dam and the upgrading of N7 road and district roads	Number of reports submitted	All	0	0	0	1	1	G	N/A
TL53	Finalize the agreement and get council approval for the Solar farm in Paleisheuwel by end June	Agreement finalised and approved by council	1	0	0	0	1	1	G	N/A
TL58	90% of the approved budget spent for the Citrusdal WWTW infrastructure upgrade [(Total expenditure on project/ Approved budget for the project)x100]	% of budget spent	2	0%	0%	0%	90%	114%	B	N/A
TL60	100% of MIG grant spent [(Total expenditure on MIG Grant/ Approved MIG allocation)x100]	% of budget spent	All	0%	0%	0%	100%	100%	G	N/A
TL80	Ensure approval of building plans on Citrusdal Library by end September	Approval of building plans by end September	2	1	0	0	0	1	G	N/A
TL82	Complete the handover of keys of the final 25 houses of the ASLA Graafwater housing project by the end of June	Handover of keys	4	0	0	0	1	0	R	Project was not completed as there were two persons that didn't received there keys. The keys will be handed over to

										them and they will sign acknowledgement of receipt.
TL83	Appointment of new speed camera service provider before end June	Appointment of new speed camera service provider before end June	3; 4; 5	0	0	0	1	1	G	N/A
TL84	Ensure at least 2 x Thusong Mobile roadshows are held in the municipal area per year	Ensure at least 2 x Thusong Mobile roadshows are held in the municipal area per year	All	0	0	0	2	3	B	N/A
TL85	Excellent water quality measured by the quality of water as per SANS 241 criteria	Percentage (%) water quality level as per blue drop project as measured annually	All	0%	0%	0%	95%	93%	O	
TL86	Quarterly spending of capital budget on wastewater management	Percentage (%) of approved budget spent on sanitation capital projects	All	0%	0%	0%	90%	67.64%	R	The reason for the underspent was that expenditure was based on available budget and cash flow. Municipality to stabilize cash flow.
TL87	Quarterly spending of capital budget on water	Percentage (%) of approved budget spent on water capital projects	All	0%	0%	0%	90%	53%	R	The reason for the underspent was that expenditure was based on available budget and cash flow. Municipality to stabilize cash flow.

3.2.2. Municipal Functions

(a) Analysis of Municipal functions:

The municipal functional areas are as follow:

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes

Municipal Function	Municipal Function Yes / No
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Fire fighting services	MOU with District
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
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	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater 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
Constitution Schedule 5, Part B functions:	
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

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	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

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 and Sanitation Provision:

Water is probably the most fundamental and indispensable of natural resources – fundamental to life, the environment, food production, hygiene and power generation. Poverty reduction and improved water management are inextricably linked. Section 4B of the Constitution lists water and sanitation services limited to portable water supply systems and domestic waste water and sewerage disposal systems as a local government function. Basic water is

defined as 25 litres of potable water per day supplied within 200 metres of a household.

(b) Highlights: Water Services:

Highlights	Description
Completion of the Master Plan for water services	Plan and address the back logs in water
Updating of the Water Service Development Plan	Update all water services in order to make provision for growth and development

(c) Challenges: Water Services:

Description	Actions to address
Water Losses	Water meter audit must be done to determine water losses
Infrastructure Backlogs	Apply for funding to upgrade infrastructure

(d) Service Delivery Levels:

Total Use of Water by Sector (cubic meters)				
Year	Agriculture	Forestry	Industrial	Domestic
2013/14	Unknown	Unknown	Unknown	2 314 5208
2014/15	Unknown	Unknown	Unknown	2 050 158

Below is a table that specifies the different water service delivery levels per households for the financial years 2013/14 and 2014/15:

Description	2013/14	2014/15
	Actual	Actual
<u>Household</u>		
<u>Water: (above minimum level)</u>		
Piped water inside dwelling	5 978	6 385
Piped water inside yard (but not in dwelling)	1 402	1 402
Using public tap (within 200m from dwelling)	111	111
Other water supply (within 200m)	0	0
Minimum Service Level and Above Sub-total	7 491	7 898
Minimum Service Level and Above Percentage	2.5%	2.3%
<u>Water: (below minimum level)</u>		
Using public tap (more than 200m from dwelling)	1 050	1 050
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
Below Minimum Service Sub-total	0	0
Below Minimum Service Level Percentage	0	0
Total number of Households (formal and informal)	8 541	8 948
<i>Include informal settlements</i>		

(e) Employees: Water Services

Employees: Water Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	13	14	12	2	14
4 – 6	4	4	3	1	25
7 – 9	5	5	4	1	20
10 - 12	1	1	1	0	0
13 - 15	1	1	1	0	0

Employees: Water Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	24	25	21	4	16

(f) Capital: Water Services

Capital Expenditure 2014/15: Water Services					
R'000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 251 923	13 065 949	3 357 235	9 708 713	13 065 949
EQUIPMENT	0	585 000	531 572	53 427	585 000
EXTERNAL LOAN	0	1 710 000	291 498	1 418 502	1 710 000
EXT LOAN: DESALINATION PLANT LAMBERTSBAY	0	6 856 949	0	6 856 949	6 856 949
MIG: UPGRADE OF BULK WASTE WATER LBAY	1 251 923	914 000	801 618	112 382	914 000
UPGRADING GRAAFWATER WATER SCHEME	0	3 000 000	1 732 547	1 267 453	3 000 000
Total All	1 251 923	13 065 949	3 357 235	9 708 713	13 065 949

3.3.2. Waste Water (sanitation) provision

The department of Water and Sanitation commenced with the regulation of water services in South Africa as early as 2004 but intensified this approach with the introduction of the much celebrated incentive-based regulatory approaches which includes the Green Drop and the newly introduced No Drop Certification programmes. These programmes excelled beyond expectations since it stimulated politicians. Despite the good efforts it remains a massive challenge for Cederberg Municipality to comply with all standards set by the Local Government. The funding requirement to address the infrastructure backlogs in the waste water sector deteriorates every year as a result of an increase of the inflation rate. However, section 4B of the Constitution lists water and sanitation services limited to potable water supply systems, domestic waste water and sewerage disposal systems as a local government function. Cederberg Municipality would like to enhance the backlog eradication in order to improve the overall compliance in operations and management.

(a) Highlights: Waste Water (Sanitation) Provision:

Highlights	Description
Updating of Waste Water Masterplan	To conduct proper planning to eliminate back logs
The Upgrading of the Water Service Development Plan	The WSDP entails the proper planning to enhance the capacity to accommodate development in Cederberg municipal area

(b) Challenges: Waste Water (Sanitation) Provision:

Description	Actions to address
Insufficient Funding	To conduct studies to determine costing and apply for funding

(c) Service Delivery Levels:

Below is a table that specifies the different sanitation service delivery levels per households for the financial years 2013/14 and 2014/15

Description	2013/14	2014/15
	Actual	Actual
<u>Household</u>		
<u>Sanitation/Sewerage: (above minimum level)</u>		
Flush toilet (connected to sewerage)	4 343	4 347
Flush Toilet (with Septic tank)	514	514
Chemical Toilet	0	0
Pit Toilet (ventilated)	0	0
Other toilet provisions (above minimum service level)	379	379
Minimum Service Level and Above Sub-Total	379	379
Minimum Service Level and Above Percentage	4 343	4 347
<u>Sanitation/Sewerage: (below minimum level)</u>		
Bucket Toilet	0	0
Other Toilet provisions (below minimum service level)	0	0
No toilet provisions	1 208	1 208
Below Minimum Service Level Sub-Total	1 208	1 208
Below Minimum Service Level Percentage	5%	4.9%
<i>Total number of households</i>	4 343	4 347

(d) Employee: Sanitation

Employees: Sanitation Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	5	13	7	6	46
4 – 6	4	8	7	1	13
7 – 9	0	0	0	0	0
10 - 12	0	0	0	0	0

Employees: Sanitation Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	9	21	14	7	33

(e) Capital: Sanitation:

Capital Expenditure 2014/15: Sanitation Services					
R'000					
Capital Projects	2014/15				
	Budget	Adjustme nt Budget	Actual Expendit ure	Varianc e from original budget	Total Project Value
Total All	15 800 000	15 961 000	8 388 870	7 572 131	15 961 000
EXTERNAL LOAN	0	161 000	155 645	5 355	161 000
RBIG: WATER TREATMENT WORKS - CLANW	4 000 000	4 000 000	1 897 568	2 102 433	4 000 000
RBIG: WASTE WATER TREATMENT WORKS - CITRUSDAL	11 800 000	11 800 000	6 335 657	5 464 343	11 800 000

3.3.3. Electricity

(a) Introduction to Electricity

Local Government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support.

Service Backlogs: Electrification of informal houses in Graafwater

Infrastructure: The municipality is responsible for the distribution of electricity in all urban areas including Clanwilliam, Citrusdal, Lamberts bay, Elands Bay and Graafwater. Eskom distributes electricity to the areas not serviced by the municipality.

(b) Highlights: Electricity:

Highlights	Description
Electrification Project Graafwater	Electrification of 407 new low cost houses in Graafwater at a cost of R8.2 million

(c) Challenges: Electricity:

Description	Actions to address
Clanwilliam shortage of bulk capacity	Convinced Eskom to build new 66 KV substation to up bulk capacity.

(d) Service Delivery Levels:

Description	2013/14	2014/15
	Actual	Actual
<u>Household</u>		
Electricity	8 820	7 943
Total number of Households	8 820	7 943
<i>Number of debtors according to the billing system</i>		

(e) Employees: Electrical Services:

Employees: Electricity Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	5	5	5	0	0
7 – 9	3	6	3	3	50
10 - 12	3	3	3	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	2	0	0
19 - 20	0	0	2	0	0
Total	12	15	12	3	20

(f) Capital: Electrical Services:

Capital Expenditure 2014/15: Electricity Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustme nt Budget	Actual Expendit ure	Variance from original budget	Total Project Value
Total All	1 000 000	4 945 094	2 110 612	2 834 483	4 945 094
EXTERNAL LOAN	0	2 580 000	46 153	2 533 848	2 580 000
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME	1 000 000	2 365 094	2 064 459	300 635	2 365 094

3.3.4. Solid Waste Management

(a) Introduction to Waste Management

The fragmented and uncoordinated way pollution and waste has been dealt with, as well as insufficient resources to implement and monitor existing legislation, contributes largely to the unacceptably high levels of pollution and waste in South Africa. Through the promulgation and implementation of various pieces of policies, legislation, standards and guidelines as well as the implementation of co-operative governance as envisaged in the Constitution this situation will be improved. The current fragmentation, duplication and lack of co-ordination will be eliminated.

Pollution and waste management is not the exclusive preserve of government. The private sector and civil society have crucial roles to play. The fostering of partnerships between government and the private sector is a prerequisite for sustainable and effective pollution and waste management to take place. Similarly, the spirit of partnerships and co-operative governance between organs of state is equally important due to the crosscutting nature of pollution and waste management.

(b) Highlights: Waste Management:

Highlights	Description
Youth Jobs Programme	Implementation of youth jobs in waste programme

(c) Challenges: Waste Management:

Description	Actions to address
Shortage of Staff	Filling of vacancies
Lack of plant vehicles and equipment	Funding to be sourced
Landfill Site Capacity	New Landfill Site

(d) Service Delivery Levels:

Description	2013/14	2014/15
	Actual	Actual
<u>Household</u>		
<u>Refuse Removal: (Minimum Level)</u>		
Removed at least once a week		
Minimum Service Level and Above Sub-Total	4 500	4 940
Minimum Service Level and Above Percentage	100%	100%
<u>Refuse Removal: (Below minimum level)</u>		
Removed less frequently than once a week	N/A	N/A
Using communal refuse dump	N/A	N/A
Using own refuse dump	N/A	N/A
Other rubbish disposal	N/A	N/A
No rubbish disposal	N/A	N/A
Below Minimum Service Level sub-total	N/A	N/A
Below Minimum Service Level percentage	N/A	N/A

Description	2013/14	2014/15
	Actual	Actual
<u>Household</u>		
<u>Refuse Removal: (Minimum Level)</u>		
Total number of households	4 500	4 944

(e) Employees: Solid Waste:

Employees: Solid Waste Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	65	68	64	4	6
4 – 6	4	7	7	0	0
7 – 9	8	9	5	4	44
10 - 12	2	6	4	2	33
13 - 15	0	1	0	1	100
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	79	91	80	11	12

(f) Capital: Solid Waste

No capital expenditure for Solid waste during the 2014/2015 financial year.

3.3.5. Housing

(a) Introduction to Housing

Housing need:

The need for an integrated residential development approach that address the whole spectrum of residential needs has been identified and the following main income categories have been considered:

- Subsidy housing > R3 500 per month
- Gap housing > R3 500 – R15 000

Given the strategic decision to focus in the first instance on subsidy and gap housing, those housing needs can be summarised as follows:

Subsidy	5 226
Gap	857

Site	Property	Units
Subsidy: Priority 1		
Graafwater	407	407
Total		407

(b) Highlights: Housing:

Highlights	Description
Completion of the Graafwater Housing Project	407 Houses constructed and handed over to beneficiaries

(c) Challenges: Housing

Description	Actions to address
Influx of people in Informal Settlements	Adopt Informal Settlement Control and Management Policy
Insufficient funding for Bulk Services	Province to make more funds available.

(d) Service Delivery Levels:

The following table shows the increase in the number of people on the housing waiting list. There are current approximately 5 226 housing units on the waiting list.

Financial year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2013/14	4 442	11.8
2014/15	5 226	17.7

Financial year	Allocation	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2013/14	28 363 406	28 363 406	100	368	0
2014/15	1 767 414	1 767 414	100	39	0

(e) Employee: Housing:

Employees: Housing					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 - 12	3	3	2	1	33
13 - 15	1	2	2	0	0

Employees: Housing					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	4	5	4	1	20

3.3.6. Free Basic Services and Indigent Support

(a) Introduction

The 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 earning less than R2 520 per month will receive the free basic services as prescribed by national policy. The table, furthermore, indicates the total number of indigent households and other households that received free basic services in the past two financial years:

The table below indicates that 98.30% of the total number of households received free basic services in 2014/2015 financial year.

Financ ial year	Number of households								
	Total no of indigent HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Acce ss	%	No. Acce ss	%	No. Acce ss	%	No. Access	%
2013/14	2 024	2 024	100	2 024	100	2 024	100	2 024	100
2014/15	2 140	2 100	98	2 140	99.51	2 088	98	0	50% Subsidiz ed

Electricity									
Financial year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value
			R'000			R'000			R'000
2013/14	2 024	50	15	0	0	0	0	0	0
2014/15	2 100	50	76 960	5 541	120	63 036 833	39	120	42 142

Water						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kl)	Value	No. of HH	Unit per HH (kl)	Value
			R'000			R'000
2013/14	2 024	6	773	0	0	0
2014/15	2 140	6	659 734	3 102	25	13 724 853

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
2013/14	2 024	1	97	0	0	0
2014/15	2 088	1	3 453 778	2 699	1	8 327 531

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
2013/14	2 024	1	261	0	0	0
2014/15	2 140	1	453 803	3 369	1	6 857 728

Financial Performance 2014/15: Cost to Municipality of Free Basic Services Delivered				
Services Delivered	2013/14	2014/15		
	Actual	Budget	Adjustment Budget	Actual
	R'000			
Water	773	659 734	883 491	883 491
Waste Water (Sanitation)	2 185	3 453 778	3 849 854	3 849 854
Electricity	15	1000 000	1 260 000	1 260 000
Waste Management (Solid Waste)	261	453 803	438 000	438 922

3.4. COMPONENT B: ROAD TRANSPORT

This component includes: roads, transport, and waste water (stormage drainage).

3.4.1. Roads

(a) Introduction to Roads

The municipality has 98 km of tarred municipal roads and 19 km of gravel roads. The upgrading of municipal roads needs urgent attention as it is estimated that life expectancy of municipal roads surfacing and structure is 6 and 11 years respectively. The following backlog exists in terms of municipal roads:

- Roads: Upgrading of gravel roads to tar – Backlog 19 km
- Roads: Maintenance: Reseal and rehabilitation – Backlog 24 km

The Cederberg Pavement Management System (PMS) has been updated

(b) Highlights: Roads:

Highlights	Description
Heuwelsig Roads Surfacing	Resurfacing of Roads in Heuwelsig Citrusdal
Paving of Roads in Elands Bay	Paving of gravel roads in Elandsbay

(c) Challenges: Roads:

Description	Actions to address
Ageing Infrastructure	Implement resurfacing rehabilitation and routine maintenance. Source funding to implement pavement management system.

Description	Actions to address
Shortage of Staff	Filling of vacancies
Lack of funds	Application of funds

(d) Service Delivery Levels and statistics:

Gravel Road Infrastructure: Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2013/14	18	1km	1.0	4km
2014/15	18	3km	2.0	4km

Tarred Road Infrastructure: Kilometres					
Year	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2013/14	98	N/A	N/A	4km	4km
2014/15	98	N/A	N/A	4km	4km

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

Financial year	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
	R'000	R'000	R'000	R'000	R'000	R'000
2013/14	N/A	2 000	50	3 000	0	300
2014/15	N/A	2 000	60	3 000	0	350

(e) Employees: Roads:

Employees: Roads					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	10	12	10	2	17
4 - 6	8	9	7	2	22
7 - 9	5	5	3	2	40
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	24	27	21	6	22

(f) Capital: Roads:

Capital Expenditure 2014/15: Roads and Stormwater					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from budget	Total Project Value
Total All	7 229 008	7 152 078	6 532 881	619 197	7 152 078
EXTERNAL LOAN	0	780 000	880 141	-100 141	780 000
PMU:COMPUTER EQUIPMENT	0	15 000	8 785	6 215	15 000
ELANDSBAAI-NEW CONSTRUCTION OF PAVED ROADS	3 589 008	2 300 343	2 474 250	-173 907	2 300 343

Capital Expenditure 2014/15: Roads and Stormwater R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from budget	Total Project Value
MIG: UPGRADE ROADS AND STORMWATER CDAL	3 640 000	4 056 735	3 169 705	887 030	4 056 735

3.4.2. Storm Water Drainage

a) Highlights: Waste Water (Stormwater Drainage):

Highlights	Description
Masterplan completed	Citrusdal – Stormwater masterplan completed
	Commenced with drafting of stormwater masterplan for citrusdal.

b) Challenges: Waste Water (Stormwater Drainage):

Description	Actions to address
Masterplan for all areas	Appoint consultant to complete masterplan Apply for funding for the development of a masterplan for all Cederberg towns.
Frequent Flooding	Installation of required infrastructure as per masterplan
Lack of funding: Infrastructure	Application for funding

c) Service Delivery Levels and statistics

The table below shows the total kilometers of stormwater maintained and upgraded as well as the kilometers of new stormwater pipes installed:

Stormwater Infrastructure: Kilometres				
Year	Total stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2013/14	20km	-	-	3km
2014/15	20km	-	-	3km

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

Stormwater Measures			
Year	New R'000	Upgraded R'000	Maintained R'000
2013/14	-	-	80
2014/15	-	-	90

d) Employees: Waste Water (Stormwater Drainage):

Employees: Waste Water (Stormwater drainage)					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	8	8	8	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	1	1	1	0	0

Employees: Waste Water (Stormwater drainage)					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	9	9	9	0	0

3.5. COMPONENT C: PLANNING AND LOCAL ECONOMIC DEVELOPMENT

3.5.1. Planning

(a) Introduction to Planning

Land use planning for Cederberg Municipality is handled by the Engineering & Planning Department. A shared service agreement exists in conjunction with West Coast District Municipality for the handling of all rural applications on behalf of Cederberg Municipality due to lack of staff compliment.

(b) Highlights: Planning:

Highlights	Description
Approving of SDF	The SDF has been updated

(c) Challenges: Planning:

Description	Actions to address
Department under Capacitated i.t.o. Human Resources	To appoint 1 x Admin Assistant; 1 x Building Inspector and a Qualified

Description	Actions to address
	Professional Town Planner and 1 x Fleet Control Officer.

(d) Service Delivery Levels:

Applications for Land Use Development				
Detail	Formalisation of Townships		Rezoning	
	2013/14	2014/15	2013/14	2014/15
Planning application received	1	0	47	42
Applications not approved	0	0	0	2
Applications closed	1	0	46	41
Applications outstanding at year end	0	0	0	1
Awaiting DEA&DP decision	0	0	1	0

Type of service	2013/14	2014/15
Building plans application processed	260	191
Total surface (m2)	57 189	25 661
Approximate value (Rand)	257 678 400	72 512 710
Residential extensions	97	44
Land use applications processed	47	42

(e) Employees: Planning:

Employees: Planning					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	2	3	2	1	33
10 - 12	1	1	1	0	0
13 - 15	0	1	1	0	0
16 - 18	0	1	1	0	0
19 - 20	0	0	0	0	0
Total	3	6	5	1	33

(f) Capital: Planning

No Capital expenditure for the 2014/2015 financial year.

3.5.2. Local Economic Development

Local Economic Development (LED) is a cross-cutting discipline, and is reliant upon all the departments within the municipality in order to be successful. The municipality has recognised the importance of LED as a vehicle for growth and poverty alleviation and has committed itself to create an enabling environment within which economic growth and development can be achieved.

(a) Highlights: LED:

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
SMME Support	The LED unit is providing support to current and prospective entrepreneurs

(b) Challenges: LED:

The following challenges with regard to the implementation of the LED strategy are:

Description	Actions to address challenges
LED Strategy outdated	Appointment of Service Provider to develop new LED Strategy
Medium Term LED Strategy (PACA) not implemented	Report to be tabled before Council, development of an implementation plan

(c) LED Strategy:

An LED strategy was developed in 2010 but not effectively implemented due to insufficient resources and dedicated personnel. Since the beginning of 2013 the LED unit was capacitated through the appointment of an LED Manager.

The LED strategy identifies various issues and strategic areas for intervention such as:

Strategic Areas	Description
Tourism and Property Development	<p>The focus is on the Cederberg Wilderness including the mountains, dams, flowers and heritage attractions with accommodation centred on Clanwilliam, Wupperthal and Citrusdal.</p> <p>The real West Coast experience based around sea activities (fishing, crayfish and surfing) seafood and birding with</p>

Strategic Areas	Description
	accommodation concentrated in the towns of Lamberts Bay and Elands Bay.
Agriculture and Agri-processing	Agriculture and Agricultural processing sectors are possibly the two sectors are possibly the two sectors with greatest chance to sustainable create jobs.
Fishing, Aqua-Culture and Mariculture	<p>Freshwater Fish (Clanwilliam and Citrusdal areas))</p> <p>The Olifants River with Clanwilliam and Bulshoek dams may offer opportunities for aquaculture.</p> <p>Mariculture (Elandsbay and Lambertsbay)</p> <p>Fishing stocks on the Cederberg coastline have been backbone of the Elandsbay and Lambertsbay local economies for years. The fishing stocks are now depleted by unsustainable harvesting. Mariculture may offer some opportunities and is being promoted by the provincial government.</p>

(d) Employees: LED:

Employees: LED					
Job Level (T-grade)	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0

Employees: LED					
Job Level (T-grade)	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
7 – 9	0	0	0	0	0
10 - 12	0	3	0	3	0
13 - 15	1	2	1	2	50
16 - 18	0	0	0	0	0
19 - 20	0	0	0	5	0
Total	1	5	1		80

3.5.3. Tourism

(a) Introduction to Tourism

The Cederberg Integrated Tourism Development and Marketing Strategy that was developed in 2013 continues to serve as the guide for all the activities of this department.

Tourism is one of the main growth and job-creating sectors in the local economy. The strategy will guide the enhancement of existing tourism products and underneath and develop new sustainable tourism commodities to achieve an optimum mix that will attract specific market

Five strategic objectives were identified:

Strategic Objective	Sub-Objective
1. Tourism Development: Unlock the true tourism potential of the Cederberg through the development of a range of new and existing tourism products, experiences and events that fulfil visitor requirements and maximize income, contributing to local economic development and growth.	1.1 Community Based Tourism: Mainstream community based tourism initiatives by implementing a portfolio of marketable tourism products and services in hitherto marginalized, rural communities of

Strategic Objective	Sub-Objective
	<p>the Cederberg e.g. Elands Bay and Wupperthal.</p> <p>1.2 Catalytic Tourism Development Projects: Identify and develop new and existing portfolio of high-profile catalytic tourism products that will enhance the profile of the Cederberg as a national tourism destination of note.</p> <p>1.3 Extreme Sports Tourism: Develop the Cederberg's extreme and adventure sports potential as a vibrant tourism sub-sector in the region.</p> <p>1.4 Niche Tourism: Develop viable niche tourism sectors specifically birding, mountain biking routes, cultural and heritage routes, botanical/herb-tourism and agro-tourism.</p> <p>1.5 Events Tourism: Develop an exciting, well-planned portfolio of major and community events that stimulates inclusive economic growth, job-creation and promotes social cohesion and community development.</p>
<p>2 Tourism Transformation: Create conditions conducive for genuine, bottom-up tourism transformation and specifically the inclusion of previously disadvantaged areas and individuals in the Cederberg Tourism Association industry.</p>	<p>2.1 Institutional Arrangements: Review and improve the current local tourism institutional arrangements in line with national policy guidelines.</p> <p>2.2 Representativeness: Develop and implement a realistic blueprint for participation and inclusion of all sectors of the community with a stake in tourism.</p>

Strategic Objective	Sub-Objective
	<p>2.3 Compliance with relevant legislation: Establish a mechanism that will facilitate and enforce applicable laws and regulations in the local tourism industry i.e. Tourism BEE Codes, BBBEE prescripts and others.</p>
<p>3 Tourism Marketing: Market and promote the Cederberg area as a world class, year round, outdoor-adventure and cultural tourism destination.</p>	<p>3.1 Digital destination marketing strategy: Develop and implement a cutting-edge digital marketing strategy based on a cost-effective and efficient electronic marketing portal and website.</p> <p>3.2: Media exposure: Exploit the region's media exposure to increase tourist numbers.</p> <p>3.3 Information Portal: Develop a comprehensive information portal where users can access current and accurate regional tourism and related information.</p> <p>3.4 Communication strategy: Develop an internal and external communication plan to improve lines of communication to fast track tourism development.</p>
<p>4. Tourism Funding and Resource Mobilization: Develop and implement a sustainable tourism funding and resource model in support of Cederberg's development, growth and marketing objectives.</p>	<p>4.1 Funding of LTO: Review and strengthen the current Municipal-LTO funding model in order to maximize marketing and development return on investment.</p> <p>4.2 Resource Mobilization: Lobby national and provincial government, public entities, international funders and private companies to become partners in tourism development and marketing.</p>

Strategic Objective	Sub-Objective
5. Tourism Monitoring and Evaluation: Develop and implement a practical Monitoring and Evaluation system to monitor, review and assess the progress in tourism development and marketing.	5.1 Tourism Research Intelligence: Set up a reliable tourism research and intelligence unit linked to a monitoring and evaluation component. 5.2 Source reliable tourism marketing statistics and development data that will assist in evaluating current initiatives and provide options for future developments.

(b) Highlights: Tourism:

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
SMME and entrepreneur development	A number of new entrepreneurs are entering the market, especially the tourism industry. This bodes well for the future of the industry.
Events	The events that were held had shown tremendous growth. There were also new events that enhanced the product offering in the municipal are.
Clanwilliam 200 Celebration	A new Service Level Agreement will be signed between Cederberg Municipality and Cederberg Tourism.

(c) Challenges: Tourism:

The following challenges with regard to the implementation of the LED strategy are:

Description	Actions to address challenges
Pace of transformation within industry is slow	Change Management approach required to expedite transformation. Total buy-in from all stakeholders will be obtained.
Institutional Arrangements	A new Service Level Agreements will be signed between Cederberg Municipality and Cederberg Tourism

(d) Employees: Tourism:

Employees: Tourism					
Job Level (T-grade)	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 - 12	0	1	0	1	100
13 - 15	0	2	1	0	50
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	0	3	1	1	33

3.6. COMPONENT D: COMMUNITY AND SOCIAL SERVICES**3.6.1. Libraries**

(a) Introduction to Libraries:

Cederberg Municipality has 7 libraries and 1 wheelie wagon, which is also utilised as a mobile library. The libraries are in the following areas:

TOWN	NUMBER OF LIBRARIES
Citrusdal	2
Clanwilliam	1
Graafwater	1
Lamberts Bay	1
Elands Bay	1
Wupperthal	1
Algeria	1 Wheelie Wagon

(b) Highlights: Libraries:

Highlights	Description
Detection System	All libraries in Cederberg have detection system, except Wupperthal

(c) Challenges: Libraries:

Description	Actions to address
Lost Books	Transport should be acquired to collect books in communities
Internet	Very slow

(d) Service statistics for Libraries:

Type of service	2013/14	2014/15
Library members	6 164	3 192
Books circulated	20 637	121 043
Exhibitions held	76	50

Type of service	2013/14	2014/15
Internet users	2 500	1 200
New library service points or Wheelie Wagons	1	0
Children programmes	0	0
Visits by school groups	81	150
Book group meetings for adults	0	0
Primary and Secondary Book Education sessions	0	10

(e) Employees: Libraries:

Employees: Libraries					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	2	1	1	50
4 – 6	8	9	8	1	11
7 – 9	0	0	0	0	0
10 - 12	5	5	5	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	15	17	15	2	12

(f) Capital: Libraries:

Capital Expenditure 2014/15: Library Services					
R'000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from budget	Total Project Value
Total All	2 150 000	2 182 086	1 890 295	291 791	2 182 086
EQUIPMENT	150 000	150 000	121 654	28 346	150 000
New Library : Citrusdal Main Road - Building Works	2 000 000	2 000 000	1 754 386	245 614	2 000 000
EQUIPMENT	0	32 086	14 255	17 831	32 086

3.6.2. Cemeteries

(a) Highlights: Cemeteries:

Highlights	Description
Have been included in the Security System	Security guards patrol the cemeteries

(b) Challenges: Cemeteries:

Description	Actions to address
Cleaner Cemeteries	Business Plan

(c) Services Statistics for Cemeteries:

Type of service	2013/14	2014/15
Pauper burials	20	14

3.7. COMPONENT E: COMMUNITY AND SAFETY

This component includes: traffic; law enforcement; fire and disaster management.

3.7.1. Law Enforcement

(a) Highlights: Law Enforcement:

Highlights	Description
Increased Visibility	Better Planning & Coordination
Better Equipment	Stund guns, hand cuffs, batons

(b) Challenges: Law Enforcement:

Description	Actions to address
Limited Staff	Appoint more staff
Patrol Vehicles	Increase fleet
Illegal shacks / foreigners	Better co-operation – Housing Department

(c) Service Statistics for Law Enforcement:

Details	2013/14	2014/15
Number of by-law infringements attended	135	87
Number of officers in the field on an average day	2	2
Number of officers on duty on an average day	4	2

(d) Employees: Law Enforcement:

Employees: Law Enforcement					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	2	3	2	1	33
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	3	2	1	33

(e) Capital: Law Enforcement:

No capital expenditure for the 2014/2015 financial year.

3.7.2. Traffic Services

(a) Highlights: Traffic Services:

Highlights	Description
Mr. Dry (Traffic Officer) received a 30 year gold medal from ITMPO	As a member of the ITMPO body
Daantjie Kat project	Road Safety Awareness
Rugby match Boland vs King	Event Safety

(b) Challenges: Traffic Services:

Challenges	Actions to overcome
Staff Shortage	No traffic Officer daily in towns
Vehicle Shortage	Not enough vehicles
Limited resources & budget	Increase compliance – fine payments

(c) Additional Performance Service statistics for Traffic Services:

Details	2013/14	2014/15
Motor vehicle licenses processed	10 656	16 879
Learner driver licenses processed	1 367	1 693
Driver licenses processed	1 813	1 105
Driver licenses issued	356	942
Fines issued for traffic offenses	12 407	3 360
R-value of fines collected	1 181 171	650 700
Roadblocks held	27	5
Complaints attended to by Traffic Officers	51	46
Awareness initiatives on public safety	72	5
Number of road traffic accidents during the year	504	267
Number of officers in the field on an average day	4	2
Number of officers on duty on an average day	5	2

(d) Employees: Traffic Services:

Employees: Traffic Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	2	1	1	50
4 – 6	4	4	4	0	0
7 – 9	3	7	3	4	57
10 - 12	2	2	1	1	50
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	10	16	10	6	19

(e) Capital: Traffic Services

No capital expenditure for the 2014/2015 financial year.

3.7.3. Fire Services and Disaster Management

(a) Introduction to Fire Services and Disaster Management

A memorandum of Understanding exists between West Coast District and Cederberg to perform the responsibilities of Cederberg Municipality regarding the structural phase and other related fire and rescue services. The Cederberg Municipality Fire and Disaster Department consist of only a Disaster and Fire Officer supported by the District municipality.

(b) Highlights: Fire and Disaster Management:

Highlights	Description
Training & Development	Effective Fire prevention initiatives

(c) Challenges: Fire and Disaster Management:

Challenges	Actions to overcome
No proper disaster centre	Finalised building
Lack of Equipment	Budget Increase

(d) Service statistics for Fire and Disaster Services:

Details	2013/2014	2014/15
Operational call-outs	332	213
Awareness initiatives on fire safety	12	7
Total fires attended in the year	13	213
Average turnout time - urban areas	1h	299
Average turnout time - rural areas	2h	378

(e) Employees: Fire Services and Disaster Management:

Employees: Fire Services and Disaster Management					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	1	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	1	1	1	0	0

(f) Capital: Fire Services and Disaster Management

No capital expenditure for the 2014/2015 financial year.

3.8. COMPONENT F: SPORTS AND RECREATION

This component includes: community parks; sport fields; sport halls; stadiums; swimming pools; and camp sites.

3.8.1. Sports and Recreation

(a) Highlights: Sport & Recreation:

Highlights	Description
Annual Sportday at Clanwilliam	For staff members +/- 300
Kings vs Boland Kavaliers	Provincial Rugby at Citrusdal

(b) Challenges: Sport and Recreation:

Description	Actions to address
A sport policy for Cederberg	Submitted to Council

(c) Service Statistics for Sport and Recreation:

Type of service	2013/2014	2014/2015
Community parks		
Number of parks with play park equipment	4	4
Number of wards with community parks	4	6
Sport fields		
Number of wards with sport fields	5	5
Number of sport associations utilizing sport fields	3	16
R-value collected from utilization of sport fields	16 000	+/- R20 000
Sport halls		
Number of wards with sport halls	3	4
Number of sport associations utilizing sport halls	3	16
R-value collected from rental of sport halls	16 000	+/- R20 000

(d) Employees: Sport and Recreation:

Employees: Sport and Recreation					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0

Employees: Sport and Recreation					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
4 - 6	0	0	0	0	0
7 - 9	0	1	0	1	100
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	0	1	0	1	0

(e) Capital: Sport and Recreation:

Capital Expenditure 2014/15: Sport And Recreation					
R'000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance From Budget	Total Project Value
Total All	3 865 517	5 292 316	4 455 410	836 906	5 292 316
UPGRADE SPORT FACILITIES	150 000	244 000	237 286	6 714	244 000
UPGRADE SWIMMING POOLS	200 000	67 082		67 082	67 082
ENTRANCE UPGRADE & BEAUTIFICATION-RESORTS	45 000	25 000		25 000	25 000

Capital Expenditure 2014/15: Sport And Recreation					
R'000					
Capital Projects	2014/15				
	Budg et	Adju stment Budget	Actu al Expendi ture	Var iance From Budge t	Total Project Value
OFFICE FURNITURE/EQUIPMENT	35 000	62 000	60 212	1 788	62 000
UPGRADE: COMMUNITY FACILITIES	50 000	81 918	33 260	48 658	81 918
CRDP: EMERGING FARMERS PROJECTS	50 000	50 000	0	50 000	50 000
EXTERNAL LOAN	0	89 000	20 000	69 000	89 000
MIG:UPGRADE SPORT FIELD PHASE 2 CDAL	0	280 164	254 296	25 868	280 164
MIG: UPGRADE SPORTS FIELD PHASE 2 EBAY	3 335 517	4 381 552	3 842 460	539 092	4 381 552
CDW EQUIPMENT	0	11 600	7 896	3 704	11 600

3.9. COMPONENT G: CORORATE OFFICES AND OTHER SERVICES

This component includes: executive and council; financial services; human resource services; ICT services; legal services; and procurement services.

3.9.1. Financial Services

(a) Highlights: Financial Services:

Highlights	Description
Most Improved municipality in Western Cape from Auditor General	Cederberg Municipality received the award for the most improved municipality in Western Cape from Auditor General during the 2012/2013 financial year. We achieved full compliance relating financial reporting and IYM from National Treasury.
Registration of Indigent Households	In our support to the indigent contingent in our communities we have followed a process of registration of all indigent families. In this regard we have assisted 2 100 families in receiving the minimum indigent subsidy as prescribed in National Treasury guidelines and the policy and budget of the Council.
Debt Recovery	The municipality succeeded in a debt recovery rate of 95% as an average for the financial year.
Transparency	All Supply Chain Management Contracts in terms of Section 75 (1) (g) of the MFMA are published on the municipal website to promote transparency.

(b) Challenges: Financial Services:

Description	Actions to address
The economic landscape of Cederberg remains a concern with limited opportunities, characterised by high levels of unemployment and poverty. No major industries with agriculture activities only able to give work seasonally.	
Growth in the indigent profile of the municipality. These customers don't have the capacity to pay their municipal accounts. The indigent figure of consumer's households increased from 1 783 in 2011/2012 to 2 024 in 2013/2014. Thus the municipality provides a large portion of free services.	
High dependency ratio on grants from National Treasury	

(c) Debt Recovery:

Details of the types of account raised and recovered	Debt Recovery R'000					
	2013/14			2014/15		
	Billed in Year	Actual for accounts billed in year	Pro-portion of accounts value billed that were collected %	Billed in Year	Actual for accounts billed in year	Pro-portion of accounts value billed that were collected %
Property Rates	26 285 210	26 825 137	102%	31 291 345	29 458 993	94%
Electricity	42 337 436	43 146 451.83	102%	45 195 288	43 748 543	97%
Water	15 227 013	13 329 153	88%	23 554 040	17 660 537	75%
Sanitation	5 972 505	5 497 320	92%	7 699 864	6 294 567	82%
Refuse	4 471 562	3 995 300	89%	7 347 883	5 200 481	71%

(d) Employees: Finance:

Employees: Finance					
Job Level	2013/14	2014/15			
	Employees	Posts (approved)	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	14	24	18	6	25
7 – 9	11	9	8	1	22
10 - 12	6	7	6	1	14
13 - 15	3	1	1	0	0
16 - 18	0	2	2	0	0
19 - 20	0	1	1	0	0
Total	34	44	36	8	22

3.9.2. Human Resource Services

(a) Introduction to Human Resource Services

The Human Resource Department has a staff component comprising of the following positions:

- Head: Human Resources
- 3 x HR Practitioners responsible for:
 - Training
 - Health & Safety
 - Recruitment & Selection
 - Labour Relations
 - Employee Wellness
- 1 x Human Resource Administrator responsible for all administrative functions pertaining to leave, medical aid, pension, UIF, etc.

(i) Filing of vacant posts:

The Cederberg Municipality, a low to medium capacity municipality, is related a category 3 municipality and it must still compete with higher graded, higher income municipalities for the available skills in the region, the province and ultimately the country. With that challenge in mind, the municipality must still endeavour to appoint the right people with the right skills at the right time. Filling vacant, critical positions is a challenge for a municipality sized and categorised as the Cederberg Municipality, because skilled people can earn much more at a higher graded municipality or in the private sector.

In 2014/2015 financial year, the Cederberg Municipality has filled 15 vacancies, of which 6 were external appointments, whilst 22 staff members left the employment of the municipality during the same financial year.

(ii) Recruitment and selection:

The Cederberg Municipality adopted a revised Recruitment and Selection policy in 2012/2013 and reviewed on 29 May 2014 for the 2014/2015 financial year. The aim of the policy is to streamline the appointment of personnel whilst keeping within the legal framework as enshrined in the various pieces of labour related legislation.

(iii) Labour Relations:

It is imperative that good industrial relations are fostered between the employer and employees. Employees are engaged on certain structures created by Local Government Bargaining Council to address issues of mutual interest to the employer and the employees. These structures are:

- Health & Safety
- Local Labour Forum (LLF)

Occupational Health & Safety 2014/15				
OHS				
Injuries		Compensation for Occupational Injuries and Diseases (COID) Applications	Disabling Injuries	Schedule 8 Investigations (Ill Health)
Temp	12	Yes	0	1
Perm	1	yes	0	0

The Safety and health of our employees and their families are of the utmost importance to the Council. Therefore, all possible steps are taken to ensure a healthy and safe working environment.

The Health and Safety policy and plan have been submitted to Council for review, as well as the Employee Wellness Policy.

The number of injuries on duty has steadily decreased over time and only 13 injuries were reported of which 13 injuries went through the Compensation for Occupational Injuries and Diseases (COID) process whereby injuries reported to the Compensation Commissioner.

(b) Highlights: Human Resources:

Highlights	Description
Newsletter	HR started with a newsletter to keep employees updated with HR matters
Health & Safety	Committees are functioning and steps have been taken to improve the standard of Health & Safety
Training	Started with RPL and completed MFMP for the first intake.

(c) Challenges: Human Resources:

Challenges	Description
Lack of Capacity	The department functioned without a Health & Safety Officer for the financial year

(d) Employees: Human Resources:

Employees: Human Resource Services					
Job Level	2013/14	2014/15			
	Employees	Posts (approved)	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	1	1	1	0	0
10 - 12	2	3	2	1	33

Employees: Human Resource Services					
Job Level	2013/14	2014/15			
	Employees	Posts (approved)	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	4	5	4	1	33

3.9.3. Information and Communication Technology (ICT) Services

(a) Introduction to Information and Communication Technology (ICT) Services

It is responsible IT to ensure that all technical systems of the municipality is functioning and operating effectively. Backups are done daily and stored for safekeeping. The maintenance of the municipal system and financial systems are outsourced. The network and computer hardware is maintained by the IT department. Structural changes to the website are also done by IT. The municipality has grown from 50 devices (computers) to almost 200 devices within 5 years.

(b) Highlights: ICT Services:

Highlights	Description
Provincial Government Website Pilot Project	Municipality was identified as one of the ten pilot sites for the redesign and development of a new structural and more informative website. Installation Progress 80%

(c) Challenges: ICT Services:

Description	Actions to address
Under capacitated ICT Department	The ICT Department human capacity cannot handle all ICT requests optimally. Vacancies are not filled.
National Government Policies not implemented	Policies need to be approved by Council

(d) Employees: ICT:

Employees: ICT Services					
Job Level	2013/14	2014/15			
	Employees	Posts (approved)	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	1	1	1	0	0
10 - 12	1	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	2	2	0	0

(e) Capital: ICT Services:

Capital Expenditure 2014/15: ICT Services					
R'000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from budget	Total Project Value
Total All	410 000	836 862	735 341	101 521	836 862
OFFICE FURNITURE	30 000	30 000	13 545	16 455	30 000
EQUIPMENT	30 000	416 862	410 361	6 501	416 862
MSIG-IT Document Archive Management System	300 000	300 000	290 688	9 312	300 000
IT EQUIPMENT & SOFTWARE	50 000	90 000	20 747	69 253	90 000

3.9.4. Legal Services

(a) Highlights: Legal Services:

Highlights	Description
Internal & External advisory role	Legal assistance to directors, managers, supervisors, senior officers and assistance to external legal institutions.
Finalisation of contracts, leases, SLA's etc.	Documentation in the records section
Scrutinize and assistance with By-laws, council policies etc.	Archived with records section

(b) Challenges: Legal Services:

Description	Actions to address
Shortage of personnel	Vacancies to be filled

(c) Employees: Legal Services:

Employees: Legal Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	0	1	0	1	100
10 - 12	0	0	0	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	1	2	1	1	100

3.9.5. Procurement Services

(a) Highlights: Procurement Services:

Highlights	Description
Providing best practice templates	Best Practice templates are compiled by Provincial Treasury and implement by the SCM
Training to users, departments officials and SCM practitioners	Regular training are scheduled to all senior officials involved in SCM and procurement

Highlights	Description
Alignment of SCM processes and procedures that will ensure compliance	National and Provincial Treasury guidelines and regulations are strictly adhered to.
Implementation of updated directives in terms of SCM	Directives are applied and implemented

(b) Challenges: Procurement Services:

Description	Actions to address
Inadequate sourcing of Goods and Services	Implementation of Best Practices templates; Continued internal control and reviews
Contract Management – procedure guideline to contractors	Implementation of procedure guideline

(c) Service Statistics for Procurement Services:

Description	Total No	Monthly Average	Daily Average
Requests processed	2 764	230	11.5
Orders processed	2 656	221	11.1
Requests cancelled or referred back	108	9	0.5

(d) Details of Deviations for Procurement Services:

Type of deviation	Number of deviations	%	Value of deviations R	Percentage of total deviations value %
Section 36 (1)(a) (i)	11	61%	420 204	86%
Section 36 (1)(a)(ii)	7	39%	67 875	14%
Total	18	100%	488 079	100%

3.10. COMPONENT H: SERVICE DELIVERY PRIORITIES

The main development and service delivery priorities for 2014/2015 forms part of the Municipality's top layer SDBIP for 2014/2015 and are indicated in the table below:

3.10.1. Facilitate Economic Growth in the Municipal Area

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL32	Create 60 internal EPWP jobs opportunities and facilitate 150 external job opportunities with the Municipality)	Number of job opportunities created	All	410
TL44	Complete at least 2 of 4 buildings with regard to Elandsbay Fisheries National Projects by end June	Phase 1 completed	All	1
TL81	Co-late and compile data base list of unemployed for at least 1 National project in at least 2 wards	Data base compiled in at least 2 x wards	All	20,160

3.10.2. Good governance, community development, and participation

Ref	KPI	Unit of Measurement	Wards	Annual Target
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TL8	Risk based audit plan approved by Audit Committee for 2015	Risk based audit plan approved by April 2015	All	1
TL62	Respond to all audit queries received as per Auditor General (AG) Management report within 5 days to ensure an effective external audit process	% of external audit queries responded to within 5 days	All	100%
TL64	Annual strategic planning in order to determine municipal targets for IDP and budgetary purposes before the finalisation of the IDP and budget	No of strategic session held annually before the finalisation of the budget and SDBIP process	All	1
TL65	Ensure that all issues raised in the management letter as identified by the Auditor General (A-G) are addressed and implemented in terms of a action plan	Action plan develop to ensure that identified issues raised are address and implemented	All	1
TL68	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved within 28 days after the Main Budget has been approved	All	1
TL69	Functional performance audit committee measured by means of meetings where committee dealt with performance reports	# of meetings	All	2
TL72	Submit final Annual Report and oversight report of council before legislative deadline	Final Annual Report and oversight report of council completed and submitted	All	1
TL74	Submission of APR before end of October	Submission of AFR before end of October	All	1
TL75	Ensure 4 x Council meetings are held per year	Ensure 4 x Council meetings are held per year	All	1
TL78	Ensure IDP public participation meetings are held	Ensure IDP public participation meetings are held per year	All	1

3.10.3. Municipal Financial Viability

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL10	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	(Total outstanding service debtors/ revenue received for services)x100	All	30%
TL11	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	All	1.1
TL12	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (%)	(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant	All	1.1

TL13	Achieve a debt recovery rate of 90%	$\frac{(\text{Gross Debtors Closing Balance} + \text{Billed Revenue} - \text{Gross Debtors Opening Balance} + \text{Bad Debts Written Off})}{\text{Billed Revenue}} \times 100$	All	90%
TL14	Submit financial statements to the Auditor General by 31 August	Approved financial statements submitted by 31 August	All	1
TL61	90% of MSIG and other grants spent by end June	% of budget spent	All	90%
TL67	Submit the Mid- Year Performance Report in terms of sec72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary	Mid-year report submitted to council and treasury	All	1
TL70	Improvement in operational conditional grant spending measured by the percentage (%) spent	Percentage (%) of the grant spent i.t.o. budget allocations	All	95%

3.10.4. Mainstreaming sustainability and optimising resource efficiency

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL63	Ensure the timeous completion of formal evaluation of the performance of all identified personnel within the directorate in terms of the performance management system and adherence to the PM framework within required timeframes	No of formal evaluations completed for all identified personnel within the directorate.	All	2
TL73	Compile and maintain Resolution register of all council decisions by end June	Resolution register of all council resolutions compiled and maintained by end June	All	1
TL76	Tabling and approval of Document Management Policy by end June	Tabling and approval of Document Management Policy	All	1
TL77	Ensure 4x LLF meetings are held per year	Ensure 4x LLF meetings are held per year	All	1
TL79	Ensure at least 8 x Occupational and Health and Safety meetings are held per town per year	At least 8x OHS meetings held per year per town	All	1

3.10.5. Sustainable basic services delivery and infrastructure development

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL17	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	All	1,642
TL19	Provision of clean piped water to registered indigent account holders which are connected to the municipal water infrastructure network.	No of indigent account holders receiving free basic water	All	1,642
TL20	Provision of electricity to formal residential properties connected to the municipal electrical network for both conventional and prepaid metering	Number of formal residential properties connected to the municipal electrical network	All	6,991
TL24	Limit unaccounted for electricity to less than 15% $\{(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated} \} \times 100\}$	% unaccounted electricity $\{(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated} \} \times 100\}$	All	15%
TL25	Provide 407 electricity connections for the housing project in Graafwater by the end of June 2015	Number of connections by end June 2015	5	407
TL27	90% of the budget spent for the design and installation of roads and storm water infrastructure for Citrusdal $[(\text{Total expenditure on project} / \text{Approved budget for the project}) \times 100]$	$(\text{Total expenditure on project} / \text{Approved budget for the project}) \times 100$	2	90%
TL29	Limit unaccounted for water to less than 30% $\{(\text{Number of Kiloliters Water Purchased or Purified} - \text{Number of Kiloliters Water Sold}) / \text{Number of Kiloliters Water Purchased or Purified} \} \times 100\}$	% unaccounted water $\{(\text{Number of Kiloliters Water Purchased or Purified} - \text{Number of Kiloliters Water Sold}) / \text{Number of Kiloliters Water} \}$	All	25%

		Purchased or Purified × 100}		
TL38	Spent 100% of MIG application for Elands bay municipal buildings by end June	100% MIG application spent	4	100%
TL51	Upgrade of infrastructure- water and sewerage with the installation of 30 water connections and 30 toilets at Riverview by end June	Number of water connections and toilets installed	All	60
TL52	Report to the Municipal Manager on the number of engagements with DWAS on the implementation of the National projects: Clanwilliam Dam and the upgrading of N7 road and district roads	Number of reports submitted	All	1
TL53	Finalize the agreement and get council approval for the Solar farm in Paleisheuwel by end June	Agreement finalised and approved by council	1	1
TL58	90% of the approved budget spent for the Citrusdal WWTW infrastructure upgrade [(Total expenditure on project/ Approved budget for the project)×100]	% of budget spent	2	90%
TL60	100% of MIG grant spent [(Total expenditure on MIG Grant/ Approved MIG allocation)×100]	% of budget spent	All	100%
TL80	Ensure approval of building plans on Citrusdal Library by end September	Approval of building plans by end September	2	1
TL82	Complete the handover of keys of the final 25 houses of the ASLA Graafwater housing project by the end of June	Handover of keys	4	1
TL83	Appointment of new speed camera service provider before end June	Appointment of new speed camera service provider before end June	3; 4; 5	1
TL84	Ensure at least 2 x Thusong Mobile roadshows are held in the municipal area per year	Ensure at least 2 x Thusong Mobile roadshows are held in the municipal area per year	All	1

TL85	Excellent water quality measured by the quality of water as per SANS 241 criteria	Percentage (%) water quality level as per blue drop project as measured annually	All	95%
TL86	Quarterly spending of capital budget on wastewater management	Percentage (%) of approved budget spent on sanitation capital projects	All	90%
TL87	Quarterly spending of capital budget on water	Percentage (%) of approved budget spent on water capital projects	All	90%

4. CHAPTER 4: NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATION DEVELOPMENT

4.1. MUNICIPAL TRANSFORMATION AND ORGANISATION 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.

4.2. INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Municipality currently employs 288 (excluding non-permanent) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render and innovative HR service that address 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 suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The National performance indicators also makes reference to reference 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".

(a) Employment Equity targets/actual:

African	Coloured	Indian	White
Actual June	Actual June	Actual June	Actual June
37	247	1	13

Male	Female	Disability
Actual June	Actual June	Actual June
198	100	16

(b) Employment Equity vs. Population:

Description	African	Coloured	Indian	White	Total
Population numbers	1 912 547	2 840 404	60 761	915 053	5 728 765
% Population	32.8	48.8	1.0	15.7	98.3
Number for positions filled	37	247	1	13	298
% for Positions filled	12	83	0.3	4.7	100.00

(c) Specific Occupational Levels – race:

The table below categorise the number of employees by race within the occupational levels:

Occupational	Female				Male				Total
Levels	A	C	I	W	A	C	I	W	
Top Management	1	2	0	0	1	0	0	0	4
Senior management	0	4	0	3	0	1	0	0	8
Professionally qualified and experienced specialists and mid- management	0	14	0	2	1	9	0	3	29
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	2	15	0	3	0	19	0	0	39
Semi-skilled and discretionary decision making	8	49	1	0	3	28	0	1	90
Unskilled and defined decision making	14	73	0	0	7	24	0	0	118

Occupational	Female				Male				Total
Levels	A	C	I	W	A	C	I	W	
Total permanent	25	157	1	8	12	81	0	4	288

(d) Departments – Race:

The table below shows the number of employees per department as well as the profile by race. The Engineering services department, being the service delivery arm of the municipality, is the largest component.

Employee Distribution per Directorate					
Directorate	African	Coloured	Indian	White	Total
Municipal Manager	0	2	0	0	2
Corporate & Strategic Services	1	25	0	0	26
Financial Services	0	32	0	4	36
Community & Development Services	7	54	1	4	66
Engineering & Planning Services	29	125	0	4	158
Office of the Mayor (Council)	0	0	0	1	11
Total permanent	37	248	1	13	299

4.2.2. Vacancy Rate

The approved organogram for the municipality has 450 posts for the 2013/2014 financial year and the same number in the 2014/2015 financial year. The actual positions filled are indicated in the tables below by post level and functional level. 136 Posts vacant at the end of 2013/2014, resulting in a vacancy rate of 30% compared to 161 posts in 2014/2015 resulting in vacancy rate of 35%

Below is a table that indicates the vacancies within the municipality:

Per Functional Level		
Functional area	Filled	Vacant
Municipal Manager	2	2
Corporate and Strategic Services	30	23
Financial Services	37	10
Community and Development Services	61	77
Engineering And Planning Services	158	49
Office of the Mayor (Council)	11	0
Total	299	161

The table below indicates the number of staff per level expressed as total positions and current vacancies express as full time staff equivalent:

Salary Level	Number of current critical vacancies	Total posts as per organogram
Municipal Manager	0	1
Chief Financial Officer	0	1
Other Section 57 Managers	1	4
Senior management (T14-T19)	3	16
Total	4	22

4.2.3. Turnover Rate

A higher turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that shows the employee movement in 2014/2015.

Employee Movement					
Movement Type	African	Coloured	Indian	White	Total
Termination	3	19	0	0	22

Recruited Internal	4	5	0	0	9
Recruited External	1	5	0	0	6
Transferred Placement /	0	1	0	0	1
Total	8	30	0	0	38

4.3. MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analysing 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 shows a decrease with 22 employees injured in 2013/2014 against 12 employees in the 2014/2015 financial year.

The table below indicates the total number of injuries within the different directorates:

Directorates	2013/14	2014/15
Municipal Manager	0	0
Corporate and Strategic Services	1	0
Financial Services	2	0
Community and Development Services	1	0
Engineering And Planning Services	18	12
Total	22	12

4.3.2. HR Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies that are approved and that still needs to be developed:

Policies	
Name of policy	Policy approved Yes/No
Sexual harassment	Yes
Subsistence and Travelling	Yes
Training & Development	Yes
Language	Yes
Cell Phone	Yes
Study	Yes
IT	Yes
EPWP Policy	Yes
HIV/AIDS	Yes
Induction programme	Yes
Recruitment and Selection	Yes
Employment Equity	Yes
Substance Abuse	Yes
Smoking Policy	Yes
Overtime	Yes
Unauthorized Absence	Yes

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 Skill 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 beneficiaries per occupational category who underwent training in the financial year. The total Training budget for 2014/2015 financial year was R 535 000.00 The amount of money spent on training for the same financial year was R 315 029.00 which amounts to 59% spent. The tables below show the number of individuals (headcount) trained.

Occupational Category	Female				Male				Total				Total
	A	C	I	W	A	C	I	W	A	C	I	W	
Legislators	0	2	0	0	0	2	0	0	0	4	0	0	4
Managers	1	2	0	0	0	12	0	1	1	14	0	1	16
Professionals	0	3	0	0	0	4	0	0	0	7	0	0	7
Technicians And Trade Workers	1	0	0	0	5	35	0	0	6	35	0	0	41
Community And Personal Service Workers	0	2	0	0	0	2	0	0	0	4	0	0	4
Clerical And Administrative Workers	0	6	0	1		4	1	0	0	10	1	1	12
Sales Workers	0	1	0	0	0	0	0	0	0	1	0	0	1
Machine Operators And Drivers	2	0	0	0	1	14	0	0	3	14	0	0	17
Elementary Workers	5	6	0	0	5	4	0	0	10	10	0	0	20
Totals	9	22	0	1	11	77	1	1	15	115	0	6	136

4.4.2. Skills Development – Budget Allocation

Year	Total Allocated	Total Spend	% Spent
2013/2014	R477 191	T434 551	91
2014/2015	R 535 000.00	R 315 029.00	59%

4.4.3. 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 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, develop an outcomes-based NQF level 6 qualifications in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, “(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice No. 179 of 14 March 2014), 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.”

Many of the employees who went on the statutory training courses for the financial department such as the Local Government Accounting Certificate (LGAC) and the Local Government Advanced Accounting Certificate (LGAAC) completed their courses successfully. The Municipality continued with the statutory MFMP course during the 2013/2014 financial year. The course which started in October 2012 is expected to finish in July 2014, after which another session will be rolled out to the next level of employees.

The table below provides details of the financial competency development progress as required by the regulation:

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials			
Accounting officer	1	1	No
Chief financial officer	1	1	1
Senior managers	3	3	1
Any other financial officials	5	0	3
Supply Chain Management Officials			
Heads of supply chain management units	1	0	1
Supply chain management senior managers	0	0	0
TOTAL	11	5	5

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

Below is a summary of Councillor and Staff benefits for the year under review:

Financial year	2013/2014	2014/2015		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R	R	R	R
<u>Councillors (Political Office Bearers plus Other)</u>				
Salary	2 835 250	3 061 000	3 061 000	3 150 445
Pension Contributions	259 063	320 000	320 000	337 859
Medical Aid Contributions	83 894	67 000	67 000	81 162
Motor vehicle allowance	585 100	698 000	698 000	571 848.45
Cell phone allowance	39 723	43 000	43 000	29 563
Housing allowance	0	0	0	0
Other benefits or allowances	273 352	260 000	296 000	136 485.90
In-kind benefits	0	0	0	0
Sub Total	4 076 384	4 451 000	4 487 000	4 307 364
% increase/ (decrease)		9.19%	0.8%	(4.00%)
<u>Senior Managers of the Municipality</u>				
Pension Contributions	4 006 196	3 625 000	3 625 000	3 827 143
Pension Contributions	672 972	675 000	675 000	556 053
Medical Aid Contributions	19 350	20 000	20 000	21 362
Motor vehicle allowance	630 780	631 000	631 000	571 280
Cell phone allowance	0	0	0	0
Housing allowance	72 000	71 000	71 000	185 199
Performance Bonus	0	0	0	0
Other benefits or allowances	420 296	319 000	319 000	235 323
In-kind benefits	0	0	0	0
Sub Total	5 821 595	5 341 000	5 341 000	5 396 363
% increase/ (decrease)		(8.25%)	0%	1.04%
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	42 833 077	40 570 000	38 994 000	44 828 799
Pension Contributions	6 112 340	6 153 000	6 376 000	6 349 961
Medical Aid Contributions	2 089 695	2 699 000	2 499 000	2 347 263
Motor vehicle allowance	2 542 599	3 375 000	3 158 000	3 060 230

Financial year	2013/2014	2014/2015		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R	R	R	R
Cell phone allowance	0	0	0	0
Housing allowance	2 353 865	232 000	251 000	2 789 479
Overtime	2 425 865	1 702 000	2 727 000	2 974 678
Other benefits or allowances	2 860 057	6 611 000	7 737 000	3 587 150
Sub Total	61 217 500	61 342 000	61 742 000	65 937 562
% increase		0.20%	0%	6.80%
Total Municipality	71 115 480	71 134 000	71 570 000	75 641 289
% increase/ (decrease)		0.03%	0.61%	5.68%

5. CHAPTER 5: FINANCIAL ANALYSIS

This chapter provides details regarding the financial performance of the municipality for the 2013/14 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

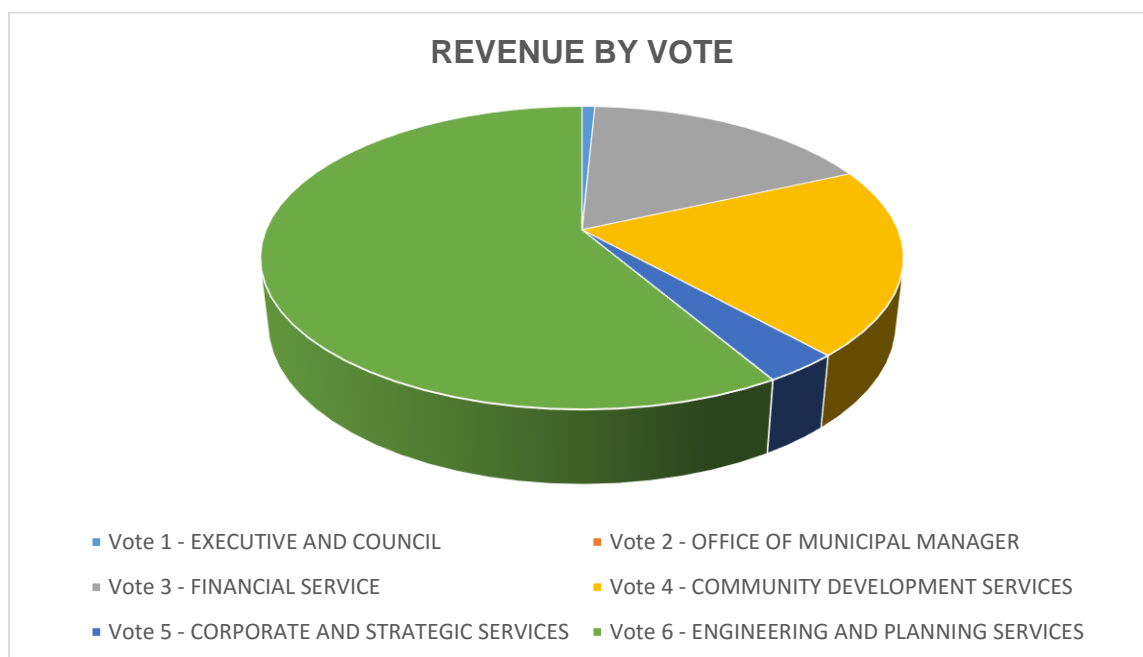
The table below indicates the summary of the financial performance for the 2014/2015 period:

FINANCIAL SUMMARY						
Description	2013/14	2014/2015			2014/2015 Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Property rates	R 30 190,00	R 32 353,73	R 32 354,75	R 30 035,40	-7,17%	-7,17%
Service charges	R 78 869,00	R 94 090,97	R 101 776,00	R 89 920,27	-4,43%	-11,65%
Investment revenue	R 242,00	R 289,38	R 217,48	R 266,36	-7,95%	22,48%
Transfers recognised - operational	R 48 431,00	R 44 510,00	R 71 740,42	R 60 862,59	36,74%	-15,16%
Other own revenue	R 12 631,00	R 16 180,52	R 18 760,16	R 35 708,53	120,69%	90,34%
Total Revenue (excluding capital transfers and contributions)	R 170 363,00	R 187 424,60	R 224 848,80	R 216 793,15	15,67%	-3,58%
Employee costs	R 67 135,26	R 66 682,62	R 67 083,23	R 70 978,40	6,44%	5,81%
Remuneration of Councillors	R 4 076,38	R 4 451,01	R 4 487,01	R 4 307,36	-3,23%	-4,00%
Depreciation & asset impairment	R 7 520,51	R 15 248,00	R 15 448,00	R 13 368,83	-12,32%	-13,46%
Finance charges	R 4 810,14	R 4 320,00	R 4 320,00	R 6 332,98	46,60%	46,60%
Materials and bulk purchases	R 56 263,56	R 55 000,00	R 57 500,00	R 58 646,15	6,63%	1,99%
Other expenditure	R 65 275,83	R 41 700,00	R 81 522,86	R 64 980,24		
Transfers and grants		R -	R -	R -	#DIV/0!	#DIV/0!
Total Expenditure	R 205 081,68	R 187 401,63	R 230 361,10	R 218 613,97	16,66%	-5,10%
Surplus/(Deficit)	R -34 718,68	R 22,97	R -5 512,29	R -1 820,83	-8026,30%	-66,97%
Transfers recognised – capital	R 35 056,95	R 40 902,00	R 37 844,53	R 34 785,61	-14,95%	-8,08%
Contributions & Contributed assets	R -	R -	R -	R -		

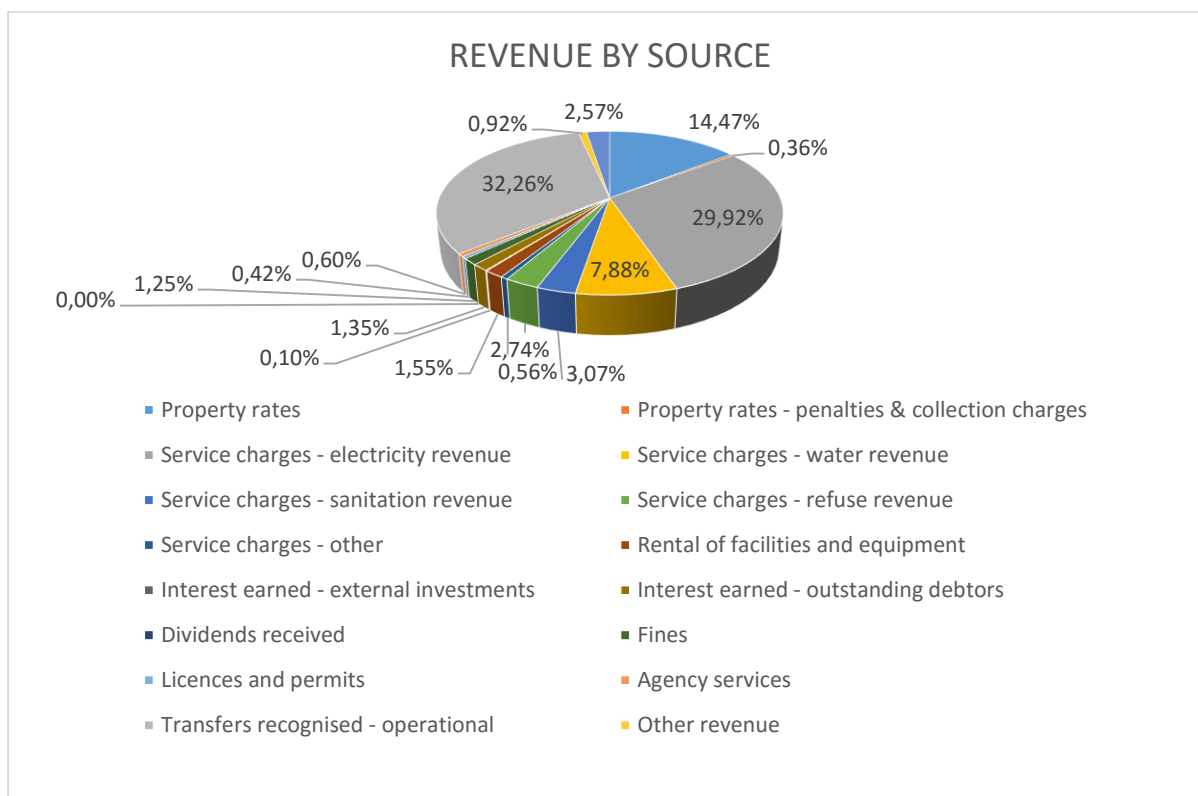
Surplus/(Deficit) after capital transfers & contributions	R	338,27	R	40 924,97	R	32 332,24	R32 964,78	-19,45%	1,96%
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Below is a summarised statement of Financial position:

5.1.1. Revenue Collection by Vote



5.1.2. Revenue Collection by source



5.1.3. Operational Services Performance

Every service delivery component has been broken down into finer details in section 5.2. of this document.

5.2. FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

5.2.1. Water Services

WATER SERVICES (R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R 11 061,29	R 18 378,00	R 17 191,83	R14 864	-19,12%	-13,54%
EXPENDITURE:						
Employee related costs	R 5 698,00	R 4 068,00	R 3 619,00	R 3 610	-11,26%	-0,25%

Repairs & Maintenance	R 139,00 ¹	R 623,00	R 1 059,00	R 1 053	69,02%	-0,57%
Other	R 7 140,00	R 11 025,00	R 10 899,00	R 9 496	-13,87%	-12,87%
TOTAL OPERATIONAL EXPENSES	R 13 977,00	R 15 716,00	R 15 577,00	R 14 159	-9,91%	-9,10%
NET OPERATIONAL	(R 2 915,71)	(R 2 662,00)	(R 1 614,83)	(R 705)	-73,48%	-56,29%

As per the above table, we can deduce that water services are currently being operated at a loss for the municipality. To ensure that we provide a sustainable service, that remains affordable to the consumer and to the Municipality, the municipality will need to start looking at the current tariff model being used for water.

5.2.2. Waste Water (Sanitation)

SANITATION SERVICES (R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R 7 722	R 6 637	R 6 700	R 8 760	31,99%	30,74%
EXPENDITURE:						
Employee related costs	R 1 656	R 2 576	R 2 540	R 2 965	15,10%	16,73%
Repairs & Maintenance	R 763	R 808	R 750	R 732	-9,41%	-2,40%
Other	R 3 597	R 3 419	R 4 721	R 4 421	29,31%	-6,35%
TOTAL OPERATIONAL EXPENSES	R 6 016	R 6 803	R 8 011	R 8 118	19,33%	1,34%
NET OPERATIONAL	R 1 706	R 166,00	(R 1 310,67)	R 642,22	486,88%	-149,00%

5.2.3. Electricity

ELECTRICAL SERVICES (R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R 57 977,94	R 62 524,00	R 70 013,29	R 65 154	4,21%	-6,94%
EXPENDITURE:						

Employee related costs	R 2 750,00	R 3 333,00	R 3 145,00	R 3 233,00	-3,00%	2,80%
Repairs & Maintenance	R 974,00	R 2 339,00	R 1 403,00	R 1 309,00	-44,04%	-6,70%
Other	R 37 787,00	R 41 250,00	R 41 481,00	R46 933	13,78%	13,14%
TOTAL OPERATIONAL EXPENSES	R 41 511,00	R 46 922,00	R 46 029,00	R 51 475,00	9,70%	11,83%
NET OPERATIONAL	R 16 466,94	R 15 602,00	R 23 984,29	R 13 679,05	-12,33%	-42,97%

The electrical services are currently being provided at a profit to the Municipality. Although this is positive, the Municipality needs to ensure that it re-invests a portion of this profit to this service and not only utilise it to subsidise other municipal services and administrative functions, as this is currently the case. Repairs and maintenance remain far too low, for a service as crucial as this one.

5.2.4. Waste Management:

WASTE MANAGEMENT SERVICES (R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R 4 567	R 4 955	R 5 974	R 5 285	6,65%	-11,54%
EXPENDITURE:						
Employee related costs	R -	R 2 576	R 2 540	R 2 965	15,10%	16,73%
Repairs & Maintenance	R 403	R 808	R 750	R 732	-9,41%	-2,40%
Other	R 1 351	R 3 419	R 4 721	R 4 421	29,31%	-6,35%
TOTAL OPERATIONAL EXPENSES	R 1 754	R 6 803	R 8 011	R 8 118	19,33%	1,34%
NET OPERATIONAL	R 2 813	(R 1 848)	(R 2 037)	(R 2 833)	53,33%	39,12%

Solid waste management services are being provided at a loss for the Municipality. It is also worth noting that the municipality has also identified a need for new landfill sites for its waste disposal. New technology is available to recycle the solid waste for energy generation. It could prove expensive to invest in a new waste disposal site for the Municipality, so innovative initiatives such as the recycling the waste for energy

generation could be useful, profitable, whilst ensuring the municipality embarks in green initiatives.

5.2.5. Roads and Storm water:

ROADS AND STORMWATER(R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R 31	R -	R -	R -	0,00%	0,00%
EXPENDITURE:						
Employee related costs	R -	R 765	R 765	R 765	0,00%	0,00%
Repairs & Maintenance	R 621	R 537	R 537	R 489	-8,94%	-8,94%
Other	R 525	R 620	R 620	R 620	0,00%	0,00%
TOTAL OPERATIONAL EXPENSES	R 1 147	R 1 922	R 1 922	R 1 874	-2,50%	-2,50%
NET OPERATIONAL	(R 1 116)	(R 1 922)	(R 1 922)	(R 1 874)	-2,50%	-2,50%

5.2.6. Community & Social Services:

COMMUNITY SERVICES (R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R 7 462	R 7 947	R 7 947	R 8 125	2,24%	2,24%
EXPENDITURE:						
Employee related costs	R 992 13	R 14 762	R 14 762	R 14 987	1,53%	1,53%
Repairs & Maintenance	R 331	R 353	R 353	R 948	168,75%	168,75%
Other	R 4 405	R 4 607	R 4 607	R 4 417	-4,13%	-4,13%
TOTAL OPERATIONAL EXPENSES	R 18 728	R 19 721	R 19 721	R 20 352	3,20%	3,20%
NET OPERATIONAL	(R 11 266)	(R 11 774)	(R 11 774)	(R 12 227)	3,84%	3,84%

5.2.7. Office of the Municipal Manager:

OFFICE OF THE MUNICIPAL MANAGER (R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R -	R -	R -	R -	0,00%	0,00%
EXPENDITURE:						
Employee related costs	R 2 007,00	R 2 117,39	R 2 117,39	R2 170,32	2,50%	2,50%
Repairs & Maintenance	R -	R -	R -	R -		
Other	R 2 081,00	R 1 450,00	R 1 450,00	R1 250,00	-13,79%	-13,79%
TOTAL OPERATIONAL EXPENSES	R 4 088,00	R 3 567,39	R 3 567,39	R3 420,32	-4,12%	-4,12%
NET OPERATIONAL	(R 4 088,00)	(R 3 567,39)	(R 3 567,39)	(R3420,32)	-4,12%	-4,12%

5.2.8. Administration

5.2.9. Financial Services

FINANCIAL SERVICES (R'000)						
FINANCIAL SUMMARY						
Description	2013/14	2014/2015			% Variance	
	Actual Outcome	Original Budet	Adjustment Budget	Actual	Original Budget	Adjustment Budget
TOTAL OPERATIONAL REVENUE	R 30 492,00	R 33 062,48	R 33 062,48	R31667,24	0,00%	0,00%
EXPENDITURE:						
Employee related costs	R 9 622,00	R 10 180,08	R 10 180,08	R 5 259,00	-48,34%	-48,34%
Repairs & Maintenance	R 20,00	R 559,00	R 561,00	R 686,00	22,72%	22,28%
Other	R 19 659,00	R 20 362,79	R 20 362,79	R 20 871,86	2,50%	2,50%
TOTAL OPERATIONAL EXPENSES	R 29 301,00	R 31 101,87	R 31 103,87	R 26 816,86	-13,78%	-13,78%
NET OPERATIONAL	R 1 191,00	R 1 960,61	R 1 958,61	R 4 850,38	147,39%	147,64%

5.3. GRANTS

5.3.1. Grant performances

GRANT PERFORMANCE						
Description	2013/2014					
	2011/2012	Original Budget	Adjustment	Actual	% Variance	
National Government						
Equitable Share	R 28 188	R 30 797	R 30 797	R 30 797	0,0%	
Provincial Health Subsidy	R 2	R -	R -	R -	0,0%	
Financial Management Grant (FMG)	R 1 300	R 1 450	R 1 450	R 1 450,00	0,0%	
Municipal Systems Improvement Grant (MSIG)	R 890	R 934	R 934	R 934,00	0,0%	
Municipal Infrastructure Grant (MIG)	R 8 623	R 14 916	R 14 916	R 14 917,00	0,0%	
Human Settlement Development Grant	R -	R 7 481	R 5 692	R 5 692,24	0,0%	
Integrated National Electrification Programme	R 7 135	R 2 763	R 2 763	R 2 353,48	-14,8%	
Regional Bulk Infrastructure Grant (RBIG)	R 18 169	R 15 800	R 15 800	R 9 000,24	-43,0%	
Library Services MRF	R 2 927	R 2 150	R 2 244	R 3 270,09	45,7%	
Marine Living Resources Fund	R 12 269	R -	R 18 233	R 18 824,02	3,2%	
Financial Management Support Grant	R 467	R -	R 275	R 274,98	0,0%	
Other Grants	R 3 517	R 8 135	R 8 135	R 8 135,05	0,0%	
	R 83 488,25	R 84 426,13	R 101 239,63	R 95 648,20	-5,5%	

The overall performance of the municipality when it comes to the spending of grants looks good, as the municipality only underspent by 5.5%. The biggest challenge in the grant spending seems to be in the RBIG. A detailed analysis of the reasons for the 43.0% underspending need to be explored to ensure this is mitigated in the future.

5.3.2. Conditional Grants (Excluding MIG)

All the grants listed in 5.3.1 are conditional grants, except the Equitable share.

5.3.3. Level of reliance on Grants & Subsidies

RELiance ON GRANTS

Description				
	2011/2012	2012/2013	2013/2014	2014/2015
Grants Allocation	R 65 677	R 80 228	R 83 488	R 95 648
Total Revenue	R 177 829	R 199 568	R 205 420	R 251 579
RELiance ON GRANTS	36,93%	40,20%	40,64%	38,02%

Cederberg Municipality is a rural municipality with a large poor population. For a Municipality of Cederberg nature and size, and the nature of our economy it is difficult to raise additional revenue from the provision services.

Our tariff increases, also need to be sensitive of these economic factors. The over reliance of the municipality on grant funding is to be expected. Over the last financial year, this reliance on grants has however improved by 2.4%. We expect this to stabilise at around 35%.

5.4. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.4.1. Liquidity Ratios

LIQUIDITY RATIO'S				
CURRENT RATIO				
Description	2011/2012	2012/2013	2013/2014	2014/2015
Current Assets	R 39 350	R 47 890	R 31 933	R 47 955
Current liabilities	R 34 696	R 57 805	R 66 008	R 67 873
Inventory	R 3 139	R 2 882	R 2 782	R 2 015
CURRENT RATIO	1,13:1	0,82:1	0,48:1	0,71:1
ACID-TEST RATIO (QUICK RATIO)	1,02:1	0,78:1	0,44:1	0,68:1

The current ration has improved significantly from the previous financial year. A satisfactory ration, will however by anything above 1 as this will indicate that the municipality is fully able to fund its short term debt from its current assets.

FINANCIAL LEVERAGE RATIO				
DEBT/EQUITY RATIO				
Description	2011/2012	2012/2013	2013/2014	2014/2015
Total Liabilities	R 77 439	R 107 168	R 123 669	R 151 550

Total Equity	R 388 856	R 411 607	R 515 547	R 576 393
Debt/Equity Ratio	19,91%	26,04%	23,99%	26,29%

5.4.2. IDP Regulation Financial Viability Indicators

RATIO ANALYSIS				
AVERAGE DEBTORS COLLECTION PERIOD				
Description				
	2011/2012	2012/2013	2013/2014	2014/2015
Total debtors	R 29 420	R 35 597	R 24 569	R 38 453
Total Debtors Revenue	R 110 678	R 118 664	R 118 201	R 143 654
AVERAGE DEBTORS COLLECTION	97,0	109,5	75,9	97,7
	DAYS	DAYS	DAYS	DAYS

In the last financial year, the municipality was collected its debt, for exchange services, in 76 days on average. This has now worsened to 98 days. This will put a strain on the municipality's cash flow. If you also look at the Outstanding debtors, we can see that it has increased from R24.5 million to R38 million rand. This is an alarming rate that our outstanding receivables have increased by. Cederberg will need to implement a combination of drastic steps to ensure that the escalating outstanding debt is brought under control. The next financial year, is an election year, so the administration needs to work close with the ward councillors in executing the debt collection strategies that will ensure the sustainability of the Municipality.

5.4.3. Borrowing Management

DEBT COVER				
Description				
	2011/2012	2012/2013	2013/2014	2014/2015
Finance Costs	R 3 569	R 3 457	R 2 206	R 3 126
Total borrowings	R 8 687	R 17 436	R 14 251	R 18 693
DEBT COVER	0,41	0,20	0,15	0,17

Finance charges on total borrowings outstanding stood at 0.17 or 17% as at 30 June 2015. This is almost double the 9.75% prime rate. The municipality needs to closely manage its borrowing, because the interest is currently depleting on resources that could have been made available for service delivery initiatives. We should also note that the borrowings have increased from R14 million to R18 million in the last financial year.

CASH COVER				
Description				
	2011/2012	2012/2013	2013/2014	2014/2015
Cash and Cash Equivalents	R 3 569	R 3 457	R 3 322	R 6 561
Debt repayments	R 2 234	R 2 550	R 3 302	R 3 596
CASH COVER	1,60	1,36	1,01	1,82

5.4.4. Employee Costs

EMPLOYEE COSTS				
Description				
	2011/2012	2012/2013	2013/2014	2014/2015
Employee costs	R 57 587	R 58 230	R 67 135	R 70 978
Total Operating Expenditure	R 165 246	R 178 476	R 205 082	R 218 614
ACID-TEST RATIO (QUICK RATIO)	34,85%	32,63%	32,74%	32,47%

The employee costs remain within the national treasury recommended norms of 35%.

COUNCIL REMUNERATION				
Description				
	2011/2012	2012/2013	2013/2014	2014/2015
Council Remuneration	R 3 569	R 3 457	R 4 076	R 4 307
Total Operating Expenditure	R 165 246	R 178 476	R 205 082	R 218 614
ACID-TEST RATIO (QUICK RATIO)	2,16%	1,94%	1,99%	1,97%

Council remuneration also remains flat at 2% annually.

5.4.5. Repairs and Maintenance

REPAIRS AND MAINTENANCE				
Description				
	2011/2012	2012/2013	2013/2014	2014/2015
Repairs and Maintenance	R 5 948	R 5 778	R 5 228	R 6 142
Total Operating Expenditure	R 165 246	R 178 476	R 205 082	R 218 614
ACID-TEST RATIO (QUICK RATIO)	3,60%	3,24%	2,55%	2,81%

The recommended norm for the repairs and maintenance is 7-12% depending on the size of the municipality. Cederberg Repairs and Maintenance ration is at a very low 2.8%. This is an indication that the municipality is maintaining its infrastructure and equipment well. The low maintenance spending could lead into pipe bursts, transformer failure, or even to other damages that could hamper service delivery. It would be strategic for the municipality to closely observe its spending on maintenance.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5. CAPITAL EXPENDITURE BY ASSET CLASS

5.6. SOURCE OF FINANCE

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 regular basis.

5.7. CASH FLOW

Cash Flow Outcomes			R'000
Description	2013/2014	Current: 2014/2015	

	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	110 574	124 244	133 159	123 171
Government – operating	84 814	44 510	70 390	96 275
Government – capital	–	40 902	37 844	–
Interest	2 794	2 604	881	3 108
Dividends	–			–
Payments				
Suppliers and employees	(161 013)	(157 478)	(194 154)	(188 454)
Finance charges	(2 206)	(1 800)	(1 800)	(3 126)
Transfers and Grants	–			–
NET CASH FROM/(USED) OPERATING ACTIVITIES	34 963	52 982	46 320	30 975
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	854	5 152	5 152	482
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Purchase of Property, Plant , and Equipment	(35 711)	(50 183)	(52 086)	(32 783)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(34 857)	(45 031)	(46 934)	(32 300)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing	–	7 790	7 790	8 000
Increase (decrease) in consumer deposits	26			161
Payments				
Repayment of borrowing	(3 302)	(3 009)	(3 009)	(3 596)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(3 276)	4 781	4 781	4 565
NET INCREASE/ (DECREASE) IN CASH HELD	(3 169)	12 732	4 167	3 239
Cash/cash equivalents at the year begin:	6 491	5 000	5 000	3 322
Cash/cash equivalents at the year end:	3 322	17 732	9 167	6 561

5.8. GROSS OUTSTANDING DEBTORS PER SERVICE

GROSS OUTSTANDING DEBTORS PER SERVICE (TRADING)						
R' 000						
Financial Year	DEBTORS FROM EXCHANGE TRANSACTION					
	Electricity	Water	Refuse	Sewerage	Other	TOTAL
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
2013/2014	12 476	11 406	4 069	6 350	1 162	35 463
2014/2015	14 927	17 928	6 273	8 207	3 790	51 125
Difference	2 451	6 522	2 204	1 856	2 628	15 662
% Increase (Decrease)	20%	57%	54%	29%	226%	44%

Debt from provision of services, as indicated in the above paragraph, increased by 44% or R15,6 million rand. Water services is the one that is proving to most difficult to collect, and it shows an increase of R6.5 million or 57%. The municipality is already operating at very high debt levels as it stands and a further increase in outstanding debt can no longer be afforded. A drastic strategy to ensure the municipality recovers the outstanding and avoid and increase in current accounts need to be explored and implemented with absolute urgency.

GROSS OUTSTANDING DEBTORS PER SERVICE				
R' 000				
Financial Year	DEBTORS FROM NON-EXCHANGE TRANSACTION			
	Rates	Traffic Fines	Other receivables	TOTAL
	R' 000	R' 000	R' 000	R' 000
2013/2014	19 357	2 338	763	22 458
2014/2015	22 266	4 451	426	27 143
Difference	2 909	2 114	-337	4 685
% Increase (Decrease)	15%	90%	-44%	21%

Property rates also increased its outstanding debt by R2.9 million. Traffic services is proving to be a challenge as well, and this is evident in the 90% increase in outstanding traffic fines. Some of the new initiatives that are being implemented by other traffic departments, is the blocking of the licence renewals to motorists who have outstanding traffic fines, until such fines have been settled. Amongst others, maybe Cederberg Municipality can consider these.

5.9. TOTAL DEBTORS AGE ANALYSIS

DEBTORS AGE ANALYSIS (EXCHANGE TRANSACTIONS)						
						R' 000
Financial Year	DEBTORS FROM EXCHANGE TRANSACTION					
	Electricity	Water	Refuse	Sewerage	Other	TOTAL
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Current (0-30 days)	6 108	2 543	619	737	2 946	12 953
31 - 60 Days	1 405	1 212	414	442	91	3 564
61 - 90 Days	609	994	339	331	21	2 295
+ 90 Days	6 804	13 179	4 900	6 698	731	32 312
TOTAL	R 14 927	R 17 928	R 6 273	R 8 207	R 3 790	R 51 125

DEBTORS AGE ANALYSIS (NON-EXCHANGE TRANSACTIONS)				
				R' 000
Financial Year	DEBTORS FROM NON-EXCHANGE TRANSACTION			
	Rates	Traffic Fines	Other receivables	TOTAL
	R' 000	R' 000	R' 000	R' 000
Current (0-30 days)	3 344	300	0	3 644
31 - 60 Days	1 192	267	0	1 460
61 - 90 Days	836	259	0	1 095
+ 90 Days	16 894	3 625	426	20 945
TOTAL	R 22 266	R 4 451	R 426	27 143

5.10. BORROWING AND INVESTMENTS

5.10.1. Actual Borrowing

Actual Borrowings:			
			R' 000
Instrument	2012/2013	2013/2014	2014/2015
Municipality			
Long-Term Loans (annuity/reducing balance)	R 17 436	R 14 251	R 18 693
TOTAL	R 17 436	R 14 251	R 18 693

COMPONENT D: OTHER FINANCIAL MATTERS

5.11. GRAP COMPLIANCE

The municipality is 100% GRAP compliant since 2012.

6. CHAPTER 6: AUDITOR-GENERAL OPINION

This chapter shall deal, in detail, with the opinion of the auditor-general for the periods 2013/2014 and 2014/2015. Our focus here will not simply be on the type of the opinion raised by the Auditor-General of South Africa, but we will also focus on various areas of concern as well as proposed remedial actions that are to be taken by the Municipality.

These interventions or corrective measures are to be monitored by the municipality's internal audit unit and reported to the various governance structures of the organisation to ensure improvement in future audits, as well as lay the foundation for a more optimal use and improved management of the municipal resources which will ensure sound resource management.

6.1. AUDITOR-GENERAL REPORT 2013/2014

Cederberg Municipality, like the preceding 3 financial years, obtained an **unqualified audit** from the Auditor-General South Africa for the financial year ending 30 June 2014.

2013/14	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
Restatement of corresponding figures	
The corresponding figures for 30 June 2013 have been restated, as a result of errors discovered during the 2012-13 financial year in the financial statements of the Cederberg Municipality at, and for the year ended, 30 June 2014.	Yes, the figures have been restated and presented as such in the Annual Financial Statements.
Material losses and impairments	
The municipality suffered electricity distribution losses of 8 011 075 kilowatts during the year under review. The loss represents 12.85% of the electricity purchased by the municipality.	The electricity losses are within the acceptable norms of electricity losses.
Receivables from exchange and non-exchange have significantly been impaired. The impairment of receivables from exchange and non-exchange amounts to R32 791 337 (55% of the gross balance).	The Revenue section of the Finance Department has employed a fully-fledged debt collection sub-unit to ensure speedy debt collection. This unit will also ensure services are disrupted for consumers who are behind with their accounts.
Material losses to the amount of R3 325 580 were incurred as a result of a write-off of irrecoverable trade debtors.	The above will also address the issue of these stated material losses.
Comparison of budget and actual amounts the municipality has materially underspent the capital budget to the amount of R13 765 859 (28%).	<p>The underspending was due to the sudden withdrawal of grant funding which was done by the funding government department, after the adjustment budget period.</p> <p>The Municipality has established a better line of communication with all the grant providing departments to ensure interventions and assistance can be dictated on time to avoid such under-spending.</p>
Going concern	

2013/14	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
The municipality has been unable to pay creditors on due dates and has adverse key financial ratios. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the municipality's ability to operate as a going concern.	The Municipality is starting to introduce and electronic invoice management system to ensure all invoices are tracked to ensure speedy payments. A significant portion of the invoices that were identified as late was also due to lack of supporting documents from the creditors to ensure timely payments.
Predetermined Objectives	
Basic service delivery	
A total of 20% of the targets were not specific. This was because the municipality did not adhere to the requirements of the FMPPI due to a lack of proper systems and processes and technical indicator descriptions	The Municipality is ensuring compliance with the FMPPI to ensure that the targets are specific, measurable, and attainable.
The reported performance information was not valid, accurate and complete when compared to the source information or evidence provided. This was due to a lack of monitoring of the completeness of source documentation in support of actual achievements and frequent review of the validity of reported achievements against source documentation.	All directors are now responsible for the collection of their performance records, with the performance manager to review the accuracy, completeness, and validity of the performance information. The internal auditor will then perform an overall internal audit of the performance evidence.
Local economic development	
Unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to the fact that the auditee could not provide sufficient appropriate evidence in support of the reported performance information	A performance evidence file is being kept and updated regularly to ensure that future performance is supported by credible evidence.
Good governance and public participation	
<ul style="list-style-type: none"> The period or deadline for delivery of targets must be 	The performance is for the 12 months ending 30 June 2014, so where a

2013/14	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
<p>specified. A total of 100% of the targets were not time bound.</p> <ul style="list-style-type: none"> Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 100% of the indicators were not well defined. <p>This was because management did not adhere to the requirements of the FMPPI due to a lack of proper systems and processes.</p>	<p>specific period before the end of the financial year is not stated, then 30 June becomes the deadline. So the issue becomes a non-issue.</p>
<p>A total of 100% of the indicators did not relate logically and directly to an aspect of the auditee's mandate and the realisation of strategic goals and objectives as per the five-year integrated development plan. This was because proper performance planning and management practices had not been developed and implemented to provide for the development of performance indicators and targets included in the annual performance report.</p>	<p>Proper performance planning and management practices are being developed and being implemented to avoid a repeat of this situation.</p>
<u>Compliance with legislation</u>	
Budgets	
<p>Expenditure was incurred in excess of the limits of the amounts provided for in the votes of the approved budget, in contravention of section 15 of the MFMA.</p>	<p>A decentralized budgeting approached is being implemented to ensure the budget is reflective of every user departments needs to prevent over spending in various votes.</p>
Financial statements, performance and annual reports	
<p>The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of</p>	<p>Annual Financial Statements of the Municipality are being drawn by external consultants as the Municipality is still busy building adequate internal capacity. All the concerns raised by the Auditor-</p>

2013/14	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
current assets, reserves and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.	General with regards to the AFS are receiving proper attention.
Audit committee	
A performance audit committee was not in place for the full year and the audit committee was not used to fulfil the performance audit committee function, as required by municipal planning and performance management regulation 14(2)(a).	The performance audit committee is in place and regular audit committee meetings are being held. This committee has a charter adopted by council which the Performance Audit committee adheres to.
Procurement and contract management	
Sufficient appropriate audit evidence could not be obtained that all contracts were awarded in accordance with the legislative requirements and a procurement process which is fair, equitable, transparent and competitive, as four tender documents were not submitted for audit.	Records of contracts that were awarded by the municipality during the year under review are being properly stored by the Municipality. Proper systems are being put in place, including an electronic record keeping system, to ensure that no records are unaccounted for.
Expenditure management	
Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.	The CFO has put a team in place to ensure all accounts and suppliers are paid within the 30 day turnaround period.
Reasonable steps were not taken to prevent unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.	The fruitless and wasteful expenditure has continued to drop over the last financial year. The office of the internal auditor is working closely with senior management to ensure the complete eradication of all forms of fruitless and wasteful expenditure.

6.2. AUDITOR-GENERAL REPORT 2014/2015