



ANNUAL REPORT

Volume I

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Chapter 1

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

a. Vision:

To achieve its vision and mission Theewaterskloof Municipality has to comply with legislation of which the most prominent are the Local Government: Municipal Systems Act 32 of 2000 and the Local Government: Municipal Structures Act 117 of 1998.

In terms of practical local governance the municipality identified sustainability threats as the biggest challenge to achieve its vision and mission.

In 2014/2015 Council identified interventions to ensure holistic sustainability; i.e. institution, corporate governance, income and finances, development, infrastructure and service delivery.

Long term sustainability challenges results from a poor and economic marginalised resource region in which 53% of the population is indigent, only 47% of residents pay taxes and tariffs and only 85% of municipal income was collected. Council had to provide guidance in dealing with this situation and implemented and embarked on the following interventions:

- A mayoral task group with the mandate to monitor the increase in debt recovery.
- Practical means for the administration to increase the percentage of paying consumers.
- Practical means to recover 90% of debts.
- Negotiations with organs of government and SALGA to create a new fiscal policy for the funding of local authorities.
- Local economic development to broaden the tax and tariffs’ base.
- Negotiate with ESKOM to allow the municipality to become an electricity distributor.

Vision: *“To ensure and preserve the heritage and natural resources within the region, create and develop a safe, healthy, crime free, economically stable and viable environment for all”*

Mission: *“To provide, develop and promote equal opportunities for everyone to stay in a safe, healthy, crime free, economically stable and viable environment through transparent and effective governance, politically stable, planning, services and the efficient and effective utilisation of resources”*

Key strategic objectives

- Broadening the income basis to add to financial sustainability.
- Accelerate the NDP’s focus on local economic growth through integrated agro and rural development.
- Infrastructure development for long term service delivery.
- Improved customer relations through a revised communication and client care strategy and stakeholder and community participation in municipal governance.
- Integration of projects such as Violence Prevention through Urban Upgrade (VPUU) and Grabouw Investment Initiative (GII) in the administration.
- Narrowed gap between public expectations and municipal ability regarding service delivery.
- Political stability during elections.
- Compliance with national and provincial development and growth priorities and interventions.

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b. Key Policy Developments:

Council guided the municipality to comply with the objective of the National Development Plan: “Our Vision – Make it Work”. An integrated council and administration planning session were held and development areas and portfolios were identified and mandated with terms of reference. The second phase of the intervention will be implemented after the new administration has been constituted in 2016.

Western Cape Provincial Growth and Development Strategy: Elements of this reflect in the Grabouw Sustainable Development Initiative and Crime Prevention through Urban Upgrade. Growth and development of local economies, job and wealth creation does not only increase social profiles but sources of income for the municipality to enhance bulk services infrastructure and service delivery.

Integrated Development Plan: The Vision and Mission Statement resulted in main objectives that provided a framework for the development of more detailed strategies, interventions and projects. The framework also provided a consistent structure for the IDP document. Strategic alignments in this regard with municipal realities typically included strategic objectives which were implemented successfully: improved sustainable financial management; good governance and auditing status of the municipality; improved municipal institutional capacities; infrastructure and bulk upgrades and replacements; improved environmental management; increased community safety through policing, bylaw revisiting and enforcement; integrated and sustainable human settlements and more housing solutions; and the creation of an economic and human development environment.

Public Participation: The municipality refined on and approved a public participation policy to comply with legal requirements, to make development plans and services more relevant to local needs and requirements, to take responsibility for services and to promote community actions and to empower local communities to have better control over their lives and livelihoods. The document provides a policy framework for public participation in TWK municipal area and provides mechanisms for the public to participate in local government. The document is not only legally compliant but a guideline of practical interventions to enhance public participation in local government. The document deals with key public participation principles: inclusivity, diversity, building the community participation, transparency, integration, flexibility, accessibility and accountability.

Municipal Financial Management Act: Initiatives were launched to improve municipal financial sustainability; and amongst the most notable is the registration of indigent families who cannot afford to pay for municipal services. The fact that more residents received prepaid electricity and water will prevent further debts. An extensive media activity was launched to inform and convince the public off the sustainability challenges facing the municipality. This had a positive outcome in the sense that independent analysts indicated that the municipal sustainability ratings improved.

c. Key Service Delivery Improvements:

- Client relations and customer care: Council approved client care and customer relations and communication strategies to create functional relations between the client and the municipality. The municipality identified the state of clients and municipal relations and the strategies will evolve debt collection, service delivery, municipal sustainability; the development of the annual IDP and budget; and public participation in consultation processes, town management, Service Level Agreements (SLA) and ward committees.
- The directorate operations implemented a centralised complaints register in all the towns and also commenced with the implementation of community help desks to improve interaction with clients and service delivery. Grabouw by and large finalised a Thusong Community Centre which became

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operational in the year under review.

- Substantial low cost housing projects were implemented in Caledon, Grabouw, Villiersdorp and Riviersonderend. These houses provide roofs over heads for the poorest of the poor.
- More work was done on the Grabouw Waste Water Treatment Plant and the capacity and effectiveness improved as a result. Considerable upgrading work was done at the Villiersdorp Waste Water Treatment Plant. The water purification plant in Grabouw resulted in safe water that exceeds national criteria. Villiersdorp water purification plant was upgraded. Several pre-paid water meters were repaired and replaced. A new electricity cable was laid between Aandblom and Veldblom. Substantial electricity work was also done in the Site Saviwa Housing Project.
- Resurfacing, upgrading and sealing of a considerable number of roads in the various towns were done and with the financial support of province the pothole crisis in Grabouw and Villiersdorp were substantially reduced.

d. Future Actions:

In the next financial year the focus will remain on enhancing municipal sustainability and obtaining income from sources that are not related to taxes and tariffs.

The municipality will continue its discussion through SALGA to negotiate a new government funding model for local governments in South Africa.

Broadening the economy through growth and development initiatives as stipulated in the National Development Plan will continue; which will broaden local businesses and economies and the platform to increase taxes and tariffs.

The emphasis on sustainable infrastructure with a long design capacity will be maintained to provide backing for a growing economy and need for municipal services.

The municipality acknowledge the right of people to move from wherever they come from to Theewaterskloof but needs support from national and provincial government to deal with the financial burden of a rapidly growing population which is by and large poor and indigent.

With the national municipal elections in 2016 posing a threat to unity in Theewaterskloof the municipality will put in place measurements that will prevent the disruption of orderly administrative governance and the relative high and acceptable levels of service delivery.

e. Agreements/Partnerships

- The Council approved the continuation of the HAN University in Holland and Theewaterskloof Municipality project to provide community development services, to support Dutch students with internships and to extend municipal capacities.
- Council approved the extension of the municipal project with Tyresö municipality in Sweden to enhance client care and waste management.
- Council approved the project with Province and the German Bank in regards to Violence Prevention through Urban Upgrade in Villiersdorp.

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f. Conclusion:

Local government is where the people and the leaders of the country meet on ground level; it is also the place where people articulate their most basic needs. In the past year the municipality created good relationships and communication tools with the people of Theewaterskloof.

There is understanding for the need to create an environment where the people can life and play with greater freedom. To facilitate this, the municipality adopted, as primary driving forces, the National Development Plan and the Provincial Development strategies as primary interventions to create opportunities and open societies.

As the Mayor of Theewaterskloof Municipality I treasure the people of the municipal area who provide us an opportunity to serve them. I treasure a committed Mayoral Committee, Council and administration.

I praise The Lord for guiding us day after day.

(Signed by :) _____

Alderman Chris Punt
Executive Mayor

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

The 2014/15 financial year was exceptional and many key decisions were made to secure the future of Theewaterskloof municipality as a sustainable medium and long term provider of services in a developing environment.

Alignment of IDP with Council and Public Priorities

The municipality finalized an IDP based on a plan that was accepted by all role-players and stakeholders and which reflects the inputs of corporate, council, ward committees and town forums. In the planning, drafting and debriefing phases of the IDP the public had ample opportunities to make inputs and to express their desires and needs.

In an environment of financial unsustainability the municipality ran a risk to lose the community as revenue was simply too little to meet the people's needs. The IDP process complied with high levels of integrity and transparency and the public was throughout alerted to the fact that only a small percentage of their needs would reflect in the IDP.

In the debriefing sessions it was clear that the communities understand the financial constraints of the municipality. The debriefing phase showed that the communities and municipality moved closer to each other in terms of needs and capacities. It also indicated acceptable levels of good will between the two entities. The public's attendance of the IDP meetings reduced but so did protest actions – indicating that the public was relatively fine with municipal governance and service delivery and that they did not feel a need to attend the meetings.

The fact that communities were fully integrated in the quarterly councillor feedback sessions, Ward Committee meetings, Service Level Agreement Advisory Forums (SLAAF), newsletters; and that the municipality consulted with stakeholders such as business forums, increased public satisfactions.

The IDP was deployed as a mechanism to incorporate the vision of the National Development Plan and the Provincial Development Strategy into the development objectives of Theewaterskloof. Initiative such as Violence Prevention through Urban Upgrade (VPUU), Grabouw Investment Initiative (GII), the HAN/TWK-community welfare and socio-economic enhancement project and the Biggest Deal Challenge, which resulted from a partnership agreement between Theewaterskloof and Tyresö municipality in Sweden, became embedded with the goals and objectives of the IDP.

Service delivery and infrastructure

Despite the financial and especially income sustainability challenges the municipality identified and dealt with in 2014/2015, the local authority continued with acceptable levels of service delivery and infrastructure development, upgrading and maintenance.

Existing and new infrastructure enabled the municipality to maintain its bulk capacities. The municipality spent its Municipal Infrastructure Grants sensibly and new developments such as the Water Purification and Waste Water Treatment Plants in Grabouw and Villiersdorp offer capacities for at least 20 years.

Financial sustainability

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The municipality entered the year under review with indications from Ratings Africa that the authority's financial sustainability was threatened. Ratings Africa warned about the municipal financial position, operational issues, debt levels and liquidity.

The ratio between operational assets and current liabilities was initially under pressure but improved as the year progressed. Throughout the municipality paid its creditors in time and without an overdraft. The liquidity problem resulted from a low collection rate which improved from considerably through the year. To accelerate income the mayor established a debt collection committee under his chairpersonship. The committee made valuable inputs to increase the collection rate.

The fact that the municipality is primarily not an electricity provision entity prevented income and also made it difficult to use electricity cuts as a method of credit control.

Municipal tariffs and taxes were, in context with other municipalities, relatively low but the authority had to balance increases with the affordability of municipal debts on household.

It is good news that the municipality could implement interventions that increased its sustainability status. After assessing municipal financial statements two independent financial analysts indicated that Theewaterskloof substantially improved its financial sustainability ratings over the last three years.

Conservation of water and electricity

In terms of saving electricity and water as scarce commodities the municipality uses its newsletters to sensitize the public in this regards. The accelerated deployment of water and electricity prepaid meters probably reduced the quantities utilized in Theewaterskloof. In addition the municipality is constantly monitoring systems to prevent water losses. Faulty infrastructure causing losses are repaired as soon as the municipality is alerted of it.

Future challenges

Looking at the future the municipality identified several key matters to be dealt with in 2015/2016:

- Replacing or upgrading ageing infrastructure and working towards obtaining R450m to deal with this over the next 5 years.
- The excessive cross subsidizing of rates by trading services and the impact it has on the ability to build municipal capital reserve funds.
- Operational input costs, such as bulk water, personnel costs, fuel and bulk electricity, exceeding the inflation rate.
- Drastic rates and tariff increases to address the threats.
- Municipal sustainability considerations versus the affordability of the Municipal bill.
- An indigent population of 53% and increased pressure on those who carries the bulk of the municipal bill.
- National Grants funds for services and capital projects in previously disadvantaged areas.

Final remarks

I thank the Executive Mayor, Alderman Chris Punt, and his Committee for supporting administration. I thank Council for their inputs and for the political stability they created. I thank my team of directors and their employees; you have done a great job. I thank our Heavenly Father for his guidance.

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Stan Wallace
Municipal Manager

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 INTRODUCTION TO BACKGROUND DATA

The 2014/15 Annual Report reflects on the performance of the Theewaterskloof Municipality for the period of 1 July 2014 to June 2015. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report each financial year.

1.2.2 POPULATION

Theewaterskloof Municipality is the largest local authority in the Overberg District with an area of approximately 3231km² and houses 13 wards. It is the most populous municipality accounting for 42% or 108 790 of the Overberg District's population in 2011. Compared to the 2001 census, Theewaterskloof's population growth is estimated to have increased with 14%.

1.2.2.1 TOTAL POPULATION

MUNICIPALITY	CENSUS 2001	COMMUNITY SURVEY 2007	CENSUS 2011	% GROWTH
Theewaterskloof	93 276	86 721	108 790	14%

1.2.2.2 POPULATION PROFILE

Ward	Black African	Coloured	Indian or Asian	White	Other	Grand Total
1	1395	6222	38	1535	65	9256
2	312	7246	41	697	148	8443
3	1402	9277	24	398	74	11174
4	1180	3348	29	2487	59	7102
5	4188	5369	101	1868	101	11627
6	2711	3846	18	85	146	6805
7	1685	5806	28	620	83	8223
8	2603	2450	0	7	6	5066
9	2018	5581	22	373	2	7995
10	1409	3874	10	553	58	5904
11	2072	2814	21	363	23	5293
12	3070	4318	14	161	14	7576
13	4713	8326	42	1025	218	14325
Total	28757	68478	387	10173	995	108790

Ward	Male	Female	Grand Total
1	4730	4526	9256
2	4123	4320	8443
3	5633	5541	11174
4	3650	3452	7102
5	6700	4927	11627
6	3466	3339	6805
7	4118	4105	8223
8	2566	2500	5066
9	4124	3871	7995
10	3000	2904	5904
11	2641	2653	5293
12	3607	3970	7576
13	7105	7219	14325
Grand Total	55463	53327	108790

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1.2.3 HOUSEHOLD PROFILE

The total number of households within the municipal area increased from 21 572 households in 2012/13 financial year as per census 2011 data to a total of 28 884 in 2014/15 financial year.

In previous financial years the number of accounts was used to determine the number of households, in the 2014/15 census data was used to determine number of households

Households	2011/12	2012/13	2013/14	2014/15
Number of households in municipal area	20312	21572	28 884	28 884
Number of indigent households in municipal area	6157	5749	15 308	15 308
Percentage of indigent households in municipal area	30.3%	26.65%	53%	53%

1.2.4 SOCIO-ECONOMIC STATUS

The socio-economic information for the municipal area is as follows:

Housing Backlog		Employment								Households with no Income (%)	Literacy Rate
People of Wating List		Employed		Unemployed		Discouraged Work seeker		Not Economically Active			
People	%	People	%	People	%	People	%	People	%		
8 593	7.9	40 568	53.8	7 076	9.4	1 968	2.6	25 851	34.6	11.8	78.4

The official unemployment rate as per StatsSA Census 2011 for Theewaterskloof municipality is 14.9% excluding discouraged workseekers(rate is 18.3% if including them).

1.2.5 OVERVIEW OF NEIBOURHOODS WITHIN THE MUNICIPALITY

TOWN	CENSUS 2001		CENSUS 2011			
	WARD	POPULATION	POPULATION	NUMBER OF H/HOLDS	NUMBER OF HOUSEHOLDS (FARMS)	% GROWTH
RIVIERSONDEREND	1	8534	9256	1477	1234	8.46
GREYTON (Bosmans kloof & Heuwelkroon) GENADENDAL(Genadendal, Bereaville & Voorstekraal)	2	12304	8443	2582	0	-31.38
CALEDON (Myddleton, Bersig, Uitsig, part of Caledon Town, Station and industrial area)	3	6566	11174	2805	0	70.17
CALEDON (Tesselaarsdal & part of Caledon Town)	4	9847	7102	859	1353	-27.88
VILLIERSDORP (Elandskloof, High Noon, Helderstroom and part of Villiersdorp Town)	5	9078	11627	1134	1621	28.08
VILLIERSDORP (TWK Dam Estate, Dennehof, Nuwedorp, Informal Settlements and Part of Villiersdorp Town)	6	8252	6805	2245	0	-17.53

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TOWN	CENSUS 2001		CENSUS 2011			
	WARD	POPULATION	POPULATION	NUMBER OF H/HOLDS	NUMBER OF HOUSEHOLDS (FARMS)	% GROWTH
BOTRIVIER (<i>Botriver, Lebanon and De Rust</i>)	7	10320	8223	1579	514	-20.32
GRABOUW (<i>Rooidakke, City Council, Jagersvlakte, Elgin Timbers, Proefplaas, Applegarth, Eikenhof, country Club</i>)	8	2661	5066	1029	0	90.37
GRABOUW (<i>Nuweberg, Greymead, Vyeboom</i>)	9	18244	7995	126	1467	-56.18
	10	7473	5904	0 (FARM)	1397	-20.99

1.2.6 NATURAL RESOURCES

1.2.6 NATURAL RESOURCES	CENSUS 2001	CENSUS 2011
	Natural Resources	
Major Natural Resource	Relevance to Community	
Wesselsgat Dam	This is the main water sources for Grabouw.	
Eikenhof Dam	This is the main water sources for Grabouw.	
Botriver Bore holes x 6	This is the main water sources for Botriver.	
Olifant bos stream	This is the main water sources for Riviersonderend.	
Riviersonderend river	This is the main water sources for Riviersonderend.	
Platkloof river	This is the main water sources for Greyton.	
Wolwekloof river	This is the main water sources for Greyton.	
Gobos river	This is the main water sources for Greyton.	
Boschmanskloof river	This is the main water sources for Greyton.	
Beviaan river	This is the main water sources for Genadendal.	
Sewefontein river	This is the main water sources for Genadendal.	
Koringlandskloof stream	This is the main water sources for Genadendal.	
Bereaville stream	This is the main water sources for Bereaville.	
Voorstekraal stream	This is the main water sources for Voorstekraal.	
Kommiesiekraal river	This is the main water sources for Villiersdorp.	
Elandskloof	This is the main water sources for Villiersdorp.	
Tesselaarsdal Mountain stream	This is the main water sources for Tesselaarsdal.	
Tesselaarsdal Borehole	This is the main water sources for Tesselaarsdal.	
Bethoeskloof stream	This is the main water sources for Tesselaarsdal.	
Greyton Nature Reserve in the Mountains of Greyton	Serves has hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants.	
Caledon Wild Flower gardens and Nature Reserve	Serves has hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants. People can also visit the Botanical Gardens	
Kogelberg Biosphere Reserve	Serves has hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants.	
Theewaterskloof Dam	Sport & Recreation	

1.2.7 COMMENT ON BACKGROUND DATA

The population data depicted above is based on the Census 2011 results therefore it does not give the true reflection of the municipal population. Current population projections shows that the municipality's population is annually growing at a 1.3 percent .

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1.3. SERVICE DELIVERY OVERVIEW

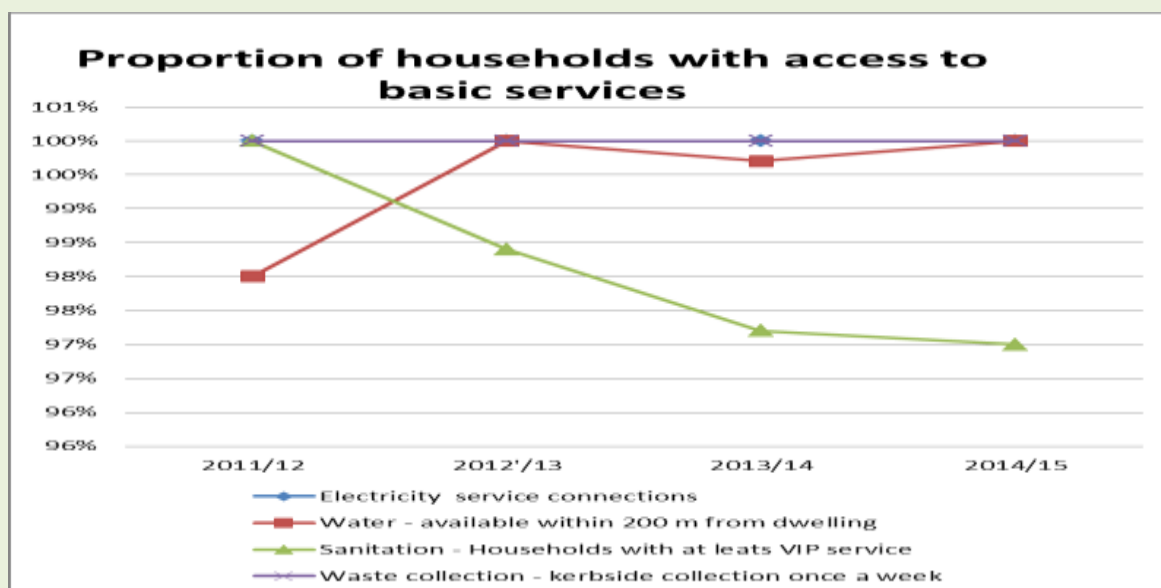
1.3.1 SERVICE DELIVERY INTRODUCTION

There are no backlogs with respect to access to basic water and sanitation services in the urban areas of the municipality. It is however estimated that there might still be households on the farms and informal settlements with existing service levels below RDP standards.

1.3.2 PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

The table and graph below gives an indication of the proportion of households with minimum levels of basic services.

Proportion of Households with minimum level of Basic services				
	2011/12	2012/13	2013/14	2014/15
Electricity service connections	100%	100%	100%	100%
Water - available within 200 m from dwelling	98%	99.7%	99.7%	100%
Sanitation - Households with at least VIP service	100%	98%	97%	97%
Waste collection - kerbside collection once a week	100%	100%	100%	100%



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1.4. FINANCIAL HEALTH OVERVIEW

1.4.1 FINANCIAL OVERVIEW

Theewaterskloof Municipality has recently been identified as the least financially sustainable municipality in the Western Cape. This was confirmed in a report released by Ratings Africa and also by the benchmarking tool developed by Provincial Treasury. In addition, the Auditor-General has also emphasized the financial health challenges in the draft management report on the annual financial statements for 2012/13. At a strategic workshop held at Arniston during September 2013, it was once again agreed by all participants (Councillors and Management) that financial sustainability is the biggest challenge facing the municipality and must therefore be the main priority of the municipality. Regardless of whatever whichever ratings agency said, the administration of TWK has for the past 9 years been able to keep the municipality financially viable and stable and at no point where the municipality in a position where it faced a financial collapse. Over the last three years considerable improvement has been made in the financial sustainability of the municipality has been made, from being rated as the 3rd least financially viable municipality of the 100 “big” municipalities to now falling within the middle group. This however does not mean that we are out of danger and continuous strict management decisions must be made to ensure that the ever remaining challenges are being addressed which include but is not limited to:

- Low debtors Collection Levels
- Poor liquidity position
- Exposure to long term liabilities
- Lack of reserve funds
- High levels of capital expenditure
- Range of unfunded mandates
- the migration phenomena
- errors in recent census results (contributing to the incorrect division of revenue from the national fiscus)
- The amount of funds required to keep collapsing infrastructure from becoming collapsed infrastructure

The municipality has gone through great lengths to address the low collection rate. 2013/14 financial year saw the introduction of the Door to Door project, the main objective is to ensure that information contained on the financial system are accurate and reliable, this refers to both debtor data and services data. This project assisted in ensuring that the municipality collect all monies due to it and assisted the debt collection department to perform their function optimally and ultimately increase the collection rate. Although introduced in 2013/14 the project was optimally running in the 2014/15 financial year. Grabouw one of the towns with the lowest collection rate was used as a “pilot” town. The success of the project of Grabouw can be seen in the fact that the town collection percentage increased from 65% (start of the project) to 71% at financial year end 2014/2015.

The Financial Sustainability steering committee is continuing to function optimally, with all efforts aimed at improving the financial viability of the municipality. TWK is continuing to argue (through SALGA) for a review of the fiscal model. The municipality is also one of the major role players in the attempts to either take over electricity distribution in its area from ESKOM or alternatively receiving revenue in the form of a surcharge from

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ESKOM and introducing a SLA between municipality and ESKOM. This will improve revenue and debt collection ratios considerably. SALGA and ESKOM has recently signed a MOU relating to the before mentioned. The municipality will continue to explore innovative methods to address its financial sustainability challenge.

1.4.2 FINANCIAL OVERVIEW 2014/15

Financial Overview -2014/15			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income			
Grants	157,261	183,094	168,311
Taxes, Levies and tariffs	225,159	225,164	222,729
Other	35,138	46,092	51,355
Sub Total	417,557	454,351	442,395
Less Expenditure	370,585	410,694	369,191
Net Total*	46,972	43,656	73,204
* Note: surplus/(defecit)			T1.4.2

1.4.3 OPERATING RATIOS

Operating Ratios	
Detail	%
Employee Cost	38%
Repairs & Maintenance	6%
Finance Charges & Depreciation	6%
	T1.4.3

The norm for Employee Related Cost to the Total Operating Budget range between 25% and 40% depending on various factors and circumstances. The 38 attained is within the National Norm. To put our personnel expenses in context, we must look at the per capita personnel costs. Theewaterskloof's ratio indicates one official per 159 people or one official servicing 42 households. This is a much higher "workload" when comparing TWK to other surrounding municipalities like Overstrand whose ratios are 1:78 and 1:31 respectively.

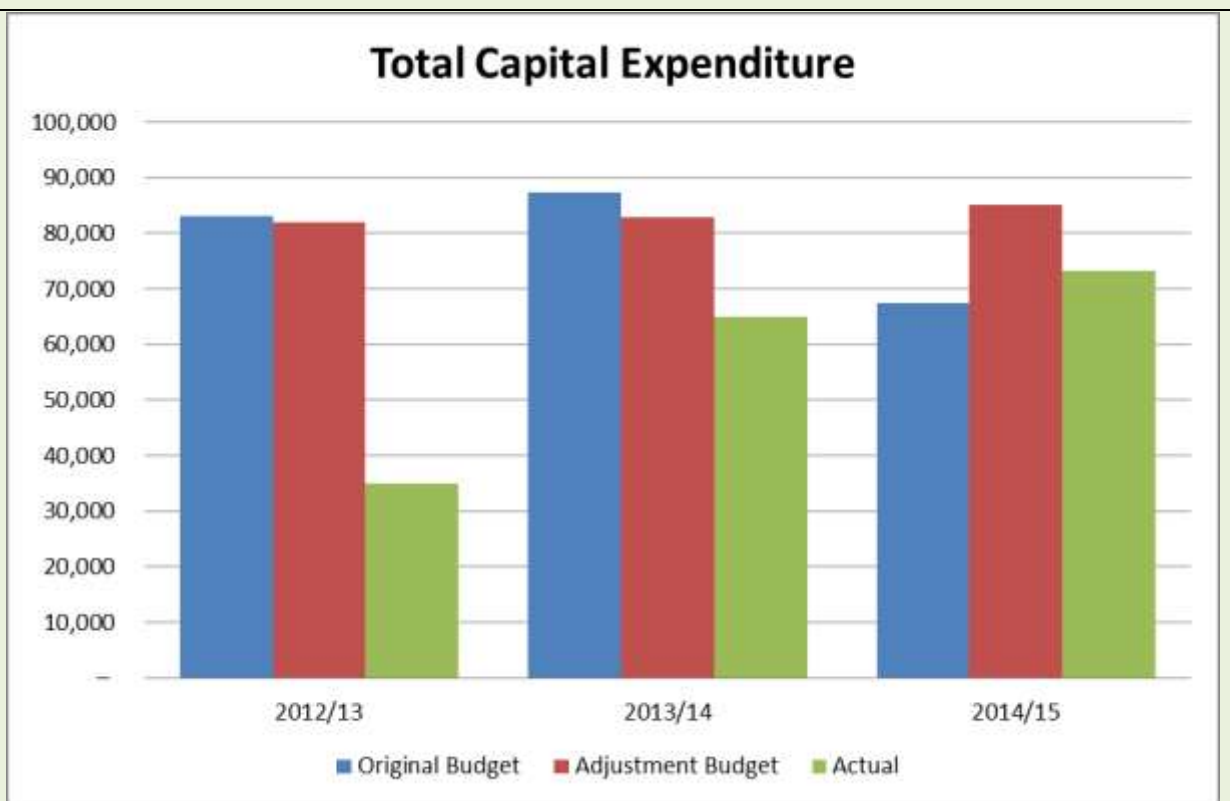
The municipality realizes the importance of expenditure on maintenance to ensure that assets are used optimally throughout their operational life. The municipality has made a conscious decision to increase its expenditure on repairs and maintenance gradually over the next few financial years. Optimally the municipality would eventually want to meet the national norm for expenditure on repairs and maintenance currently at 10%. Repairs and Maintenance has shown positive movement from 4.84% in 2013/14 to 6% in 2014/15 illustrating the municipality's willingness to achieve the national benchmark. It is important that this ratio is gradually increased (giving to consideration to other expenditure commitments) as a rapid increase could lead to cash flow problems that in turn would have a negative impact on service delivery.

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In 2012 a decision was taken that no further loans will be taken up, however due to unavoidable circumstances and the requirements for counter funding to obtain grants the municipality had no other option but to take up further loans. The municipal finance and depreciation percentage is at a tolerable level. The municipality has successfully reduced its Capital cost ratio to well within the national norm of 8%.

1.4.4 TOTAL CAPITAL EXPENDITURE: 2012-2015

Total Capital Expenditure: 2012 to 2015			
			R'000
Detail	2012/13	2013/14	2014/15
Original Budget	83,052	87,304	67,547
Adjustment Budget	82,043	82,951	85,177
Actual	35,021	64,898	73 127
			T1.4.4



T 1.4.5

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1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

1.5.1 ORGANISATIONAL DEVELOPMENT PERFORMANCE

The objective of Organisation Development is to improve the municipality's capacity in order to give effect to its service delivery mandate. This includes improved more effective communication, more effective decision processes, more appropriate leadership style, improved skill in dealing with conflict, and higher levels of trust and cooperation among staff members. The workplace skills plan of the municipality has as its main aim the achievement of cost effective and efficient service delivery as well as:

1. Providing learning opportunities for staff as well as members of the community through our learnership programmes
2. Providing opportunities for each staff member to develop to his / her full potential.
3. Seeking to increase the effectiveness of the municipality in terms of all of its strategies, objectives and goals.
4. Providing opportunities for staff to influence the way in which they relate to work, the municipality, and the environment.

1.6. AUDITOR GENERAL REPORT

1.6.1 AUDITOR GENERAL REPORT: YEAR 2014/15 (CURRENT YEAR)

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2014 (Act No. 10 of 2014) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. It is the Auditor General's responsibility to express an opinion on these financial statements based on his audit. The audit is conducted in accordance with International Standards on Auditing. Those standards require that the Auditor General comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

In the opinion of the Auditor, the financial statements present fairly, in all material respects, the financial position of the Theewaterskloof Municipality as at 30 June 2015 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA. This therefore represents an unqualified (clean) audit for the 2014/15 financial year

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1.7. STATUTORY ANNUAL REPORT PROCESS

PROCESS	DATE
AR & FS to AG	
<ul style="list-style-type: none"> Submit 2014/2015 Draft Annual Report and Financial statements to Auditor General Compile and submit Municipal Audit file to the Auditor General 	28 August 2015
Table Draft AR & AFS	28 January 2016
Mayor tables draft AR and AFS at council	
Advertise draft AR & AFS for public input	29 January 2016 – 26 February 2016
Advertise Oversight Committee Schedule inviting the Public to make presentations of the AR and AFS	29 January 2016
1st Oversight Committee Meeting: Oversight Committee pose questions to Management to get clarity on the contents of the Annual Financial statements and the Annual Report (10h00)	09 February 2016
Portfolio Committee Meeting: Submit Draft AR to Portfolio Committees for inputs	02;03;&15 February 2016
2nd Oversight Committee Meeting: Public hearings -The local community and any organ of state will be allowed to make representations on the annual report and AFS (10h00)	03 March 2016
3rd Oversight Committee Meeting: Preparation of the draft oversight report, taking into consideration the views and inputs of the public, representatives of the Auditor General, organ of states, Councils audit committee and Councillors (14h00)	08 March 2016
Oversight & Annual Report: Adoption of Oversight report on AR & AFS by council	24 March 2016
Advertise approved Annual report- Place on Municipal Website	29 March 2016
Submission of Oversight & Annual Report to Provincial Treasury and Office of the Premier	29 March 2016

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Good governance has 8 major characteristics namely, participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive which follows the rule of law. Through this corruption is minimized, the views of minorities are taken into account and 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.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

2.1 INTRODUCTION TO POLITICAL GOVERNANCE

MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality.

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

The political Governance structure with respect to key committees is fairly well established and functional. These committees include:

- The Executive Mayoral Committee
- The Portfolio committees
- The Audit and Performance Audit Committee
- Risk Committee
- IDP/Budget Steering Committee
- Municipal Public Accounts Committee

Chapter 2

2.1.1 POLITICAL STRUCTURE

The Council has 25 seats 13 Ward Councillors and 12 Proportional Representative (PR) Councillors. The Speaker, Councillor C Vosloo is the Chairperson of the Council. The Party Political and demographic representation of Councillors is reflected in the table below:

POLITICAL PARTY	ALLOCATION OF SEATS	GENDER	
		MALE	FEMALE
DA	13	8	5
ANC	9	4	5
COPE	1	1	0
NNP	1	1	0
NICO	1	1	0

The Council is fully functional and 11 Ordinary Council meetings and 5 Special Council meetings were held in the 2014/15 financial year, as against the scheduled 11 meetings.

EXECUTIVE MAYOR: Alderman: C.B. Punt	Function <ul style="list-style-type: none"> Is the Executive and Political Leader of the Municipality Is the Social and Ceremonial Head of Council Is the Chief Advisor of Council Responsible for identifying the needs of the Municipality Must monitor the Administrator Supervises the delivery of services Report to Council Budgetary responsibilities
DEPUTY MAYOR: CLlr: M Tshaka	The Deputy Mayor acts in the absence of the Executive Mayor
SPEAKER: CLlr: C Vosloo	Is the chairperson of the Municipal Council and as such is authorized to dictate the proceedings during council meetings, though subject to the order rules, common law and constitutional prescripts. The Speaker is accountable to and reports to the Municipal Council. The Speaker must also ensure compliance with the Code of Conduct.
WHIP: M Koegelenberg (DA) C November (ANC)	Leads the Caucus meetings before Council meetings.
MAYORAL COMMITTEE: CLlr M Tshaka CLlr G Carelse CLlr N De Wet CLlr P Stanfliet CLlr K Papier	Portfolio Chair: Technical Services Portfolio Chair: Corporate Services Portfolio Chair: Financial Services Portfolio Chair: Operations Services Portfolio Chair: Development Services The Mayoral Committee assist the Executive Mayor, serve him/ her with advice and take decisions with the Executive Mayor in respect of designated powers.

During the 2014/2015 financial year, the Executive Mayoral committee met for 11 Ordinary and 5 Special meetings as against the 11 planned meetings.

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2.1.2 COUNCILLOR PROFILE

Below is a table that categorised the councillors within their specific political parties and wards:

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Alderman C B Punt	Fulltime	Executive Mayor	DA	90%	10%
Councillor C Vosloo	Fulltime	Speaker	DA	100%	0%
Councillor P U Stanfliet	Fulltime	Technical Services	Ward 7 DA	100%	0%
Councillor M Tshaka	Fulltime	Corporate Services	Ward 13 DA	90%	10%
Councillor K Papier	Fulltime	Operations	Ward 3 DA	100%	0%
Councillor G Carelse	Fulltime	Development Services	COPE	95%	5%
Councillor N De Wet	Fulltime	Financial Services	Ward 5 DA	100%	0%
Councillor N Pieterse	Part Time	Corporate Services	Ward 9 DA	95%	5%
Councillor M Nongxaza	Part Time	Corporate Services	NICO	95%	5%
Councillor J Nellie	Part Time	Corporate Services	Ward 6 ANC	70%	30%
Councillor F Mankayi	Part Time	Corporate Services	ANC	65%	35%
Councillor M Koegelenberg	Part Time	Financial Services	Ward 4 DA	100%	0%
Councillor L Mathomela	Part Time	Financial Services	Ward 11DA	70%	30%
Councillor M Appel	Part Time	Financial Services	ANC		
Councillor J Hendricks	Part Time	Financial Services	ANC	85%	15%
Councillor M Plato-Mentoor	Part Time	Development Services	Ward 10 DA	95%	5%
Councillor I Sileku	Part Time	Development Services	DA	100%	0%
Councillor P de Wet	Part Time	Development Services	ANC	60%	40%
Councillor U Sipunzi	Part Time	Development Services	Ward 12 ANC	90%	5%
Councillor K Tiemie	Part Time	Technical Services	Ward 1 DA	100%	0%
Alderman C November	Part Time	Technical Service	ANC	90%	10%
Councillor C Thembani	Part Tim	Technical Service	Ward 8 ANC	95%	5%
Councillor J Van Niekerk	Part Time	Operations	NNP	60%	40%
Councillor M Hector	Part Time	Operations	Ward 2 DA	95%	5%
Councillor A Cupido	Part Time	Operations	ANC	100%	0%

2.1.3 POLITICAL DECISION-TAKING

Political decisions taken in 2014/15 Financial Year are as follows:

ORDINARY COUNCIL MEETINGS	SPECIAL COUNCIL MEETINGS	COMMITTEE MEETINGS	
1240	29	Development Services	9
		Corporate Services	8
		Technical Services	7
		Operations	8
		Financial Services	11
		Total Committee Meetings	43

The status of outstanding resolutions is reported quarterly to council.

Chapter 2

2.2 ADMINISTRATIVE GOVERNANCE

2.2.1 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

The Municipal Manager 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.

A key priority of the Management Team has been to establish a solid leadership core within the organisation which permeates through to middle and supervisory management levels. The Management Team Structure is outlined in the table below:

Name of Official	Department	Performance agreement signed
		(Yes/No)
Horace Wallace	Municipal Manager	Yes
Joseph Isaacs	Director Corporate Services	Yes
Davy Louw	Director Financial Services	Yes
Monwabisi Gxoyiya	Director Development Services	Yes
Jan Barnard	Director Operations	Yes
Conrad van Heerden	Director Technical Services	Yes

Chapter 2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41.

2.3 ADMINISTRATIVE GOVERNANCE

Intergovernmental structures give effect and concrete expression to inter departmental communication. The municipality participates with the following structures that deal with transversal matters:

	IGR STRUCTURE	TYPE OF PARTICIPATION AND BENEFITS DERIVED
NATIONAL	Local Government ICT (LGICT) Network (Please note that this is mainly an “open online forum”, although there are special meetings, workshops and events being scheduled across the country)	<p>The LGICT Network is a service hosted by SALGA that provides:</p> <ul style="list-style-type: none"> • a real-time platform for information exchange, networking and collaboration for ICT Managers in local government. • a platform where ICT Managers in local government rate service providers and report about service, satisfaction and quality in order to separate the “husks from the grain”.
	IDP Managers Forum	<p>Reflect on IDP Indaba processes</p> <p>Reflect on the impact of the IDP Analysis process;</p> <p>Discuss processes and methodologies that should guide the annual IDP review;</p> <p>Serve as a platform where key planning information is shared, good planning practices and successfully implemented programmes are celebrated, and where gaps are identified.</p>
PROVINCIAL	Records Managers Forum	<p>Discuss processes and methodologies that should guide the records management in Theewaterskloof Municipality in terms of the National Archives Act;</p> <p>Serve as a platform where key planning information is shared, good planning practices and successfully implemented programmes are celebrated, and where gaps are identified in the records management processes.</p> <p>Discuss problems identified in municipalities in respect of records management and received inputs from other municipalities or governmental bodies how to address these problems.</p>
	SALGA Provincial HR Development Working Group	<ul style="list-style-type: none"> • A platform for Councilors within the Province to give input into collective bargaining as well as policy issues. • This forum also receives feedback from National and Provincial Bargaining Forums. • It is also a platform for information sharing and to discuss issues of mutual interest;
	HR Practitioners Forum	<ul style="list-style-type: none"> • A forum used to draft policy, give input into various topics such as legislation, agreements etc. • This forum also serves as a platform for HR managers to network and share best practice • Receive feedback from SALGA in respect of negotiations etc.
	Chief Audit Executive Forum	<p>Discuss methodologies, standards, challenges and serves as an information sharing platform.</p>
	Western Cape Local Government ICT Managers Forum	<ul style="list-style-type: none"> • To create a platform for ICT Managers to discuss ICT- specific issues • To create a space for information sharing, knowledge exchange and inter-provincial cross pollination • To manage, co-ordinate and support the implementation of ICT initiatives, ICT-related activities in order to strengthen support and avoid duplication • To obtain inputs and comments on national- and provincial processes and initiatives that have an impact on ICT's, and • To achieve standardization for benchmarking and reporting purposes on critical activities.

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	District IDP Managers Forum	<ul style="list-style-type: none"> • A platform for IDP Managers in the Overberg District to discuss IDP-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • co-ordinate the implementation of IDP initiatives and activities; • standardization of IDPs in the District; and • To identify areas of co-operation in terms of common challenges and development issues amongst the Local Municipalities in the District, and between the Local Municipalities and the District Municipality
	IDP Rep/PPCOM Forum	<ul style="list-style-type: none"> • A platform for IDP Managers, Public Participation officials, Municipal Communicators and Sector Department officials • Share experiences • Joint Planning
DISTRICT INTERGOVERNMENTAL STRUCTURES	Overberg ICT (OICT) Managers Forum	<ul style="list-style-type: none"> • A platform for ICT Managers in the Overberg District to discuss ICT-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • standardization of ICT infrastructure in the district; and • To identify areas of shared-services
	District IDP Managers Forum	<ul style="list-style-type: none"> • A platform for IDP Managers in the Overberg District to discuss IDP-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • co-ordinate the implementation of IDP initiatives and activities; • standardization of IDPs in the District; and • To identify areas of co-operation in terms of common challenges and development issues amongst the Local Municipalities in the District, and between the Local Municipalities and the District Municipality
	IDP Rep/PPCOM Forum	<ul style="list-style-type: none"> • A platform for IDP Managers, Public Participation officials, Municipal Communicators and Sector Department officials • Share experiences • Joint Planning
	Overberg ICT (OICT) Managers Forum	<ul style="list-style-type: none"> • A platform for ICT Managers in the Overberg District to discuss ICT-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • standardization of ICT infrastructure in the district; and • To identify areas of shared-services

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

Theewaterskloof Municipality is committed to the following principles:

- Inclusivity
- Diversity
- Building community participation
- Transparency
- Integration
- Flexibility
- Accessibility
- Accountability

Council established ward committees as the official liaison mechanism on all matters within the community.

Ward Councillors together with their ward committee members report back to their constituencies on a quarterly basis. In addition, a Policy framework for Public Participation was developed. The Service Delivery Budget Implementation Plan (SDBIP) is made public and published on the municipal website. This contains projected financial and service delivery indicators and deliverables. Members of the public are also invited to participate in the oversight process related to the Annual report. In the promotion of public accountability and participation, members of the public are invited to attend all meetings of the Council and its committees.

Another mechanism of Public participation is conducted through Budget and IDP public meetings. These meetings were held prior to developing the draft budget in order to identify the needs of the community in order to provide input for the new financial year. A second round of public meetings is normally held once the draft budget is developed in order to inform the public of key elements in the proposed budget.

The purpose of the Ward Committee structure is to assist Ward Councilors with organizing, consulting, spreading of information to encourage participation from the residents within the Wards.

The Ward Committee:

- is an advisory Body.
- is a representative structure.
- is independent; and
- must be impartial and perform its functions without fear, favor or prejudice.

There are 13 Wards within the Theewaterskloof Municipal area.

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2.4 PUBLIC MEETINGS

Theewaterskloof Municipality engagements in different methodologies to ensure adequate public participation, which include:

- Tradition public meetings with wards committees, Town advisory forums, Service level agreement advisory forum (SLAAF), stakeholder groupings etc.
- Surveys (baseline assessments)
- Monthly news letters

Such participation is required in terms of:

- The preparation, implementation and review of the IDP and budget;
- Establishment, implementation and review of the performance management system;
- Monitoring and reviewing of the performance which include the outcome and impact of such performance; and
- Setting of service level standards
- Information sharing which relates to capital projects implementation

Theewaterskloof Municipality utilises its ward committees and Town Advisory forums as the primary consultative structure and access points to ensure public participation and accountability.

2.4.1 WARD COMMITTEES

The ward committee is in the main a service delivery management mechanism. This body guides the Town Manager in terms of local service delivery needs, priorities, standards and also acts as the representative monitoring body through which the local community can monitor service delivery implementation, progress and general performance. The successful functioning of the Town Management model is to a large extent reliant on the successful functioning of the Ward Committee system.

The Local Government: Municipal Structures Act, 1998 provides for the establishment of ward committees.

2.4.2 FUNCTIONALITY OF WARD COMMITTEES

The primary function of a ward committee is:

- To assist the ward councilor in understanding the needs and the views of the community;
- To be a formal communication channel between the community and the municipal council;
- To raise issues of concern about the local ward to the ward councilor and;
- To make sure ward residents have a say in decisions, planning and projects that the council or municipality undertakes which have an impact on the ward.

A ward committee should consist of up to ten members who serve as volunteers and may represent a certain sector. Examples of such sectors are:

- women's groups or;
- ratepayers associations;
- geographic areas
- Community within the ward.

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	K Tiemie (Ward Councillor)	Yes	Seven (7)		Two (2)
	C Botha				
	M Kroukamp				
	V Fisher				
	A Mouton				
	W Pretorius				
	E Fillies				
	J Sebonka				
	J de Jager				
	A Prins				
Ward 2	M Hector (Ward Councillor)	Yes	Eight (8)		Two (2)
	B Coetzee				
	C Smith				
	G Juries				
	J Coert				
	A Magerman				
	C Windvogel				
	C Myburgh				
	J Kroukamp				
	C Barthus				
	M Reid				
Ward 3	K Papier (Ward Councillor)	Yes	Six (6)		Two (2)
	C van Wyk				
	G Simons				
	S Swarts				
	K Hoffman				
	E van der Ventel				
	A de Bruin				
	N Jende				
	R Carelse				
	M Pietersen				
Ward 4	M Koegelenberg (Ward Cllr)	Yes	Five (5)		Two (2)
	G Visser				
	JP de Witt				
	A Rossouw				
	J Norval				
	V Watton				
	M Wessels				
	S Young				
	J Hauman				
	E Labuschagne				

Chapter 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 5	N de Wet (Ward Cllr)	Yes	Eight (8)	-	Two (2)
	D Fyfer				
	A Louw				
	H Schoeman				
	C Nel				
	B Davids				
	I Botha				
	C Balie				
	N Japhta				
	J Jansen				
	C Young				
Ward 6	J Nellie (Ward Councillor)	Yes	Eight (8)	-	Two (2)
	S Ntantiso				
	J Jantjies				
	H Schoeman				
	C Balie				
	J Lakey				
	V Hendricks				
	R Pietersen				
	R Brinkhuys				
	J McKenzie				
	T van Rooyen				
Ward 7	P Stanfliet (Ward Cllr)	Yes	Six (6)	-	Two (2)
	J Swanepoel				
	I Andries				
	G Visagie				
	N Greeff				
	R Jacobs				
	N Kaptein				
	I Swartz				
	Q Williams				
	E Herman				
Ward 8	C Thembani (Ward Cllr)	Yes	Seven (7)	-	Two (2)
	M Jiba				
	E Gertze				
	A Plaatjies				
	M Mosolo				
	T Tsetse				
	P Louw				
	T Kanetsi				
	E Mars				
	A Mentile				
	J Stena				

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 9	N Pietersen (Ward Cllr)	Yes	Eight (8)	-	Two (2)
	D Jooste				
	J Gerbers				
	I Kortje				
	G Julies				
	J Titus				
	M Koelman				
	N Fortuin				
	N Goniwe				
	L Jacobs				
	H Schoeman				
Ward 10	M Plato-Mentoor (Ward Cllr)	Yes	Six (6)	-	Two (2)
	P Aploon				
	J Rawboue-Viljoen				
	R Damons				
	W Williams				
	R Fisher				
	J De Bruin				
	JC van der Merwe				
	R Mathews				
	C Januarie				
Ward 11	L Matomela (Ward Cllr)	Yes	Seven (7)	-	Two (2)
	R Johnson				
	J Fortuin				
	K Thezaphi				
	Q Bosman				
	A Theron				
	P Kwaza				
	Z Fentele				
Ward 12	U Sipunzi (Ward Cllr)	Yes	Seven (7)	-	Two (2)
	M Wani				
	A Inyinbor				
	C Absalom				
	L Madizeni				
	S Daniels				
	A Hoorn				
	W Nomkhanya				
	M Mabentisela				
	H Syster				

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 13	M Tshaka (Ward Cllr)	Yes	Seven (7)	-	Two (2)
	L Vosloo				
	A Kortje				
	S Baba				
	M le Roux				
	H Waterboer				
	M Bhangaza				
	J Fourie				
	S Maziza				
	N Swanepoel				

2.4.3 PUBLIC MEETINGS

Public Meetings					
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
Ward Councillor Report Back Meetings	4 - 19 August 2014	All Ward Councillors	Town Managers and relevant corporate officials		Power point presentations on what we've done for the quarter and what is planned for the next quarter. Also issues relevant to the community
Amendments of By-laws	14 July - 22 July 2014	All Councillors	The Operations department		
IDP Public Meetings	13 - 30 October 2014	All Ward Councillors and EMC Members	Town Managers and relevant corporate officials		Getting IDP input from the Community members
Service Level Agreement Advisory Forum Meetings	13 - 23 December 2014	All Ward Councillors and PR Councillors	Town Managers		Town Managers report back on the standard of their services and SLAAF Members rate their services
Ward Councillor Report Back Meetings	24 Feb - 5 March 2015	All Ward Councillors	Town Managers and relevant corporate officials		
Public Meetings					

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Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
Service Level Agreement Advisory Forum Meetings	19 - 29 January 2015	All Ward Councillors and PR Councillors	Town Managers		Town Managers report back on the standard of their services and SLAAF Members rate their services
Draft IDP Budget Public Meetings	7 - 22 April 2015	All Ward Councillors and EMC Members	Town Managers and relevant corporate officials		To table the draft IDP Budget to the community to get their input

T2.4.3

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T 2.5.1

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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.

2.6 RISK MANAGEMENT

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

The Council has committed the Theewaterskloof Municipality to a process of risk management that is aligned to the principles of good corporate governance, as supported by the Municipal Finance Management Act (MFMA), Act no 56 of 2003 and other legislation applicable to local government.

Structured Risk Management is recognized as an integral part of responsible management and the Municipality therefore adopts a comprehensive approach to the management of risk. The features of this process are outlined in the Municipality's Risk Management Strategy. It is expected that all departments / sections, operations and processes will be subject to the risk management strategy. It is the intention that these departments / sections will work together in a consistent and integrated manner, with the overall objective of reducing and avoiding risk, as far as reasonably practical. Effective risk management is imperative to the Municipality to fulfil its mandate, the service delivery expectations of the public and the performance expectations within the Municipality

The responsibility to ensure effective management of risk in the Theewaterskloof Municipality rests with all employees. Our commitment to risk management is an expression of our commitment to the Batho Pele principles.

The Municipality's risk appetite is set at 12, which means that all risks with a rating of 12 and higher requires a Treatment and Action Plan. The top four (4) strategic risks and top two operational risks of the Municipality are indicated in the table below:

Top Strategic Risk

Risk Description	Mitigation Guidance	Controlled Risk Rating
Influx of Unemployed, unskilled and Homeless people	The uncontrolled influx of unemployed and unskilled indigent people into our area and which is already one of the poorest in the western cape The influx and high % of the unemployed and unskilled indigent people population and who are not just adding pressure on our service delivery institutional capacity but who are also unable to contribute significantly towards the revenue base of the TWK	16
Cost of Regulation and Compliance Requirements	Through SALGA Exercising pressure to review standards in accordance with realities Ensure minimum compliance and creating dedicated capacity which will cause minimum disruption of core business activities Project manage in order to Ensure that we act pro- actively, avoid crisis situations and reduce effort to the minimum	16

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Backlog in Infrastructure	Narrow revenue base Large indigent population Inability to implement long term plans i.r.o. backlogs and the improvement of financial viability and which has since been developed Low economic growth Align financial viability, LED and Infra structure development strategies and priorities	20
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Top Operational Risk

Risk Description	Mitigation Guidance	Controlled Risk Rating
Slow or No Recovery of Potential Revenue	Debt collection & Credit control plays a significant role in this risk. Whenever a debtor moves past the 30day margin services should be stopped until the account is settled in full. Also where arrangements are not met the same route should be followed. This has a negative influence on the cash flow of the municipality.	12
Lack of Accurate Data/ (Accuracy of Bill)	Unreliability of quality and quantity of data is impacting on the ability of the municipality to bill accurately and recover full cost and all revenue owed to it. Re engineer process and detailed verification of data and sources of data and instituting mechanisms that will ensure that data is effectively and efficiently maintained	12
Influx of unemployment, unskilled and homeless people	Establishing more permanent work through LED Finding joint solutions and involving the agricultural sector and local labour which will reduce the need for the recruitment of seasonal workers from elsewhere Skills improvement programs Launch SMME promotion initiative Find solutions to the successful integration of incoming indigent people into existing communities and establishing a greater sense of belonging, joint ownership for local values and principles	20

2.7 ANTI-CORRUPTION AND FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism as well as 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.

Theewaterskloof Municipalities **Anti-Corruption Policy** was **adopted** by council in **November 2008** and **reviewed on 19 March 2015**.

One of the main purposes of an Anti-Corruption policy is to ensure that the Municipality is in compliance with the Municipal Systems Act, Act No. 32 of 2000 which requires the Municipality, amongst other things to develop and adopt appropriate systems and procedures that contribute to effective and efficient management of the municipality and its resources.

2.8 AUDIT COMMITTEE

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

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- 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, Local Government Municipal and Performance Management Regulation, 2001 and the office of the Auditor-General:

- 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 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 minimized;
- 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

The municipality's Performance and Audit Committee Recommendations for 2014/15 financial year are as follows:

Municipal Performance and Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 1	Recommendations adopted (enter Yes) If not adopted (provide explanation)
28-Aug-14	Draft Financial Statements for the Year ended 30 June 2014	Yes
29-Aug-14	Audit Work Completed and Planned	Yes
29-Aug-14	Supply Chain Management 4th Quarter 2013/2014	Yes
29-Aug-14	Strategic Risks Audit	Yes
29-Aug-14	Credit Control and Debt Collection Audit	Yes
29-Aug-14	Solid Waste Audit	Yes
29-Aug-14	Municipal Systems Act & Municipal Structures Act Compliance Audit	Yes
29-Aug-14	Inventory Audit	Yes
29-Aug-14	Allowances Audit	Yes
29-Aug-14	Cost of Compliance Audit	Yes
29-Aug-14	Internal Audit Follow-up Reports	Yes
29-Aug-14	Revised Annual Risk Based Internal Audit Plan 2014/2015	Yes
29-Aug-14	Internal Audit Charter	Yes
29-Aug-14	Review of Risk Management Committee Charter	Yes
29-Aug-14	Review of Risk Management Policy	Yes
29-Aug-14	Review of Risk Management Process Plan	Yes
29-Aug-14	Review of Risk Management Strategy	Yes

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Municipal Performance and Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2014/15	Recommendations adopted (enter Yes) If not adopted (provide explanation)
29-Aug-14	Minutes of the Risk Management Committee	Yes
29-Aug-14	Minutes of the Section 32(2)(b) of the MFMA Committee	Yes
29-Aug-14	2013/2014 Performance Assessment	Yes
29-Aug-14	Financial Services SOP Excel Documents	Yes
29-Aug-14	Technical Services: Improving Controls Regarding the Purchase of Fuel	Yes
29-Aug-14	Financial Services: Lease vs Purchase of Dozer	Yes
26-Sep-14	Auditor General's Strategic Plan - 2013/2014 Audit	Yes
5-Dec-14	Audit Work Completed and Planned	Yes
5-Dec-14	MFMA Compliance Audit	Yes
5-Dec-14	Solid Waste First Quarter Audit	Yes
5-Dec-14	Inventory First Quarter Audit	Yes
5-Dec-14	Internal Audit Follow-up Reports	Yes
5-Dec-14	2014/2015 First Quarter Performance Assessment	Yes
5-Dec-14	Out dated Bylaws	Yes
5-Dec-14	Quarterly Budget Statement for the First Quarter Ending 30 September 2014	Yes
20-Jan-15	Audit Work Planned	Yes
20-Jan-15	2013/2014 Annual Report	Yes
6-Mar-15	Audit Work Completed and Planned	Yes
6-Mar-15	Inventory Second Quarter Audit	Yes
6-Mar-15	Backlog in Infrastructure Audit	Yes
6-Mar-15	Solid Waste Second Quarter Audit	Yes
6-Mar-15	Supply Chain Management 1st Quarter 2014/2015	Yes
6-Mar-15	Maintenance on Proclaimed Roads	Yes
6-Mar-15	Internal Audit Follow-up Reports	Yes
6-Mar-15	Auditor General Report Follow-Up	Yes
6-Mar-15	2014/2015 Mid-Year Performance Assessment	Yes
6-Mar-15	Internal Audit Charter	Yes
6-Mar-15	Internal Audit Budget 2015/2016	Yes
6-Mar-15	Anti-Corruption Strategy Revised 2014	Yes
6-Mar-15	Quarterly Budget Statement for the Second Quarter Ending 31 December 2014	Yes
6-Mar-15	Financial Statements 31 December 2014	Yes
6-Mar-15	Minutes of the Risk Management Committee	Yes
6-Mar-15	Status of ICT Governance and Risk in TWK	Yes
6-Mar-15	Villiersdorp Housing Tender DEV03/2010/2011	Yes
5-Jun-15	Audit Work Completed and Planned	Yes
5-Jun-15	Inventory Third Quarter Audit	Yes
5-Jun-15	Solid Waste Third Quarter Audit	Yes
5-Jun-15	Supply Chain Management 2nd Quarter Audit	Yes
5-Jun-15	Supply Chain Management 3rd Quarter Audit	Yes
5-Jun-15	Disaster Management Audit	Yes

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Municipal Performance and Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2014/15	Recommendations adopted (enter Yes) If not adopted (provide explanation)
5-Jun-15	Influx of unemployed, unskilled, homeless people audit	Yes
5-Jun-15	Internal Audit Follow-up Reports	Yes
5-Jun-15	2014/2015 Third Quarter Performance Assessment	Yes
5-Jun-15	Performance and Audit Committee Evaluation	Yes
5-Jun-15	Internal Audit Evaluation	Yes
5-Jun-15	Meeting Schedule	Yes
5-Jun-15	Annual Risk Based Internal Audit Plan 2015/2016	No, the first quarter's plan was adopted. The plan should be reviewed that less time be spent on Cash and Stock Counts and more time on Risk Based Audit and that stock counts be reduces to 2 times a year
5-Jun-15	INCA Report	Yes
5-Jun-15	Quarterly Budget Statement for the third quarter statement ending 31 March 2015	Yes
5-Jun-15	Minutes of the Risk Management Committee	Yes
5-Jun-15	ICT Policy	Yes
5-Jun-15	Shared Services	Yes

2.8.1 PERFORMANCE AND AUDIT COMMITTEE REPORT

Speaker, Mr. Mayor, The Honourable Alderman Punt, Members of Council, The Municipal Manager, Directors, Ladies and Gentleman, it is my duty to deliver the annual report of the Performance Audit and Audit Committee to Council for the financial year ending 30 June 2015.

Performance- and Audit Committee

As a statutory, independent committee its duties and responsibilities are clearly articulated in the Municipal Finance Management Act, Act 56 of 2003 and the Audit Committee Charter as approved by Council.

The Performance Audit and Audit Committee consisted of four (4) independent members who are all appropriately qualified, who are financially literate and who are acquainted with the Risk Management discipline.

The committee has held 7 (seven) meetings during the financial year under review. These meetings were well attended by Committee Members, the Municipal Manager, Directors, Members of the Audit Team and Representatives from the Auditor-General's Office, Chairperson of the Finance Portfolio Committee and two Councillors nominated by Council to attend the meetings.

The committee went on a field trip on 15 May 2015 and visited the following capital projects and sites:

1. Villiersdorp Sport Grounds
2. Villiersdorp Waste Water Treatment Plant
3. Karwyderskraal

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4. Bergsig Mini Sport Club House
5. Caledon Sewerage Plant

DATES OF PERFORMANCE AUDIT AND AUDIT COMMITTEE MEETINGS:

28 August 2014
29 August 2014
26 September 2014
05 December 2014
20 January 2015
06 March 2015
05 June 2015

Name of Member	Number of Meetings Attended
GN Lawrence (Chairperson)	7
A Pienaar	7
BH van Staaden	7
DWJ Jacobs	7

The Performance Audit and Audit Committee conducted self-assessments during March 2015 in order to measure its performance. Input from Management was part of the assessment process. The results of the performance was reviewed and discussed at the Performance Audit and Audit Committee Meeting of 5 June 2015.

The Effectiveness of Internal Control

We have reviewed the reports of the Internal Auditors. Other than the matters highlighted below, no material deficiencies in the system of internal control were noted.

During the year key control deficiencies were noted by Internal Audit in the following areas:

- Distribution Losses
- Slow or No Recovery of Potential Revenue
- Supply Chain Management
- Inventory
- Solid Waste
- Backlog in Infrastructure

Corrective actions have been agreed by management and are being monitored by the Performance Audit and Audit Committee.

Risk Management

The Performance Audit and Audit Committee is well informed and satisfied with reports regarding the Status of Risk Management in TWK.

The revision of the identified risks was done during March 2015.

The Risk Management Implementation Strategy along with the Risk Management Policy serves as induction documentation for new employees. Constant interaction with Departments in terms of risk contributes towards risk awareness.

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The IDP plays a fundamental role in this regard and should be reflected in the Annual Risk Assessments.

Performance Evaluations of Section 57 Appointments

The Chairperson of the Performance Audit and Audit Committee attend the annual performance evaluations of the Section 57 appointments and was satisfied with the course of the event.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the draft Annual Financial Statements to be included in the Annual Report, with the CFO and the Accounting Officer;
- reviewed the processes for compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the annual report;

Internal Audit

In terms of the IIA (Institute of Internal Auditors) standards, the Internal Audit unit must undergo an internal quality assessment. In March 2015 the Performance Audit and Audit Committee and the Management Team evaluated the Internal Audit Unit.

In general the Performance Audit and Audit Committee is satisfied with the performance of the Internal Audit Unit.

In line with the MFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by a risk based Internal Audit plan, internal audit assessing the adequacy of controls mitigating the risks and the audit committee monitoring implementation of corrective actions.

The Internal Audit Unit conducted 27 investigations during the year under review.

56 Findings were made of which 18 were regarded as significant (serious)

The remaining 38 findings were regarded as housekeeping i.e. minor transgressions which could easily be rectified.

The following internal audit work was planned and completed during the year under review:

- Supply Chain Management 4th Quarter 2013/2014
- MFMA Compliance
- Allowances Audit
- Low or No Productivity
- Cost of Compliance
- Solid Waste 1st Quarter 2014/2015
- Supply Chain Management 1st Quarter 2014/2015
- Inventory Audit 1st Quarter 2014/2015
- Backlog in Infrastructure
- Disaster Management
- Solid Waste 2nd Quarter 2014/2015
- Lack of Accurate Date
- Inventory Audit 2nd Quarter 2014/2015
- Supply Chain Management 2nd Quarter 2014/2015
- Performance Management Review

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- Distribution Losses
- Solid Waste 3rd Quarter 2014/2015
- Inventory Audit 3rd Quarter 2014/2015
- Influx of People
- Supply Chain Management 3rd Quarter 2014/2015
- Municipal Systems Act Compliance
- Solid Waste 4th Quarter 2014/2015
- Inventory Audit 4th Quart 2014/2015
- Slow or No Recovery of Potential Revenue
- Maintenance on Proclaimed Roads
- Funding Received for Grabouw Potholes
- Funding for Provision of Link Services to Riemvasmaak

Appreciation

The Audit Committee wishes to express its appreciation to the Management of the Municipality and the Internal Audit Unit for the co-operation and information they have provided to enable us to compile this report.

Mr. GN Lawrence

Chairperson of the Performance- and Audit Committee

November 2015

2.9 SUPPLY CHAIN MANAGEMENT

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The Local Government: Municipal Finance Management Act, No 56 of 2003, MFMA) requires the municipality to have and implement a Supply Chain Management Policy (SCM Policy) which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.

The accounting officer submits a report on the implementation of the SCM policy monthly to council.

Council has duly delegated the implementation of the Supply Chain Management Policy to the Accounting Officer who is responsible for taking all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices

Supply Chain Management processes

The following thresholds are currently being adhered to in order to support the strategic and operational commitments of the municipality:

- a. Petty cash purchases, up to a transaction of value of R200.00(vat included);
- b. 1(One) written or verbal quotation for procurements of a transaction value up to R2,000.00 (VAT included)

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- c. 3 (Three) written quotations for procurements of transaction value form R2,000.01 up to R30,000.00 (VAT included)
- d. 3 (Three) formal written price quotations for procurements of a transaction value over R30,000.00 up to R200,000.00 (VAT included); and
- e. A Competitive Bidding Process For-
 - i. Procurements above a transaction value of R200,000.00 (VAT included); and
 - ii. The procurement of long term contracts

2.10 BY-LAWS

By-laws Introduced during Year 2014/15					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
Tariff Bylaw		Yes	08/07/2014	Yes	10/10/2014
Credit Control and Debt Collection Bylaw		Yes	08/07/2014	Yes	07/11/2014
Special Rating Areas Bylaw		Yes	01/05/2014	Yes	25/03/2015
	Bylaw relating to the impoundment of animals	Yes	16/12/2014	Yes	12/05/2015
	Bylaw on liquor trading days and hours	Yes	16/12/2014	Yes	12/05/2015
Air Quality		Yes			
	Cemetery	Yes			
	Parks	Yes			
	Nature Reserves	Yes			
Vliegveld		Yes			
Gemeenskap en brand veiligheid		Yes			
Waste Management		Yes	23-Jan-15	Pending	Pending
	Electrical	Yes	Unknown	Pending	Pending
	Liquor Trading Days and Hours By-Law	Yes	8 July 2014 - 6 August 2014 & 16 December 2014 - 23 January 2015	Yes	12-May-15
By-law on Municipal Land Use Planning		Yes	6 May 2015 - 24 June 2015	Yes	20-Jul-15
Note: See MSA section 13.				T2.9.1	

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2.11 WEBSITES

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:

Municipal Website : Content and Currency of Material

Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	2014/15 Draft budget - 15/4/2014 2014/15 Annual budget - 12/6/2014 2014/15 Adjustment budget - 13/3/2015
All current budget-related policies	Yes	17-Jun-14
The previous annual report (Year 2013/14)	Yes	20-Mar-15
The annual report (Year 2014/15) published/to be published	Yes	29-Mar-16
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2014/15) and resulting scorecards	Yes	31-Jul-15
All service delivery agreements (Year 2014/15)	Yes	Monthly as per policy
All long-term borrowing contracts (Year 2014/15)	Yes	Monthly as per policy
All supply chain management contracts above a prescribed value (R 30 000) for Year 2014/15	Yes	Monthly as per policy
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 2014/15	N/A	
Contracts agreed in Year 2014/15 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A	
Public-private partnership agreements referred to in section 120 made in Year 2014/15	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2014/15	Yes	Quarter 1 - 17/10/2014 Quarter 2 - 22/01/2015 Quarter 3 - 27/05/2015 Quarter 4 - 23/07/2015

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CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

This will provide information on the functional and strategic performance of the municipality and will indicate how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical.

The functional performance of the municipality provides comprehensive information on the implementation of the SDBIP and relevant Functional Areas reporting schedules.

The key functions of the Municipality are as follows:

Municipal Functions	
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Fire fighting services	No
Local tourism	Yes
Municipal airports	No
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	Yes
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
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes

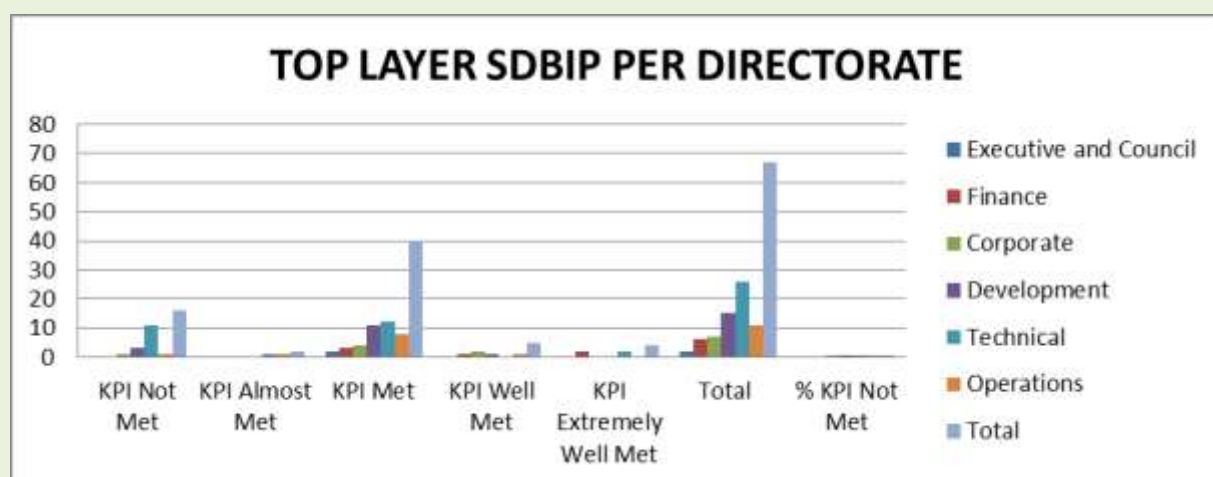
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MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the strategic achievement of the 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).

The table below depicts the performance achieved against the Top Layer per directorate:

	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met	Total	% KPI Not Met
Executive and Council			2			2	0%
Finance			3	1	2	6	0%
Corporate	1		4	2		7	14.29%
Development	3		11	1		15	20.00%
Technical	11	1	12		2	26	42.31%
Operations	1	1	8	1		11	9.09%
Total	16	2	40	5	4	67	23.88%



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The following table explains the method which the overall assessment and actual performance against targets set for the key performance indicators (KPI's) of the SDBIP are met.

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

The final SDBIP differs somewhat to the original SDBIP.

The Top Layer SDBIP and its targets cannot be revised without notifying the council therefore all changes made in service delivery targets and performance indicators must be done with the approval of the council, following approval of an adjustments budget.

Council approval is necessary to ensure that the Mayor or Municipal Manager do not revise targets downwards in the event where there is poor performance.

The following elements necessitated the revision of the SDBIP:

The adjustment budget:

The adjustment budget was tabled and adopted by council on 19 February 2015.

Auditor general's recommendation on the 2013/14 Performance Audit.

The revision process was as follows:

One on one sessions were held with all the directors and their heads of departments were KPIs to ensure consistency with planned objectives, indicators, targets and also to ensure that the KPI's and targets set are based on the SMART principles.

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A. EXECUTIVE AND COUNCIL

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Year-To-Date As At June 2015				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL1	Office of the Municipal Manager	Improved Communication and community involvement	Good Governance and Improve the auditing status of the Municipality	Good Governance	Develop a Customer Care Strategy (include roll-out plan)	Strategy adopted by council	New	1	1	Stand-Alone	1	1	G	Target Achieved: Client Care Strategy was developed and approved by management, Executive Mayor and Committee and Council on 30 October 2014. REF:C125/2014	
TL2	Office of the Municipal Manager	Improved Communication and community involvement	Good Governance and Improve the auditing status of the Municipality	Good Governance	Review of Communication Strategy	Reviewed Strategy adopted by council	1	1	1	Carry Over	1	1	G	Target Achieved: Adopted by Council 17 June 2015. Ref Number: SC24/2015	

B. DIRECTORATE FINANCE

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL3	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Compile Plan to address AG audit findings annually	Plan Completed	1	1	1	1	1	G	Target Achieved: The audit action plan was tabled at the management meeting on 13th February 2015. M36/2015	
TL4	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Submit bi-annual financial statements to Audit Committee	Number of Statements submitted	1	2	2	2	2	G	Target Achieved: Meeting was held on 28 August 2014.	
TL5	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Achieve a payment percentage of 95% by the end of 2017	Payment%	86	90%	90%	90%	90%	G	Target Achieved: July 2014: Payment =34% August 2014: Payment = 64% Sept 2014: Payment = 80% Oct 2014: Payment = 89% Nov 2014: Payment = 89% Dec 2014: Payment =89% Jan 2015:Payment =89% Feb 2015: Payment =89% March 2015:Payment =90% April 2015: Payment =89% May 2015: Payment=90% June 2015: Payment=90%	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Department al Corrective Measures
TL6	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) The eventual target for this ratio is 30%.	Ratio achieved	50	54%	54%	54%	51.2%	B	Target extremely Well Achieved: TL6 is calculated as outstanding debtors expressed as a percentage of revenue for 2014/15: Outstanding Debtors – R116,906m Revenue – R228,196m	
TL7	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) The eventual target for this ratio is three times.	Ratio achieved	1	1	1	1	1.8	B	Target Extremely well Achieved:	
TL8	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue- operating grants received)/debt service payments due within the year) (%) The eventual target for this ratio is 12.	Ratio achieved	11	11	11	11	15	G2	Target Well Achieved.	

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C. DIRECTORATE CORPORATE

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL9	Corporate Services	Improved IT service and infrastructure	Refine and improve the institutional capacity of the municipality	Institutional Development	Review two identified ICT policies annually and submit drafts to council for approval	Number of policies reviewed and submitted to council	New	2	2	2	0	R	Target not Achieved: The implementation/approval of 2 policies will not realise in this financial year.	The MCGICT was sent to all municipalities in Circular 6 of 2015 (COGTA), which informs the policies that needs to be approved by municipalities. Due to the massive amounts of policies that needs to be implemented in the first phase, it is highly unlikely that these policies will be approved in this financial year, taken into account the policy approval processes in the municipality.
TL10	Corporate Services	Improved IT service and infrastructure	Refine and improve the institutional capacity of the municipality	Institutional Development	Replace redundant computers	Rand value of approved budget spent	R300 000	R 300,000	R 300,000	R 300,000	R 318,000.61	G2	Target Well Met: Systems were delivered and invoiced.	
TL11	Corporate Services	Implement outcome based training strategies and programmes	Refine and improve the institutional capacity of the municipality	Institutional Development	Implement the workplace skills plan annually	60 % of personnel identified trained	50	60%	60%	60%	69%	G2	Target Well Met: Total of employees that was planned = 328 Total of employees that has been trained = 227 The total percentage of employees that has been trained = 69%	
TL12	Corporate Services	Continuous review of policies and delegations and by-laws	Refine and improve the institutional capacity of the municipality	Institutional Development	Review two identified policies annually and submit drafts to council for approval by end June	Number of policies reviewed and submitted to council	New	2	2	2	2	G	Target Achieved: 2 Policies has been identified and approved by council. The Travel and Subsistence Policy was reviewed and approved by Council on 26 March 2015 (SC04/2015) Recruitment and Selection Policy was reviewed by Council on 17 June 2015. (SC26/2015)	
TL13	Corporate Services	Conduct a productivity assessment	Refine and improve the institutional capacity of the municipality	Institutional Development	Project Manage the Organisational Design process as per identified areas	Outcome report presented to management	New	1	1	1	1	G	Target Achieved: The final report regarding the progress in respect of the OD investigations undertaken by SA Business Hub was submitted to management on 03 October 2014. REF: M226/2014	
TL14	Corporate Services	Continuous review of policies and delegations and by-laws	Refine and improve the institutional capacity of the municipality	Institutional Development	Review and update delegations annually	Updated delegations	New	1	1	1	1	G	Target Achieved: Comments and inputs have been received from departments and have the revised Delegation system been submitted to Management and will be approved by Council. Delegation register approved by Council on 25 June 2015.REF:C61/2015	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL15	Corporate Services	Continuous review of policies and delegations and by-laws	Refine and improve the institutional capacity of the municipality	Institutional Development	Review and update Council's role and responsibilities annually	Reviewed Council's roles and responsibilities	1	1	1	1	1	G	Target Achieved: The roles and responsibilities policy have been circulated and was no inputs received. The policy have been submitted to Council and will it be approved by Council in May. Roles and responsibilities policies approved by Council on 25 June 2015. REF: C62/2015. The policy will be workshopped in August	

D. DIRECTORATE DEVELOPMENT

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL43	Development Services	Continuous review of policies and delegations and by-laws	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Approval of Policy for Hotels/Guest Houses and B&B's	Approved Policy	New	1	1	1	0	R	Target not achieved: Policy was referred back. Task team established to assist with legalities and the risk of current processes and draft an SOP + Policy in line with National Act.	The policy is in draft form and will serve at next council meeting as part of the approval process of the policy.
TL44	Development Services	Day to Day Service Delivery	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Complete Land Audit of commonages	Report to council	New	1	1	1	1	G	Target Achieved: Land audit tabled and adopted by Council 30th April 2015.	
TL45	Development Services	Provision of economic and social facilities	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Draft a marketing plan for Victoria Hall	Approved plan	New	1	1	1	1	G	Target Achieved: The marketing plan was presented and adopted by Management and Mayco on the 27th October.	
TL47	Development Services	Vigorous driving and management of projects of the financial sustainability steering committee	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Implementation of Land Disposal Strategy (Revised Target)	Biannual Report of income generated	2	2	2	2	1	R	Target not achieved: The report was submitted to Portfolio Meeting dated the 3rd of February 2015. DEV02/2015 The report has been approved by Council on the 24th of February 2015. June: 2nd Report will be tabled to Management on 10 July 2015.	No Portfolio meeting were scheduled in July. Next Portfolio Committee meeting in August 2015.

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL48	Development Services	Provision of economic and social facilities	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Establishment of TWK Sports Council	Approved Terms of Reference	New	1	1	1	1	G	Target Achieved: Sports Council TOR was adopted by Management on 29 May 2015. Ref: M146/2015	
TL49	Development Services	Ensure unbiased allocation of housing opportunities	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Approval of Informal Settlement Management policy	Approved Policy	New	1	1	1	1	G	Target Achieved Policy approved. REF:SC09/2015	
TL50	Development Services	Implementation of the Human Settlements Program which includes programs such as IRDP, EHP & EPHP) & Provision and Implementation of serviced sites	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Report on status of conveyencing implementation plan	Number of reports on status of transfers	New	4	2	2	2	G	Target Achieved: Quarterly Report was at portfolio on 07 October 2014. Ref: Dev47/2014 Quarterly Report served at the March Development Portfolio Committee. (DEV/07/2015)	
TL53	Development Services	Vigorous driving and management of projects of the financial sustainability steering committee	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Establishment of Land Use Planning Tribunal	Approved Terms of Reference	New	1	1	1	1	G	Target Achieved: Approved at Council. REF: SC31/2015	
TL54	Development Services	Vigorous driving and management of projects of the financial sustainability steering committee	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Establishment of Land Use Planning Appeals Authority	Approved Terms of Reference	New	1	1	1	1	G	Target Achieved: Approved by Council - REF: SC31/2015	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipa I KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL55	Development Services	Vigorous driving and management of projects of the financial sustainability steering committee	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Approval of Land Use Planning by-law inclusive of Integrated Zoning scheme	Approved by-law	1	1	1	1	1	G	Target Achieved: Approved by Council. REF:SC31/2015	
TL56	Development Services	Continuous review of policies and delegations and by-laws	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Approval of Events Policy	Approved Policy	New	1	1	1	0	R	Target not Achieved: The events policy was referred back from Management due to the fact that the Bylaw has to be finalised.	A Task team was established to discuss the thorny issues around the policy.
TL57	Development Services	Continuous review of policies and delegations and by-laws	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Review of Liquor by-law	Approved by-law	1	1	1	1	1	G	Target Achieved: The Bylaw was promulgated in the Government Gazette on 12 May 2015 (<i>June 2015</i>)	
TL58	Development Services	Implementation of the Human Settlements Program which includes programs such as IRDP, EHP & EPHP) & Provision and Implementation of serviced sites	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Implementation of Housing Pipeline	% of budget spent in line with pipeline	New	100%	100%	100%	87%	R	Target not achieved: Actual expenditure was R67 578 059 over the R77 300 000 budgeted expenditure	Expedite the claiming and payment process
TL62	Development Services	Continuous review of policies and delegations and by-laws	Good Governance and Improve the auditing status of the Municipality	Good Governance	Review of PMS Policy	Council Approval	1	1	1	1	1	G	Target Achieved: Policy was adopted on 17 June 2015. REF:SC29/2015 (<i>May 2015</i>)	
TL64	Development Services	Day to Day Service Delivery	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Submission of a Technical Report to MIG for the upgrade of Pine View Park Sports facility	MIG Submission	New	1	0	1	1	G	Target Achieved: Submission was done on the 26 June 2015 on MIG system.	

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E. DIRECTORATE OPERATIONS

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL35	Operational Services	Infrastructure and bulk upgrades	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Implement water saving initiatives in all towns	Number of initiatives per town	8	8	8	8	9	G2	Target Well Achieved: November: Minutes of Portfolio 08 Oct 2014 meeting attached. 1 - Bulk meters replaced in Caledon; 2 - Fixing of leaking taps and toilets in Villiersdorp; 3 - water saving article in newsletters 4. Replace bulk water meters in Genadendal and Greyton 5. Caledon: Libraries disseminated information regarding water savings and all water points were checked to ensure that all water is metered in order to limit water loss. 6. Grabouw: Water savings information was disseminated by Libraries and children in particular were taught to save water. The Palmiet river was also cleared of all litter and rubbish. 7 RSE: An action was launched to ensure that all water points are metered to limit water loss. Leaking valves and taps were also replaced. School learners were also informed on water statistics.8. Greyton/Genadendal: Water savings pamphlets were distributed 9. Villiersdorp: Water savings pamphlets were distributed	
TL36	Operational Services	Infrastructure and bulk upgrades	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Develop scheduled maintenance programs per town with respect to water networks, sanitation networks, Roads & Stormwater, Sports and buildings.	Number of Maintenance Programs	5	5	5	5	5	G	Target Achieved: NOTULE VAN OPERASIES KOMMITEE VERGADERING 06 AUG 2014 AANGEHEG. ONDERHOUDSPLANNE VIR JUL-SEP2014, SOOS PER DORP UITEENGESIT EN SOOS VOORGELE BY PORTFOLIO KOMITTEE, AANGEHEG.	
TL37	Operational Services	Infrastructure and bulk upgrades	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrading of chlorine installation plants- Greyton/Genadendal	Number of plants	2	2	2	2	2	G	Target Achieved: COMPLETION CERTIFICATE ATTACHED (December 2014)	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL38	Operational Services	Infrastructure and bulk upgrades	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Review of water networks, Sanitation networks and water & sanitation SOP's	Number of SOP's adopted and workshopped with staff	3	3	3	3	3	G	Target Achieved: The SOP's were work-shopped by Director, Town Managers and Technical Officers.	
TL39	Operational Services	Implementation of Law Enforcement Strategy	Increased community safety through traffic policing, bylaw enforcement and disaster management	Basic Service Delivery	Submit quarterly progress reports on the implementation of the law enforcement strategy to the portfolio committee for public safety	Number of reports submitted	4	3	3	3	3	G	Target Achieved: Minutes of Portfolio meetings attached. REF: OP22/2014, OP04/2015, OP14/2015	
TL40	Operational Services	Continuous review of policies and delegations and by-laws	Increased community safety through traffic policing, bylaw enforcement and disaster management	Basic Service Delivery	Approval of Reward policy wrt reporting of vandalism by October 2014	Approved Policy	1	1	1	1	1	G	Target Achieved: MINUTES OF COUNCIL MEETING 24 FEB 2015 ATTACHED. APPROVAL OF REWARD POLICY. C19/2015	
TL41	Operational Services	Roll out of a traffic policing intensification project	Increased community safety through traffic policing, bylaw enforcement and disaster management	Basic Service Delivery	Drafting of new By-Law (Law enforcement)	number approved by council	1	1	1	1	1	G	Target Achieved: Bylaw approved by Council. REF:C38/2015 (<i>April 2015</i>)	
TL42	Operational Services	Roll out of a traffic policing intensification project	Increased community safety through traffic policing, bylaw enforcement and disaster management	Basic Service Delivery	Establishment of animal Pound	Functional Pound	New	100%	100%	100%	100%	G	Target Achieved: Animal Pound completed.	
TL59	Operational Services	The replication of sustainable concepts and methodologies developed as part of the Grabouw Sustainable Development Initiative	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Develop VPUU Implementation Plan	approved plan	new	1	1	1	1	G	Target Achieved: VPUU Implementation plan developed and submitted to Management Committee on 26 September 2014. The VPUU Community Action Plan (CAP) has been included as an attachment to the Implementation Protocol that was signed by the Mayor and Municipal Manager. The plan will be updated from time to time as projects evolve. Funding received through the DORA allocation for implementation	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL60	Operational Services	The replication of sustainable concepts and methodologies developed as part of the Grabouw Sustainable Development Initiative	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Signed cluster agreements with consultants (expression of interest)	2 signed agreements	new	2	2	2	0	R	Target not achieved: At the Steering Committee meeting held on 9 December 2014 it was resolved that: 1. Separate agreements for the different projects need to be entered into. 2. Focus needs to be on "low hanging fruit" first in order to build momentum. The Legal Department has amended the umbrella agreement which will serve before council in April for approval of the addendum. Cluster Agreements cannot proceed, as there is difference of opinion (interpretation) in terms of the process of obtaining valuations and the fair market value of the identified land. Until agreement is reached in this matter, cluster agreements cannot be signed.	The cluster agreements will only be entered into once there is consensus on the market price for properties question. Detailed process plan is being developed to establish all relevant steps in the process prior to commencing with the cluster agreements.
TL61	Operational Services	The replication of sustainable concepts and methodologies developed as part of the Grabouw Sustainable Development Initiative	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Develop community safety implementation plan	approved plan	new	1	1	1	1	G	Target Achieved: The Community Safety Implementation plan was submitted to Management on 26 September 2014. The plan is in the implementation phase with support from the VPUU team as well as the Department of Community Safety. A successful Crime Prevention Information Imbizo was held in Grabouw on 24 March 2015 in collaboration with the Department of Correctional Services. The Imbizo was well supported by all NGO's as well as other Government Departments. REF:M223/2014	

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F. DIRECTORATE TECHNICAL SERVICES														
Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL16	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Approval of an Integrated Infrastructure Maintenance Plan	Portfolio Approval	1	1	1	1	1	G	Target Achieved: Maintenance plan was submitted to Portfolio on 09 Feb 2015. Ref:TEC01/2015	
TL17	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Electrification of Site Saviva	Number of connections	100	200	200	200	188	O	Target Almost Met: Initial proposed amount was for 200 houses. This was reduced to 188 houses completed according to the tender documents.	Die uitleg van die terrein is verander omrede daar 'n 11 kV lyn van Eskom oor die een hoek van die gebied loop. Die erwe het verminder en is slegs 188 huise gebou .
TL18	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Revision of the Electricity Master Plan for Theewaterskloof	Number of plans	1	1	1	1	1	G	Target Achieved: Adopted by council. REF SC25/2015	
TL19	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Review of the electricity by-law	Number of by-laws	New	1	1	1	0	R	Target not Achieved:	Will only be adopted by council by end of July2015
TL20	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Revision of the Integrated Waste Management Plan	Plan revised	1	1	1	1	1	G	Target Achieved: The IWMP 3rd Generation have been adopted by council on the 24th of February 2015. Ref C14/2015	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL21	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade the existing bulk water storage through the construction of a reservoir and related connecting pipework for Grabouw (excluding the rising main from treatment plant to reservoir) Revised	Phases completed as per project plan	100	100%	100%	100%	0%	R	Target not achieved: The adjudication process has begun. The Employer (TWK) reply to the Contractor's claims has been submitted to the adjudicator. The adjudication process has been concluded. The adjudicator will however only release his determination on receipt of proof of payment. Payment will be made within the first week of June, where after the adjudicator's findings will be discussed with the contractor and the way forward with the project determined. The reservoir has not been completed. As of 30 June, the contractor has not returned to site, but has indicated that he will do so by 6 July 2015	The matter will be dealt with in terms of the provisions in the contract. Should the contractor not return to the site to complete the remedial and outstanding work, then the possibility of replacing the contractor with another will be persued
TL23	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works	Completion of phase 2 as per project plan	100	100%	100%	100%	100%	G	Target Achieved: Preceding comments provided (July-December) were related to phase 3 which shouldn't have been dealt under this TL23. Only comments on phase 2 should have been provided. The mechanical part of the contract has reached completion in November 2014.	
TL24	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Villiersdorp Waste Water Treatment Works	completion as per project plan	100	100%	100%	100%	100%	G	Target Achieved: Half of the retention withheld from payments made to date has been released to the contractor, following the issuing of the completion certificate in February Civil works completed, see completion certificate attached in February Project completed	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL25	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Roads upgrades as per project implementation plan	Bi-annual reporting to portfolio	2	2	2	2	1	R	Target not Achieved: All roads have been completed and the related report submitted to portfolio committee. REF: TEC11/2015	
TL27	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Limit water losses to less than 15%	% of unaccounted for water	15	15%	15%	15%	24%	R	Target not Achieved: July - 22.5% August - 23.8% September -23.7% October -23.3% January - 21.6 February - 21.6% March - 20.2%. April - 22.1% May - 21% June - 24%	Correct calculation of prepaid water usage. Implementation of WDWCM Strategy and Water Reduction Plan. Replacing and repairing of Bulk and Zone meters.
TL28	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Report on the water loss reduction initiatives as per project plan	Quarterly reporting to portfolio	New	3	3	3	1	R	Target Not Achieved: Feedback report on initiatives taken to reduce water losses for this quarter. - Report to Technical Committee Meeting attached. Installation of 5 water management devices (meters) at the New Site Saviva Development as a pilot program. This WMD enable leak and tamper detection and remote data capture and meter control which in turn will prevent wastage and loss of treated water. The procurement and installation of 400 Water management devices to enable leak and tamper detection and to dispense a fixed daily quantity of water, thereby providing the ability to limit a consumer to a finite or pre-negotiated level of supply. This provides the consumer with at least a basic level of	See Report. Minutes will be used as mitigation or corrective measures Report on Water loss initiatives that have been introduced, to Council for the Quarter April 2015 to June 2015. Implementing the approved Water Demand Action Plan Implementation of WDWCM Strategy and Water Loss Reduction Plan

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
													service. This also prevents wastage and loss of treated potable water. REF: TEC10/2015	
TL29	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Limit distribution losses for electricity to below 8.4%	% of unaccounted for electricity	8.4	8.40%	8.40%	8.40%	4.67%	B	Target Extremely Well Achieved: Target Well Achieved - 4.67%	
TL30	Technical Services	Manage the municipality's natural resources (Reserves, public open spaces, waterways)	Improved environmental management	Basic Service Delivery	Development of maintenance plans for Nature Reserves	Plans completed	1	1	1	1	1	G	Target Achieved: Maintenance plan was submitted to Portfolio on 04 March 2015. Ref: TEC07/2015 Hard copy available at office.	
TL31	Technical Services	Manage the municipality's natural resources (Reserves, public open spaces, waterways)	Improved environmental management	Basic Service Delivery	Revision and/or development of environmental bylaws in accordance with the Environmental Management Plan	Number of bylaws	1	1	1	1	2	B	Target Extremely Well Achieved: 2 bylaws has been submitted and approved by council. C64/2015- AERODROMES BYLAW C63/2015- NATURE RESERVES BYLAW	
TL32	Technical Services	Manage the municipality's natural resources (Reserves, public open spaces, waterways)	Improved environmental management	Basic Service Delivery	Alien Eradication Management Plan	Approved plan	1	1	1	1	1	G	Target Achieved: Alien Eradication management plan was submitted and adopted by Management on the 18 May 2015. Ref: M131/2015	
TL33	Technical Services	Manage the municipality's natural resources (Reserves, public open spaces, waterways)	Improved environmental management	Basic Service Delivery	Disaster Risk Management Plan	council approval	1	1	1	1	1	G	Target Achieved: Disaster plan forms part of IDP and was adopted by council. Ref:C53/2015	
TL34	Technical Services	Manage the municipality's natural resources (Reserves, public open spaces, waterways)	Improved environmental management	Basic Service Delivery	Approved Air Quality Management Plan (AQMP)	council approval	1	1	1	1	1	G	Target Achieved: Air Quality Plan Adopted by Council. C34/2015	
TL65	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the existing stormwater network to accommodate additional stormwater runoff from the Villiersdorp housing project.	Phase complete as per project plan.	New	100%	0%	100%	100%	G	Target Achieved: Project completed	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL66	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment works Phase	completion of phase 3 as per project plan	New	100%	0%	100%	0%	R	Target not Achieved: 3rd Quarter: - The mechanical electrical tender for the TWK own funded items related to the phase 3 upgrade of the Grabouw WWTW will close 10 April. Purchasing of an electric chipper and upgrades to existing process equipment. 4th Quarter: - No tenders were received for the mechanical electrical contract related to this KPI. The contract will have to be re advertised, and given the elapsed time, implementation in 2014/15 is impossible. It is therefore requested that this KPI be rolled over to 2015/16. This also has a bearing on KPI TL67 where the civil contractor was required to build a structure to house odour control equipment sourced from the mechanical electrical contract, mentioned herein. This structure can only be built in 2015/16, once the mechanical tender is re advertised. The mechanical electrical tender has been re advertised- 22 May 2015. Please note the request to roll over the KPI due to the re advertising and insufficient time left for implementation in the financial year- tender closes 26 June 2015. Milestone not reached due to re advertising of the mechanical electrical tender as commented on in previous months.	The KPI related to this project must be moved to 2015/16 and the unspent funding rolled over.

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL67	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment works phase3. RBIG funded project	completion of phase 3 as per project plan	new	100%	0%	100%	0%	R	Target not Achieved: Two tenders were received for the RBIG funded civil structural works ie portal frames to house the composting equipment and fine screens, and the building of a chamber to house odour control equipment. The latter is related to TL66, as commented on in April. Having received no tenders for the odour control equipment, the chamber cannot be built in 2014/15. It is requested that this element of KPI TL67 be rolled over to 2015/16 for implementation once an offer for the odour control equipment has been secured The SCM evaluation process has been delayed by feedback requested from Department of Trade & Industry (DTI). DTI feedback was received late and has lengthened the evaluation by SCM in that it requires SCM to obtain additional information from the two tenderers. The delay in adjudicating the tender now affects the implementation of this KPI in its entirety. Note the request from comments submitted in April related to the construction of the odour control chamber. We now request that this KPI be rolled over as circumstances beyond the control of the end user has left insufficient time with which to successfully implement the	The tenderers have extended the validity of their offers to allow for the conclusion of the SCM evaluation and adjudication processes. We request that this KPI and available funding be rolled over for implementation in 2015/16 (<i>June 2015</i>)

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
													Scope. Target not reached. Due to the delays reported on in previous months, SCM evaluation of the tenders has not been finalised and no award has been made. <i>(June 2015)</i>	
TL68	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Villiersdorp Waste Water Treatment Works.	completion as per project plan	New	10%	0%	10%	10%	G	Target Achieved: The mechanical electrical contractor's activities as commented on in March have continued in April. Manufacturing of mechanical electrical equipment continued in May Progress payment in excess of 10% of the targeted cashflow has been achieved. Site work is due to start from 30 July onward	The target of 10% relates to the projected cashflow at the end of June 2015. The scope of work has not been completed, and implementation will continue in 2015/16
TL69	Technical Services	Improved Communication and community involvement	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	2nd Phase construction of the Villiersdorp Sports Ground	Phases completed as per contractors programme	New	100%	0%	100%	0%	R	Target not Achieved: Construction has progressed as reported by the contractor in the attached site meeting minutes The contract is one day behind the submitted program, however this does not endanger the completion of the rugby field, netball court, access road, parking and fencing by 30 June. See minutes of the 4th site meeting attached The ablution building has not been completed. All other work related to this phase, ie the netball courts, rugby field with irrigation and subsurface drainage, fencing, access road and parking area has been completed, although a practical completion certificate has not been issued. Once snags on the completed works have been corrected satisfactorily, a	The contractor has been granted an extension of time to complete the ablution building by 30 August.

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
													practical completion certificate will be issued	
TL74	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works: High Security perimeter fence.	completion of phase 3 as per project plan	New	100%	0%	100%	100%	G	Target Achieved: The fence has been completed and a practical completion certificate issued to the contractor.	
TL75	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works: Upgrade of Internal roads network.	Completion of phase 3 as per project plan.	New	100%	0%	100%	0%	R	Target not Achieved: Upgrading of the internal roads network is in progress. The upgrading of the internal roads network continued in May. Project not completed by 30 June.	The road will be completed by municipal staff during the new financial year
TL76	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works: Reinstatement of maturation ponds.	Completion of phase 3 as per project plan.	new	100%	0%	100%	0%	R	Target not Achieved: Rehabilitation of the maturation ponds is in progress. The rehabilitation of the maturation ponds continued in May. Only half of the maturation ponds could be reinstated. The excavator used to remove silted material could not effectively complete the reinstatement.	Another means of reinstating the ponds must be investigated. See picture attached

With the adjustment budget and review of the 2014/15 SDBIP the following KPIs were removed:

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Department al Corrective Measures
TL46	Development Services	Acquire land for planned integrated Human Settlements	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Process application to National Public Works to aquire land (2 portions of farm 334) for the extension of the Grabouw cemetery REVISED (KPI to be removed.)	Written agreement with Cape Pine on land use	1	1	0	0	0	N/A	REVISED (KPI to be removed.)	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Department al Corrective Measures
TL51	Development Services	Provision of economic and social facilities	Creating and enabling environment favourable for economic and human development in a sustainable manner	Local Economic Development	Coordinate the implementation of TWK community Sports Day (Fund raising) Revised/Removed	Number of events	New	1	0	0	0	N/A	Revised/Removed	
TL52	Development Services	Provision of economic and social facilities	Creating and enabling environment favourable for economic and human development in a sustainable manner	Local Economic Development	Develop Sports Fund Raising implementation plan (Removed and Replace with another KPI)	Approved plan	New	1	0	0	0	N/A	(Removed and Replace with another KPI)(TL64)	
TL63	Development Services	Continuous review of policies and delegations and by-laws	Good Governance and Improve the auditing status of the Municipality	Good Governance	Draft Human Settlements Policy Revised/ removed	Council Approval	1	1	0	0	0	N/A	KPI Removed	
TL22	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the existing Water Treatment Plant-Villiersdorp (KPI Removed)	Phases completed as per project plan	100	100%	0%	15%	0%	N/A	Target not reached due to the transfer of funding in terms of Council decision C115/2014.	
TL26	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Improved environmental management	Basic Service Delivery	Public awareness of recycling and composting Revised / Rollover to next financial year.	approved implementation plan	1	1	0	0	0	N/A	Revised and Roll Over to next financial year.	
TL70	Technical Services	Infrastructure and bulk upgrades	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works: Purchase of electric Chipper. Revised/Remove	Completion of phase 2 as per project plan.	New	100%	0%	0%	0%	N/A	Revised and Removed	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	Year-To-Date As At June 2015				
										Target	Actual	R	Departmental SDBIP Comments	Department al Corrective Measures
TL71	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works: Purchase Loader. Removed	completion of phase 2 as per project plan	New	100%	0%	0%	0%	N/A	Revised and Removed	
TL72	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works: Civil and Structural. Revised/Removed	Completion of Phase 2 as per project plan.	New	100%	0%	0%	0%	N/A	Revised and Removed	
TL73	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of the Grabouw Waste Water Treatment Works: Mechanical and Electrical work. Revised/Removed	Completion of Phase 2 as per project plan.	New	100%	0%	0%	0%	N/A	Revised and Removed	

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COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

Some of the challenges experienced are:

- Provision of basic services on a sustainable basis.
- Stimulating local economic development.
- Sound management of its financial affairs.
- Strengthening continued community participation in the affairs of Local Government.
- Provision of subsidised / low cost housing.
- Development of a social strategy.
- Growing population, unemployment and poverty.
- Continued reformation in local government.
- Backlog in infrastructure.

3.1 WATER PROVISION

3.1.1 INTRODUCTION TO WATER PROVISION

Note: Recent legislation includes the Water Service Act 1997 and the General Enabling Act 2005.

Theewaterskloof Municipality is the Water Service Authority for its service area. All residents in urban areas in the service area of the municipality have access to water services and free basic water is provided to all. It is however estimated that there might still be households on the farms in the rural areas with existing service levels below RDP standards. This estimate the service levels on the farms can only be verified through a detailed survey.

Ageing infrastructure remains one of the key focus areas for the municipality. In order to ensure that the water infrastructure delivers continues service provision in future; the Municipality compiled a pipe prioritization replacement programme. A further priority is to ensure that adequate services are available to enable future development. For this purpose master planning for water provision is kept up to date. Sourcing the required capital for extensions to water services infrastructure remains a challenge.

CONSERVATION AND DEMAND MANAGEMENT

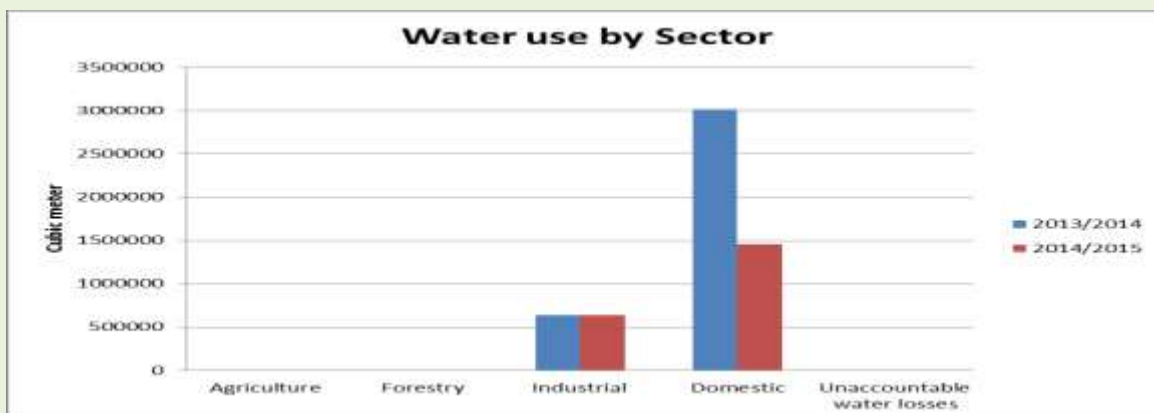
The municipality have compiled a Water Demand/Water Conservation action plan and water loss reduction plan and was adopted by Council. The purpose of the plan is to enhance the management of water services in order to achieve sustainable, efficient and 100% affordable services to all consumers.

The implementation of the plans does not only refer to measures that reduce water wastage and inefficient use, but also include measures to effectively manage and sustain efficiency targets. Some of the priority requirements are to install systems that measures and identify certain parameters such as minimum night flows and systems to enable detailed regular water audits and water balances.

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3.1.2 TOTAL USE OF WATER BY SECTOR

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2013/2014	0	0	635959	3010214	994 950kl/year-22.2%
2014/2015	0	0	634772	1457030.04	21%
					T3.1.2



3.1.3 WATER SERVICE DELIVERY LEVELS

The table below depicts the different water service delivery levels per household in all formal areas for the financial years 2011/12 to 2014/15:

Water Service Delivery Levels				
Description	Households			
	Year 2011/12	Year 2012/13	Year 2013/14	Year 2014/15
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Water: (above min level)				
Piped water inside dwelling	13 958	15 576	18 600	21 616
Piped water inside yard (but not in dwelling)	–	–	–	–
Using public tap (within 200m from dwelling)	2916	6514	6514	4833
Other water supply (within 200m)	0	0	0	0
Minimum Service Level and Above sub-total	16 874	22 090	25 114	26 449
Minimum Service Level and Above Percentage	100%	99.7%	99.8%	100%
Water: (below min level)				
Using public tap (more than 200m from dwelling)	0	0	0	0
Other water supply (more than 200m from dwelling)	0	0	0	0
No water supply	0	61	61	0
Below Minimum Service Level sub-total	0	61	61	0
Below Minimum Service Level Percentage	0.0%	0.3%	0.2%	0.0%
Total number of households*	16 874	22 151	25 175	26 449
* - To include informal settlements				T3.1.3

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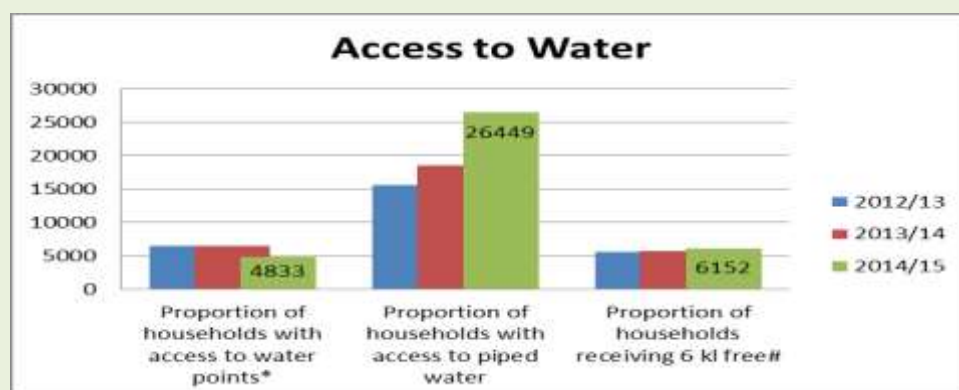
3.1.4 HOUSEHOLD WATER SERVICE DELIVERY LEVELS BELOW MINIMUM

Households - Water Service Delivery Levels below the minimum						
						Households
Description	2011/12	2012/13	2013/14	2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	16 874	22 151	25 175	26 449	26 449	26 449
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
Informal Settlements						
Total households	2916	6514	6514	4833	4833	4833
Households below minimum service level	0	61	61	0	0	0
Proportion of households below minimum service level	0%	1%	1%	0%	0%	0%
						T3.1.4

3.1.5 ACCESS TO WATER

Access To Water			
	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free#
2012/13	6514	15576	5642
2013/14	6514	18600	5719
2014/15	4833	26449	6152

* Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute
6,000 litres of potable water supplied per formal connection per month



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3.1.6 EMPLOYEES WATER SERVICES

Employees: Water Services : 521					
Job Level	Year 2013/14	Year 2014/15			
	Employees	Posts Budgeted	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	13	13	10	3	30%
4 - 6	13	13	13	1	8%
7 - 9	5	5	6	0	0%
10 - 12	3	3	3	1	33%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	34	34	32	5	16%

3.1.7 FINANCIAL PERFORMANCE: WATER SERVICES

Financial Performance: Water Distribution					
R'000					
Details	Year 2013/14	Year 2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	39,417	47,056	49,628	45,445	-8%
Expenditure:					
Employees	6,311	7,169	7,169	7,112	-1%
Repairs and Maintenance	2,646	3,083	2,933	3,037	4%
Other	29,903	31,244	29,887	27,778	-7%
Total Operational Expenditure	38,860	41,496	39,988	37,927	-5%
Net Operational Expenditure	(558)	(5,560)	(9,640)	(7,518)	-22%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.1.8

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3.1.8 CAPITAL EXPENDITURE: WATER SERVICES

Capital Expenditure Year: Water Distribution					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	9,242	5,379	2,526	-73%	
Water Upgrading V'D	400	–	–	-100%	
Water Upgrading G'B	6,842	2,361	1,342	-80%	
Prepaid Meters	2,000	2,600	817	-59%	
Basic Services	–	418	368		
<i>Total project value represents the estimated cost of the project on approval by council</i>					T3.1.9

3.1.9 COMMENT ON WATER SERVICE PERFORMANCE OVERALL

All formal households within the municipal area are provided with water connections inside the houses. Communal stand pipes are provided in informal areas as a temporary service and are above basic service delivery levels.

Various actions have been developed to ensure a sustainable water provision to the municipal area. These include the minimization of distribution losses, the increase on maintenance spending the implementation of water conservation and demand management measures.

A water reticulation network has been successfully installed in the informal settlement, Riemvasmaak in Caledon.

3.2 WASTE WATER PROVISION

3.2.1 WASTE WATER (SANITATION) PROVISION

Sewer is conveyed to the treatment works and oxidation pond systems either by a water borne collector system or a vacuum tanker service.

Sewer services are available throughout the whole service area of the Theewaterskloof Municipality and free basic sewer services are provided to be registered indigent households. Ensuring that sufficient treatment capacity is available for present and future demand is a key focus area for the municipality. Upgrading of waste water treatment works is multiyear projects.

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All the formal households in the urban areas are provided with sanitation facilities inside the houses (higher level of service). A communal ablution facility is provided in the informal areas as a temporary emergency service and is above minimum standards.

3.2.2 SANITATION SERVICE DELIVERY LEVELS

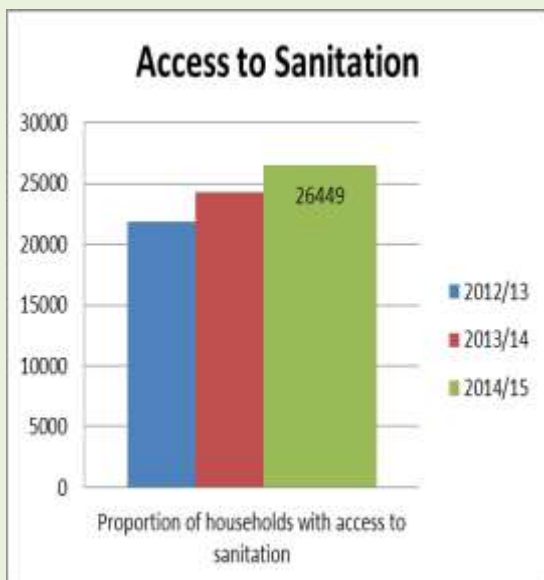
Sanitation Service Delivery Levels				
Description	*Households			
	Year -2011/12	Year 2012/13	Year 2013/14	Year 2014/15
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<u>Sanitation/sewerage: (above minimum level)</u>				
Flush toilet (connected to sewerage)	13 958	15 576	18 600	21 616
Flush toilet (with septic tank)	5 247	5 757	5 707	4 833
Chemical toilet				
Pit toilet (ventilated)				
Other toilet provisions (above min. service level)				
<i>Minimum Service Level and Above sub-total</i>	19 205	21 333	24 307	26 449
<i>Minimum Service Level and Above Percentage</i>	100.0%	97.8%	100.0%	100.0%
<u>Sanitation/sewerage: (below minimum level)</u>				
Bucket toilet				
Other toilet provisions (below min. service level)				
No toilet provisions		475		
<i>Below Minimum Service Level sub-total</i>	0	475	0	0
<i>Below Minimum Service Level Percentage</i>	0.0%	2.2%	0.0%	0.0%
Total households	19 205	21 808	24 307	26 449

3.2.3 HOUSEHOLD: SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM

Households - Sanitation Service Delivery Levels below the minimum						
Description	Households					
	2011/12	2012/13	2013/14	2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements	-	-	-	-	-	-
Total households	19 205	21 808	24 307	26 449	26 449	26 449
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
Informal Settlements	-	-	-	-	-	-
Total households	3 865	6 514	6 514	4 833	4 833	4 833
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%

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3.2.4 ACCESS TO SANITATION



Access to Sanitation	
Proportion of households with access to sanitation	
2012/13	21808
2013/14	24307
2014/15	26449

3.2.5 EMPLOYEES: SANITATION SERVICES

Employees: Sanitation Services (SEWERAGE PURIFICATION) : 414					
Job Level	`2013/14	`2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	7	7	9	1	11%
4 - 6	5	5	5	-	0%
7 - 9	2	2	2	-	0%
10 - 12	2	2	2	1	50%
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	16	16	18	2	11%

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3.2.6 FINANCIAL PERFORMANCE: SANITATION SERVICES

Financial Performance : Waste Water Management					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	23,730	25,898	26,907	25,581	-5%
Expenditure:					
Employees	6,181	6,478	6,478	6,642	3%
Repairs and Maintenance	2,875	3,393	3,836	3,612	-6%
Other	12,381	14,733	15,651	15,579	0%
Total Operational Expenditure	21,436	24,604	25,964	25,833	-1%
Net Operational Expenditure	(2,294)	(1,295)	(943)	,252	-127%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.2.8

3.2.7 CAPITAL EXPENDITURE: SANITATION SERVICES

Capital Expenditure: Waste Water Management					
Capital Projects	Year 2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	18,604	17,920	16,039	-10%	
Grabouw Waste Water Treatment Plant	7,602	7,825	6,205	-21%	
Upgrading of Villiersdorp Waste Water Treatment Works	11,002	7,895	7,746	-2%	
Upgrade Caledon bulk sewerage	—	1,750	1,670	-5%	
Basic Services - Site Saviwa	—	450	418	-7%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.2.9

3.2.8 COMMENT ON SANITATION PERFORMANCE OVERALL

The following water treatment plants are in the process of being upgraded:

- Grabouw WWTW

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- Villiersdorp WWTW

The above mentioned projects are multiyear projects.

Waterborne Sewer network have been installed in the informal settlement, Riemvasmaak in Caledon.

3.3 ELECTRICITY

3.3.1 INTRODUCTION TO ELECTRICITY

The Electrical Department is committed to supply existing and new customers with electrical energy of acceptable quality in a safe and sustainable way.

The electrification of existing formal (188) and informal settlements (230) of Site Saviwa phase 1 and 2 is an on-going project and the electrification of Westside (85) in Villiersdorp was completed. Application is made to DoE for funds to service new settlements.

Upgrades to network by installing phase 1 and phase 2 of a new 185mm² 11kv cable between Aandblom substation and Veldblom substation, will commence shortly.

New projects for 2015/16 will be high mast lighting in Grabouw and Villiersdorp as well as the upgrade of the overhead line in Villiersdorp between Caledon Street and Unie Avenue and upgrading of the main incomer 185mm² 11kv cable in Villiersdorp. Upgrading of networks in Main street Greyton, Buitekant street phase 2 in Riviersonderend and replacement of 11kv switching station at the c/o Human and Van Riebeeck street Caledon maintenance remains priority.

The project to replace credit meters with prepayment meters is completed. This project reduced distribution losses.

Eskom is delivering the service in towns of Grabouw, Botriver, Genadendal and Tesselaarsdal and part of Riviersonderend.

3.3.2 ELECTRICITY SERVICE DELIVERY LEVELS

Electricity Service Delivery Levels

Description	Households			
	Year 2011/12	Year 2012/13	Year 2013/14	Year 2014/15
	Actual No.	Actual No.	Actual No.	Actual No.
Energy: (above minimum level)				
Electricity (at least min. service level)	2 552	2 159	1 174	188
Electricity - prepaid (min. service level)	2 697	3 101	4 864	7 122
Minimum Service Level and Above sub-total	5 249	5 260	6 038	7 310
Minimum Service Level and Above Percentage	100.0%	100.0%	100.0%	87.1%
Energy: (below minimum level)				
Electricity (< min. service level)				
Electricity - prepaid (< min. service level)				
Other energy sources				1084
Below Minimum Service Level sub-total	0	0	0	1084
Below Minimum Service Level Percentage	0.0%	0.0%	0.0%	12.9%
Total number of households	5 249	5 260	6 038	8 394
				T3.3.2

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It must be noted that information on other energy sources for the financial years 2011/12 to 2013/14 was not available. In the 2014/15 financial a survey was commissioned to ascertain the level of services within informal settlements.

3.3.3 EMPLOYEES ELECTRICITY SERVICE

Employees: Electricity Services: 311					
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	2	2	2	0	0%
7 - 9	3	3	3	0	0%
10 - 12	6	6	6	0	0%
13 - 15	1	1	1	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	21	21	21	0	0%

3.3.4 FINANCIAL PERFORMANCE: ELECTRICITY SERVICES

Financial Performance : Electricity Distribution					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	69,845	75,906	75,482	75,847	0%
Expenditure:					
Employees	4,346	4,825	4,825	4,793	-1%
Repairs and Maintenance	402	2,957	1,229	1,104	-10%
Other	48,042	52,115	51,153	47,413	-7%
Total Operational Expenditure	52,790	59,897	57,207	53,310	-7%
Net Operational Expenditure	(17,055)	(16,009)	(18,275)	(22,537)	23%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.3.7

3.3.5 CAPITAL EXPENDITURE: ELECTRICITY SERVICES

Capital Expenditure Year 2014/15: Electricity Services					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	6,400	8,120	7,287	-10%	
Caledon MV Cable	2,500	2,500	2,342	-6%	
Site Saviwa Housing	3,900	3,900	3,764	-3%	
Upgrading of 11kV Network Greyton and Villiersdorp	—	1,400	1,133	-19%	
Replace Miniature Substation Kerkstraat Villiersdorp	—	320	47	-85%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T3.3.8

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Projects were completed within the allocated time and budget limits.

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYLING)

3.4.1 INTRODUCTION TO WASTE MANAGEMENT

Theewaterskloof Municipality is committed to a system of waste management that will see the least possible amount of waste going to modern engineered landfills. This will be achieved through the use of education, law enforcement and material recovery and treatment plants. New and emerging technologies, where applicable and affordable, will also play a part in overall waste management.

The analysis of the current waste management system has shown the following:

- all formal residential erven are receiving a weekly door-to-door waste collection service
- all collected municipal waste in the Riviersonderend service area is disposed at the municipality's unlicensed waste disposal site in Riviersonderend
- all collected municipal waste in the Genadendal and Greyton service areas are disposed at the municipality's unlicensed Genadendal and Greyton waste disposal sites
- all collected waste in Caledon, Tesselaarsdal and Botrivier are disposed at the municipality's licensed Caledon landfill
- all collected waste in Grabouw, Villiersdorp as well as the waste from the Public Drop-off in Botrivier are disposed at the municipality's licensed Caledon landfill
- waste recovery is not currently done
- waste avoidance is not currently addressed
- Caledon landfill, Villiersdorp and Grabouw Transfer Stations are currently externally audited for permit compliance
- the Villiersdorp landfill has been closed, but not yet rehabilitated
- New by-laws on waste management in progress

Greyton, Genadendal, Riviersonderend and Botrivier landfills are currently undergoing licensing.

Refuse collection from all households is sufficient except for farms.

External Service provider is used to collect waste from Grabouw, Villiersdorp, Botrivier and Tesselaarsdal and delivered to caledon Landfill. All other dumping of waste is done internally.

Top priorities for Waste Management is the rehabilitation of unlicensed landfill sites at Riviersonderend, Greyton and Genadendal, and the establishment of Transfer stations at these 3 towns. Waste avoidance through education and public awareness is also listed as a top priority. A leachate dam has been constructed at Caledon

Landfill, internal and external audits are done at Caledon landfill, Grabouw transfer station and Villiersdorp Transfer station.

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3.4.2 SOLID WASTE SERVICE DELIVERY LEVELS

Solid Waste Service Delivery Levels				
Households				
Description	2011/12	2012/13	2013/14	2014/15
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<i>Solid Waste Removal: (Minimum level)</i>				
Removed at least once a week	19 196	21 324	24 298	26 449
<i>Minimum Service Level and Above sub-total</i>	19 196	21 324	24 298	26 449
<i>Minimum Service Level and Above percentage</i>	100.0%	100.0%	100.0%	100.0%
<i>Solid Waste Removal: (Below minimum level)</i>				
Removed less frequently than once a week	0.82	0.82	0.82	
Using communal refuse dump	1.37	1.37	1.37	
Using own refuse dump	6.82	6.82	6.82	
Other rubbish disposal				
No rubbish disposal	0.38	0.38	0.38	
<i>Below Minimum Service Level sub-total</i>	9.38	9.38	9.39	0.00
<i>Below Minimum Service Level percentage</i>	0.0%	0.0%	0.0%	0.0%
Total number of households	19 205	21 333	24 307	26 449
				T3.4.2

3.4.3 HOUSEHOLDS: SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM

Households - Solid Waste Service Delivery Levels below the minimum						
Households						
Description	2011/12	2012/13	2013/14	2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	19 196	21 324	24 298	26 449	26 449	26 449
Households below minimum service level	–	–	–			
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
Informal Settlements						
Total households				4833	4833	4833
Households below minimum service level						
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
						T3.4.3

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3.4.4 EMPLOYEES: SOLID WASTE MANAGEMENT

Employees: Solid Waste Management Services: SOLID WASTE (includes dumping site): 413					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	74	76	77	2	2%
4 - 6	5	5	2	-	0%
7 - 9	10	11	13	-	0%
10 - 12	-	-	1	-	0%
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	89	92	93	2	2%

3.4.5 FINANCIAL PERFORMANCE: WASTE MANAGEMENT SERVICES

Financial Performance : Solid Waste Management Services					
					R'000
Details	'2013/14	'2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	25,517	30,202	30,202	26,211	-13%
Expenditure:					
Employees	10,170	11,271	11,271	10,542	-6%
Repairs and Maintenance	1,137	1,325	1,486	1,269	-15%
Other	13,577	13,026	14,169	14,897	5%
Total Operational Expenditure	24,884	25,621	26,925	26,708	-1%
Net Operational Expenditure	(633)	(4,580)	(3,277)	496	-115%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.4.7

3.4.6

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3.5 HOUSING

The Housing Department is familiar of the contribution of large-scale housing delivery on the Overberg Regions property economy. In times of economic slowdown, public sector spending becomes important. Given that the World over economies will require some four years plus to fully recover from the global economic down turn, the Theewaterskloof Municipality has endeavor to converge its housing delivery programme with economic recovery objectives.

The Theewaterskloof Municipality Housing Department has received a housing implementation Grant of R 91 602 million for the 2014/ 2015 financial year. A total of R 72,990 million was spent on housing implementation.

To address the housing need in the Theewaterskloof area, a comprehensive housing strategy was adopted and implemented by council.

3.5.1 PERCENTAGE OF HOUSEHOLD WITH ACCESS TO BASIC HOUSING

The table below indicates the summary of houses built an also reveals the losing battle faced by the municipality in providing housing as the waiting list continues to increase.

Year end	Number of Housing Units on Waiting list	Number of Houses built	Number of serviced sites
2011/12	10327	176	237
2012/13	13681	180	694
2013/14	13741	385	583
2014/15	12912	400	251

The rapid increase in the demand and the continuous growth of informal settlements indicates the amount houses delivered annually cannot address the growth in the housing demand.

3.5.2 EMPLOYEES: HOUSING SERVICES

Employees: Housing Services: 116					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	-	-	-	-	-
7 - 9	5	5	5	-	0%
10 - 12	5	9	8	1	13%
13 - 15	-	-	-	-	-
16 - 18	1	1	-	1	-
19 - 20	-	-	-	-	-
Total	11	15	13	2	15%

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3.5.3 HOUSING SERVICES

Housing Service Policy Objectives Taken From IDP									
PROJECTS	Outline Service Targets	Year 11/12		Year 12/13		Year 13/14		Year 14/15	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Riviersonderend	821	-	-	-	-	-	-	-	-
Genadendal/Greyton	804	-	-	-	-	-	-	-	-
Caledon	2125	-	-	-	-	89	89	99	98
Villiersdorp	1824	185	115	70	38	251	225	26	-
Botrivier	786	-	-	45	-	45	42	184	184
Grabouw	7222	138	138	337	214	123	123	246	118
Tesselaarsdal	99	0	-	0	-	0	0	-	-

The municipality is delivering houses at a sustainable rate but previous and current delivery targets achieved is not enough to eradicate the total housing backlog in the area. Although the Theewaterskloof Municipality is one of the highest recipients of the Human Settlement grant in the Western Cape it is still facing the challenge of a rapid increase in the demand for low cost housing.

3.5.4 FINANCIAL PERFORMANCE: HOUSING SERVICES

Financial Performance: Housing Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	71,162	59,099	-17%
Expenditure:					
Employees	3,424	3,887	3,887	3,821	-2%
Repairs and Maintenance	3	7	7	4	-52%
Other	477	1,601	41,537	29,888	-28%
Total Operational Expenditure	3,905	5,495	45,430	33,712	-26%
Net Operational Expenditure	3,905	5,495	(25,732)	(25,387)	-1%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.5.5

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3.5.5 CAPITAL EXPENDITURE: HOUSING SERVICES

Capital Expenditure : Housing Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	22,964	31,229	29,555	29%	
Low Cost Housing	22,964	31,229	29,555	29%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.5.6

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

3.6.1 INTRODUCTION FREE BASIC SERVICES AND INDIGENT SUPPORT

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality the following qualifying criteria apply: a household where the combined or joint gross income of all occupants/residents/dependents, over the age of 18 years or who have potential earning capacity, is less than twice the monthly pension grant and can no longer afford to pay for the services provided by the council (subject to verification by Ward Councillor in consultation with the Ward Committee).

The "Spouse support/Care Grant" or "Child support Grant" should not be added to the Indigent Qualifying income threshold. The municipality provides the following Free Basic Services to indigent households:

Water: 6kl (all households)

Electricity: 70kwh

Weekly refuse Removal

Free Sanitation

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The table below indicates the number of households that have access to free basic services:

Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
			Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%	Access	%	Access	%
2012/2013	21527	6000	5636	94%	5483	91%	1032	17%	5638	94%
2013/2014	28884	3588	5466	152%	3173	88%	5327	148%	5464	152%
2014/2015	28884	3599	3626	101%	3478	97%	1780	49%	3578	99%
T3.6.3										

Please note that TWK Municipality does not provide Electricity in all 8 towns - Eskom provide in Grabouw, Genadendal, Botriver and Tesselaarsdal.

3.6.2 FINANCIAL PERFORMANCE: FREE BASIC SERVICES DELIVERY

Financial Performance: Cost to Municipality of Free Basic Services Delivered					
					R '000
Services Delivered	2013/14	2014/15			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	2331	6,918	6,918	1,474	-79%
Waste Water (Sanitation)	3746	5,651	5,651	4,386	-22%
Electricity	2681	2,488	2,488	3,510	41%
Waste Management (Solid Waste)	4794	7,407	7,407	4,716	-36%
Total	13552	22,463	22,463	14,086	-37%
					T3.6.4

In line with the objective of creating a vibrant and growing Municipality, the indigent policy is also aligned to the principles of Batho-Pele. Batho-Pele is also about ensuring that the resources available are used to the best possible extent, eliminating wasteful and expensive procedures and reducing unnecessary expenditure on inefficient processes and systems.

The extent of the monthly support will be determined by the council's budgetary provisions and/or the amount received from central government. The relevant services include:

- water
- refuse collection
- electricity
- sewerage

The first R100 000 of the value of an indigent house is exempt from property rates

The council will assess the level of support annually during the annual budget compilation and the level of indigent support shall not exceed the monthly billings to the account.

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Water leakages at indigent households premises will be fixed by Council at no cost provided that leaks is reported (completing of a leaks register at the local town office) Great savings on water losses were affected by these actions.

Sewerage blockages may be effected free of charge at indigent households.

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

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

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

3.7 ROADS

3.7.1 INTRODUCTION TO ROADS

The municipality have the mandate from Government to perform all relevant services regarding roads and storm water in those areas included within its jurisdiction. Roads outside the town areas are still the responsibility of the Overberg District Municipality.

The municipality have updated its Pavement Management System (PMS) and the system is used as a network level tool.

Due to ageing of current infrastructure the focus has shifted from only upgrading of roads from gravel to paved, and now also includes rehabilitation, resealing and maintenance projects funded out of capital funding.

Roads are being upgraded on a contract basis. A five year maintenance programme with priorities and budgets is available in the PMS as well as Integrated Transport Plan. There is little provision for pedestrian and bicycle travel in the municipal area apart from conventional sidewalks in the central business districts. There are no facilities on rural roads for non-motorized transport.

3.7.2 GRAVEL ROAD INFRASTRUCTURE

Gravel Road Infrastructure				
Kilometres				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year 2012/13	96.4	0	0	96.4
Year 2013/14	98.80		0.80	98.0
Year 2014/15	99.89	0.00	1.09	98.8

Chapter 2

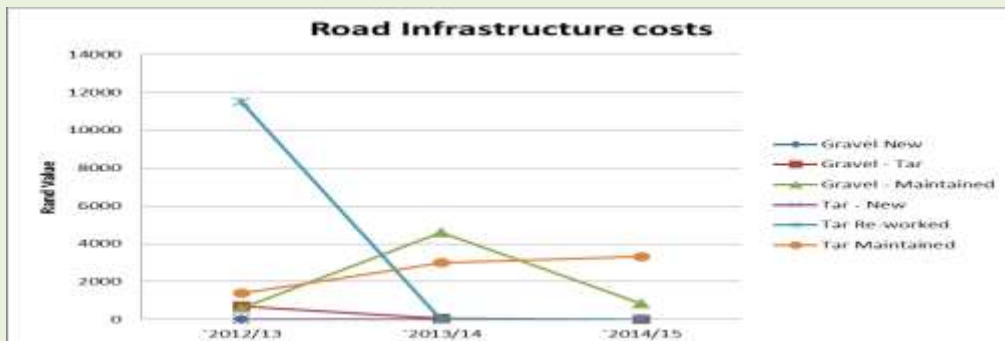
3.7.3 TARRED ROAD INFRASTRUCTURE

Asphalt Road Infrastructure					
Kilometres					
	Total surfaced roads	New surfaced roads	Existing surfaced roads re-surfaced	Existing surfaced roads re-sheeted	Surfaced roads maintained
2012/13	161	0.3	7	0	
2013/14	165	0.4	0	2	80
2014/15	171	0	0	0	0

3.7.4 COST OF CONSTRUCTION/MAINTENANCE

Cost of Construction/Maintenance						
R' 000						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2012/13	0	700	591	0	11500	1379
2013/14	0	50	4600	0	0	3000
2014/15	0	0	830	0	0	3320

3.7.5 ROAD INFRASTRUCTURE COSTS



3.7.6 EMPLOYEES: ROAD SERVICES

Employees: Roads: 518					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	54	54	54	-	0%
4 - 6	17	17	16	1	6%
7 - 9	7	7	7	-	0%
10 - 12	1	1	1	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	79	79	78	1	1%

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3.7.7 FINANCIAL PERFORMANCE: ROAD SERVICES

Financial Performance : Road Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5,340	5,601	6,684	5,078	-24%
Expenditure:					
Employees	12,732	14,567	14,567	13,687	-6%
Repairs and Maintenance	5,208	6,224	7,432	7,618	3%
Other	7,684	9,178	8,716	7,395	-15%
Total Operational Expenditure	25,624	29,968	30,715	28,700	-7%
Net Operational Expenditure	20,283	24,367	24,031	23,621	-2%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.7.8

3.7.8 CAPITAL EXPENDITURE: ROAD SERVICES

Capital Expenditure: Road Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3,263	4,588	3,303	1%	
Resurfacing - Receiving of Ou Kaapse Weg	300	300	200	-33%	
Upgrading of Road Networks - Savory, Gaffley, Jan van Eck & Fielex Street	723	726	755	4%	
Resurfacing - Receiving of Theewaterskloof Single	100	100	94	-6%	
Upgrading of Road Networks - Erica & Street 7	400	401	359	-10%	
Upgrading of Road Networks - Bree & Pleinstreet	350	352	348	-1%	
Resurfacing - Receiving of Church, Dommisse & Myburghstreet	100	100	66	-34%	
Resurfacing - Receiving of Park Street	100	100	106	6%	
Upgrading of Road Networks - Lyle, Medusa & Kosmos Street	450	435	423	-6%	
Upgrading of Road Networks - Fucia, Hibiscus & Seymour Street	740	747	744	1%	
Tesselaarsdal Stormwater	—	946	—		
Upgrade of bulk stormwater for Low cost Housing Villiersdorp 251 IRDP project	—	380	209		
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure)					T3.7.9

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3.7.9 COMMENT ON THE PERFORMANCE OF ROADS OVERALL

The total length of paved road network is 171.9km with an estimate replacement of R583 million and length of gravel roads is 92.9km. The current network conditions can be rated as good to poor. With the expected remaining life of the surfaces and structures are 5-9 years.

Many roads in the informal settlement of Grabouw, Villiersdorp and Botrivier are fair to poor. The conditions of these roads in the identified informal areas are in the process of being upgraded through the Human Settlements Programs which are currently being implemented.

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

Theewaterskloof Municipality has no subsidized public transport services hence; this transport is provided by privately owned/operated minibus taxis. A number of school contracts are in operation in the jurisdiction.

With respect to non-motorized transport, there is generally little provision for pedestrian and bicycle travel in the municipal area other than the conventional sidewalks in the central business districts. These sidewalks are however in a poor condition due to limited resources. There are no facilities on rural roads for non-motorized transport.

Various sidewalks were constructed and upgraded in the various towns. This project was initiated through the Integrated Transport Plan as part of bettering our Public Transportation system.

3.9 STORMWATER DRAINAGE

3.9.1 STORMWATER DRAINAGE

Storm water maintenance is done by operations department. Maintenance on storm water is done in warmer months to prevent damage during the rainy season. Storm water networks were upgraded as part of the Roads Upgrading Programme.

Storm water network comprises of a piped system and open drainage channels. The drainage system is in a fair condition with some instances of poor conditions. There are still some areas where there are no formal drainage networks and this causes flooding during winter. The upgrading of roads however contributes to the addressing of this backlog as storm water drainage is installed together with the construction of roads.

The misuse of the storm water system remains a matter of concern. Blockages that cause flooding frequently occur due to foreign objects entering drainage pipes. Maintaining and cleaning the system is an ever increasing expense and effort.

The storm water master plan has been updated during the 2014/15 financial year by consulting engineers.

Challenges:

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With respect to storm water management, the following challenges are experienced by the municipality:

- Very wide Jurisdiction
- Wide spread storm water area
- Inadequate on non-existent storm water systems in towns
- Continuous flooding has created a huge backlog
- EIA process takes a lot longer than anticipated

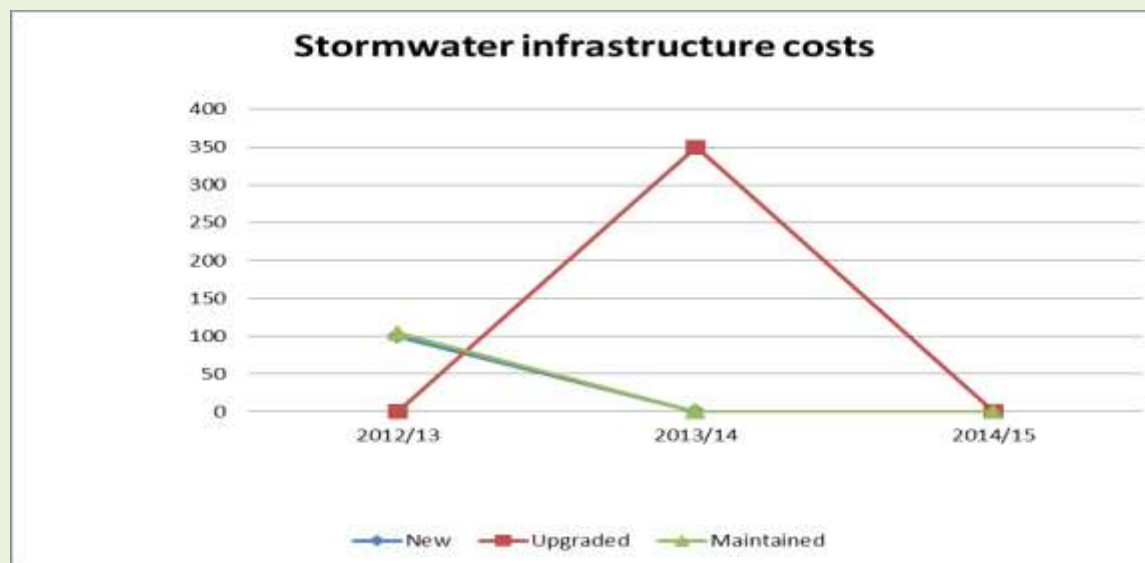
3.9.2 STORMWATER INFRASTRUCTURE

Stormwater Infrastructure				
Kilometres				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2011/12	161	2.0	1.0	158
2012/13	161	0.0	300.0	n/a
2013/14	260	0	0	0

3.9.3 COST OF CONSTRUCTION/MAINTENANCE

Cost of Construction/Maintenance			
R' 000			
	Stormwater Measures		
	New	Upgraded	Maintained
2012/13	100	0	104
2013/14	0	350	0
2014/15	0	0	0

3.9.4 STORMWATER INFRASTRUCTURE COST



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3.9.5 EMPLOYEES: STORMWATER SERVICES

Employees: Storm water Services: 518					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	12	12	12	-	0%
4 - 6	8	8	8	-	0%
7 - 9	-	-	-	-	0%
10 - 12	3	3	3	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	23	23	23	0	0%

3.9.6 FINANCIAL PERFORMANCE: STORMWATER SERVICES

Financial Performance : Stormwater Services R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					-
Expenditure:					-
Employees					-
Repairs and Maintenance					-
Other					-
Total Operational Expenditure	0	0	0	0	-
Net Operational Expenditure	0	0	0	0	-
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.9.7

Note information is already included in 3.1.7 Financial Performance: Water Distribution.

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COMPONENT C: PLANNING AND DEVELOPMENT

3.10 INTRODUCTION TO PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

While the Municipality remains committed to strengthening its economy limited infrastructure capacity, limited land holdings and a lack of finances mean that the state's ability to drive economic growth are limited. As such the key focus for economic growth needs to be partnerships with the private sector and investors.

The municipality has performed well in terms of the LED maturity assessments and existing investors all speak highly of the municipal staff.

Yet red tape remains a key barrier to investors.

The establishment of the development support team is an attempt to address this barrier.

Its success will depend on the new turnaround time for development applications and related investment proposals.

Addressing unemployment in the context of global, national and regional economies whose labour demands are contracting is hugely challenging. Further the number of young people dropping out of schools between the ages of 14 and 17 reducing young people's chances of finding employment even further. In most instances those who do drop out of schooling lacked foundational phase education. Theewaterskloof have leveraged national programmes, NARYSEC, EPWP and CWP along with provincial programmes, Skill to Work and PAY to provide support for young people to secure employment. To sustainability address the unemployment crisis interventions need to start with ECD and schooling interventions.

3.10.1 INTRODUCTION TO PLANNING

Section 156(1) of the Constitution of the Republic of South Africa, Act 108 of 1996, confers on municipalities the executive authority and the right to administer municipal planning.

Section 156(2) of the Constitution empowers municipalities to make and administer by-laws for the effective administration of municipal planning.

Section 155(6) of the Constitution charges each provincial government with the responsibility inter alia to support local government in its province and to promote the development of local government capacity to enable municipalities to perform their functions and manage their own affairs.

The following challenges are experienced:

1. Land use control in the municipal sphere was undertaken in terms of the Land Use Planning Ordinance. The Constitution empowered municipalities to adopt by-laws for local government matters over which they have executive authority (e.g. municipal planning).
2. The fact that municipalities were consolidated in the year 2000 and that several formerly independent municipalities were amalgamated into one "new" entity necessitated the compilation of new regulations, or, as they are now called, "by-laws".

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3. Theewaterskloof Municipality comprises the rural areas and the former municipalities of Caledon, Villiersdorp, Grabouw, Riviersonderend and Greyton, as well as the hamlets formerly served by the Overberg District Council (i.e. Middleton, Genadendal and Tesselaarsdal).
4. When municipalities were consolidated in the year 2000, several formerly independent municipalities were amalgamated into one entity. The approved Integrated Zoning Scheme was published in Provincial Government Gazette 6875 of 13 May 20

3.10.2 APPLICATIONS FOR LAND USE DEVELOPMENT

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
Planning application received	1	4	13	17	72	81
Determination made in year of receipt	1	2	17	16	83	93
Determination made in following year	-	-	-	-	-	-
Applications withdrawn	-	-	-	-	1	-
Applications outstanding at year end	-	2	-	-	-	35

3.10.3 EMPLOYEES: PLANNING SERVICES

Employees: Planning Services: 115					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	-	1	1	-	0%
7 - 9	2	2	2	1	50%
10 - 12	4	5	5	-	0%
13 - 15	2	3	3	-	0%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	8	11	11	1	9%

Employees: IDP: 114					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	-	-	-	-	-
7 - 9	-	1	1	-	0%
10 - 12	1	-	-	-	0%
13 - 15	-	1	1	-	0%
16 - 18	1	-	-	-	0%
19 - 20	-	-	-	-	-
Total	2	2	2	0	0%

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3.10.4 FINANCIAL PERFORMANCE: PLANNING SERVICE

Financial Performance : Planning Services					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(1 885)	(2 026)	(2 110)	(1 932)	-8%
Expenditure:					
Employees	4,070	4,588	4,685	4,516	-4%
Repairs and Maintenance	–	–	–	–	
Other	528	735	646	1,731	168%
Total Operational Expenditure	4,597	5,323	5,331	6,248	17%
Net Operational Expenditure	6,482	7,349	7,441	8,180	10%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.10.5

3.10.5 CAPITAL EXPENDITURE: PLANNING SERVICE

Capital Expenditure : Planning Services					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	458	793	733	-8%	
Inventory: Development Admin	68	68	37	-45%	
GIS Development Admin	390	726	696	-4%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.10.6

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.11.1 INTRODUCTION TO ECONOMIC DEVELOPMENT

Enterprise Development:

The office receives approx. 25 “walk ins” looking for advice, guidance and mentorship in terms of SMME. Interventions required range from referrals to one on one consultation sessions.

The large number of clients is looking for advice and a listening ear, often it’s also a strategic direction for their business. The importance of networks and support groups for SMMEs is still underestimated.

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Best practice model is Grabouw's Bizz Junction where entrepreneurs are encouraged to meet monthly and discuss their successes and challenges in a supportive group environment. That model was introduced to Villiersdorp last year, it still remains to be seen if a local champion takes up this opportunity to facilitate such network.

Partnership with Lateral Unison and their Socio-Corporate Investment budget secured funding of R20 000 each to 4 businesses. 2 in Caledon and 2 in Grabouw. The funder will be conducting monitoring and evaluation on the grant funding.

Additional partnership with Biotherm has generated R50 000 in grant funding for participant of the Biggest Deal Challenge. Overberg Agri has come on board with the main prize sponsorship of the Biggest Deal Challenge winners for 2015 - R10 000

The revised LED strategy has been adopted on the 17th June and Council took cognisance of the identified projects and initiatives as the focus areas for the near future. The strategy has been designed in such a way as to serve as a marketing and investment promotion document to entice development and provide social and economic data on the area, at a glance.

LED Maturity Assessment November 2014

Theewaterskloof Municipality has received 1st Place in the Western Cape. We are very proud of the achievement and hope to retain our place for the next term of evaluations.

Biggest Deal

Five (5) children were selected to go to Sweden in February, the logistical arrangements for their travel documents and visas were a cumbersome process where our officials (Cecil Davids) had to go through extraordinary measures to make it happen.

The trip was very successful, with our youths representing the municipality proudly. The opportunity for our youths to present their businesses to Swedish audience made us realise that they were far more mature and entrepreneurially minded than their Swedish Counterparts.

They have shown commitment and maturity of character and we trust that this was an opportunity of a lifetime to all five of them.

Tourism:

- The Cape Country Meander held its AGM on the 12th Feb, where a new board was elected.
- The new board has enthusiastically taken on their tasks and hosted their first strategic session on the 19th March.
- As one of the first initiatives, they intend to strengthen the brand of the TCCM, establish uniform 'look and feel' for the tourism offices, address transformation within the sector and increase TCCMs presence through trade shows and streamlined marketing messages.
- It is envisaged that TCCM, registered as section 21 will sign Service Level Agreement with the municipality and will be the official implementing agent of tourism related activities, such as attendance in trade shows, website, development and distribution of marketing material, transformation, training and skills development.
- Service Level Agreements have been developed and TCCM has officially been adopted by Council as the implementation agent of the tourism strategy in Theewaterskloof.

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Emerging Farmers :

- Meetings with DG for Agriculture took place in February , where all heads of departments were present and could engage with us on projects in our area
- In addition we have been attending the District wide DoA meetings in Bredasdorp, where managers of subprograms meet monthly.
- ToR for the Small Farmer Committee was developed and adopted by management, this was presented at the District DoA meeting and commitment received to nominate representatives to serve on the committee.

3.11.2 ECONOMIC ACTIVITY BY SECTOR

“TWK Economy Sectoral composition 2011 (%)”

Agriculture, forestry and fishing	21.3%
Mining and quarrying	0.0%
Manufacturing	15.4%
Electricity, gas and water	1.4%
Construction	6.0%
Wholesale and retail trade, catering and accommodation	8.8%
Transport, storage and communication	5.8%
Finance, insurance, real estate and business services	30.1%
Community, social and personal services	3.4%
General government	7.7%

Source: WC Government Provincial Treasury, WC Regional Development Profile Overberg District, 2013

3.11.3 ECONOMIC EMPLOYMENT BY SECTOR

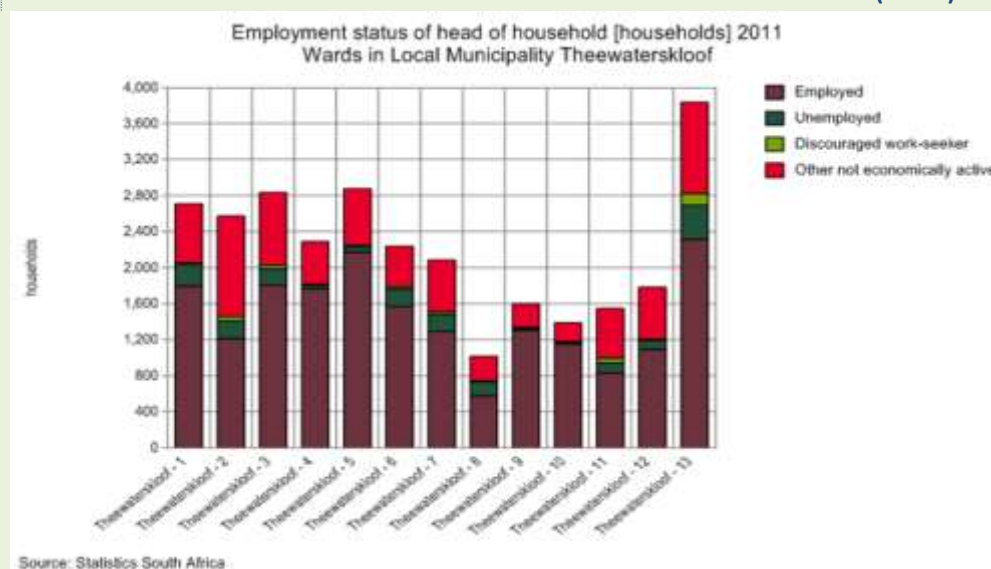
Employment by sector: [persons] 2011 Local Municipality: Theewaterskloof (benchmarked to Overberg District)

Sector	Theewaterskloof	Overberg District
In the formal sector	31,357	70,745
In the informal sector	7,332	15,071
Private household	1,438	7,028
Type of sector Do not know	1,062	2,710
Type of sector Not applicable	67,601	162,622

Source: Statistics South Africa 2011

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3.11.4 EMPLOYMENT STATUS OF HEAD OF HOUSEHOLD PER WARD (2011)



3.11.5 JOBS CREATED THROUGH EPWP

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year 2013/14	41	357
Year 2014/15	18	189

* - Extended Public Works Programme

3.11.6 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES

Employees: Local Economic Development Services					
Job Level	2012/13	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	-	-	-	-	-
7 - 9	-	-	-	-	-
10 - 12	1	2	2	-	0%
13 - 15	1	1	0	1	100%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	2	3	2	1	50%

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3.11.7 FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT SERVICES

Financial Performance : Local Economic Development Services					
R' 000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	487	-	612	72	-88%
Expenditure:					
Employees	1,669	2,117	2,117	1,939	-8%
Repairs and Maintenance	7	7	9	7	-17%
Other	1,269	924	1,532	810	-47%
Total Operational Expenditure	2,945	3,048	3,657	2,756	-25%
Net Operational Expenditure	2,459	3,048	3,045	2,684	-12%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.11.9

3.11.8 CAPITAL EXPENDITURE: LOCAL ECONOMIC DEVELOPMENT SERVICES

Capital Expenditure: Local Economic Development Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All				-	
Project A				-	
Project B				-	
Project C				-	
Project D				-	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.)</i>					T3.11.10

There was no Capital Expenditure: Local Economic Development Services for 2014/15 financial year

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COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

3.12.1 LIBRARY: HIGHLIGHTS/CHALLENGES AND SERVICES STATISTICS

Library Services

Library budget (Salaries and Operating costs):

Before 2009 all the library services in the different towns was funded by the municipality and hence known as an unfunded mandate. Since 2009 Provincial Library Service made funding available for salaries of the temporary staff at the libraries which was then known as Conditional Grant.

As from 2011 the salary of the permanent staff as well as the operational cost were also funded by the Provincial Library Service Department and was named the Municipal Replacement Funding.

Currently all costs incurred by library services are now funded by the Provincial Library Service Department.

Internet facilities

Apart from the CG and MRF grant made available by Provincial services, access to internet has also been made available to the public. Computers with internet connection have subsequently been installed at all of the libraries in the different towns. These amongst many other advantages now enable school learners to do research on the internet for their school projects.

Upgrading of Oostergloed library

In order to make this library more “user friendly” the amount of ±R70 000 (seventy thousand rand) was spent to upgrade the inside of this facility.

Appointment of temporary staff on Fixed Term Contracts

Temporary library personnel used to be appointed on a one year basis which does not allow for continuity. As from 2014/ 2015 financial year Department Cultural Affairs and Sport (DCAS) made funds available to appoint these workers on a three year fixed term contract which then was implemented from June 2015.

Tesselaarsdal Library building

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During past IDP engagements with the community of Tesselaarsdal, the need for a library was highlighted as a priority item. Subsequently DCAS made funds available to purchase a property which is situated next to the school hence ideal to service the learners as well as the community of this town. The property still needs to be upgraded to a fully operational library but this will all be funded by DCAS.

Challenges

The Library budget needs to address the items where this funding was intended to be utilised.

Library Service to be rolled out to remote areas especially farms and other settlements like Bereaville

3.12.2 EMPLOYEES: LIBRARY SERVICES

Employees: Libraries: 112					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	19	19	19	1	0%
7 - 9	11	12	9	3	29%
10 - 12	2	2	2	-	0%
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	32	33	32	4	13%

3.12.3 FINANCIAL PERFORMANCE: LIBRARY SERVICES

Financial Performance: Libraries					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5,636	5,656	5,933	5,672	-4%
Expenditure:					
Employees	4,321	4,749	4,820	4,758	-1%
Repairs and Maintenance	341	166	276	205	-26%
Other	618	687	364	304	-17%
Total Operational Expenditure	5,280	5,602	5,460	5,266	-4%
Net Operational Expenditure	(356)	(54)	(473)	(406)	-14%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.52.5

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3.12.4 CAPITAL EXPENDITURE: LIBRARY SERVICES

Capital Expenditure: Libraries					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	61	528	167	-68%	
Inventory Libraries	61	218	167	-23%	
Purchase Library House	–	310	–	-100%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.52.6

3.13 CEMETORIES AND CREMATORIUMS

3.13.1 INTRODUCTION CEMETORIES AND CREMATORIUMS

Theewaterskloof consists of 8 towns and each town has its own cemetery. Some towns for example Grabouw and Caledon had an influx of people to an extent that the present cemeteries became saturated and new land needed to be identified for expansion.

Cemeteries are as follows:

- Caledon
- Riviersonderend
- Tesselaarsdal
- Botriver
- Grabouw
- Villiersdorp
- Greyton and Genadendal

The top priority of cemeteries is the provision of land for burial services; however with very little land available providing land for cemeteries is becoming a problem.

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3.13.2 FINANCIAL PERFORMANCE: CEMETORIES

Financial Performance: Cemeteries and Crematoriums					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	477	498	498	484	-3%
Expenditure:					
Employees	–	–	–	–	
Repairs and Maintenance	328	403	433	386	-11%
Other	41	162	52	32	-38%
Total Operational Expenditure	369	565	485	418	-14%
Net Operational Expenditure	(108)	67	(13)	(66)	416%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.55.5

3.13.3 CAPITAL EXPENDITURE: CEMETORIES

Capital Expenditure : Cemeteries & Crematoriums					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	–	794	14	-98%	
Cemetery Caledon	–	401	–	-100%	
Cemetery Grabouw	–	393	14	-97%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.55.6

3.13.4 COMMENT ON THE PERFORMANCE OF CEMETERIES AND CREMATORIUMS

Two capital projects have worked on for the last two years, these projects entails the development of the new cemeteries namely:

- Extension of Caledon cemetery; and
- Extension of Grabouw Cemetery.

Two full EIAs were conducted during these processes and will only be completed in 2016 the total budget is as follows, Caledon R500 000 Grabouw R600 000.

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3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

3.14.1 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Social Development Programmes

Early Child Development Centres

- Kids International Day hosted in Botrivier, where 190 children participated in the event. Children from all the ECD centres in Botrivier participated in children's day activities, where DSD, road and community safety presented programs and entertained the children with activities.
- ECD Indaba was hosted at ELF in October, where all the ECDs were invited to learn about the norms and standards when establishing an ECD.
- In partnership with the fire department, Learn not to Burn program was introduced to 60 ECD practitioners, presenting them with material and tools to prevent fires.
- Audit of ECDs conducted in Villiersdorp, this one part of the VPUU program, this audit allows us to track and engage with child carers and crèches in the area, even if they are not registered on the Dept of Social Development's data base.
- The next step is to develop an ECD strategy for Villiersdorp which we will be able to replicate in other towns.
- Despite the strategic support our unit is providing to the sector we encounter challenges in capacity, governance, financial management and clear objectives of some of the facilities.
- The drive and enthusiasm of the ECD staff is varied and best practices are in places where the facility is run as a business.
- Humpty Dumpty crèche in Tesselaarsdal has been equipped with everything needed to make them compliant, yet they are unable to follow through with the registration process due to lack of champion on their side.
- We mobilising Corporate Social investment towards the sector through close engagements with large companies.

Youth

- Youth in Waste : 19 youth have been placed in the Youth in Waste program, whereby they receive 24 months training & practical experience up to level NQF4 as well as stipend for the duration of the program. The youths are placed by our local Environmental Officer in various posts throughout TWK. The program is sponsored by Department Environmental Affairs and Forestry.
- This program has now been housed in the Directorate Technical and Johan Viljoen is the champion for the project.
- 24 students out of the 46 candidates were successful in being placed at Chrysalis Academy - a program run by the Department of Community Safety.
- In partnership with NGO sector, Youth Day expo was hosted in December - promoting skills and training opportunities to youths.
- Drug Action Committees are operational in RSE and Grabouw, with Villiersdorp and Caledon being still in the establishment phase.
- The Drug Action Committee Grabouw has developed an action plan which they will present at the next LDAC meeting in April.

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COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

3.15 POLLUTION CONTROL

3.15.1 INTRODUCTION TO POLLUTION CONTROL

Pollution control/Air Quality function is being performed in line with Overberg District Municipality's approved Air Quality Management Plan. Theewaterskloof municipality does not have the capacity (financial and human) to develop its own AQMP and to implement such a plan. This shortcoming was reported to the Minister.

Overberg District Municipality is the licensing authority in terms of NEM: AQA (Act No 39 of 2004) to issue Atmospheric Emission License for Listed Activities, which include the following:

- Review of the Atmospheric Emission licenses received from the Listed Activities Industries
- Investigating Air Quality related complaints within the Overberg District Region.
- Developing the Overberg District Municipality Air Quality by-law.
- ODM have an interim air quality officer for air quality function that is assisted by four officials, one from each sub district.

Overberg District Municipality also attends yearly Provincial Air Quality Officer's Forum.

3.15.2 FINANCIAL PERFORMANCE: POLLUTION CONTROL

Financial Performance: Pollution Control					
					R'000
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–	–
Expenditure:					
Employees	–	–	–	–	–
Repairs and Maintenance	15	20	20	2	-92%
Other	18	30	30	4	-85%
Total Operational Expenditure	33	50	50	6	-88%
Net Operational Expenditure	33	50	50	6	-88%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.59.5

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3.16 BIO-DIVERSITY; LANDSCAPE (INCL.OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

3.16.1 INTRODUCTION TO BIO-DIVERSITY; LANDSCAPE

Biodiversity is the protection of all biodiversity in and around Nature Reserves and open spaces as well as all commonage land this pros protection of Biodiversity are managed in conjunction with Cape Nature, NGOs and other governmental partners. Biodiversity is protected under NEMA, NEMBA and the Biodiversity by law. All these laws are there to protect and preserve all living things and set out rules for engaging with the environment.

No capital budget was spent and the available budgeted was spent on maintenance project like the alien clearing and arboriculture.

COMPONENT F: HEALTH

3.17 CLINICS

Health services are managed by the provincial health department.

3.18 AMBULANCE SERVICES

Ambulance services are provided by the Overberg District Municipality.

3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

Service is provided by the Overberg District Municipality.

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COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

3.20 TRAFFIC

3.20.1 EMPLOYEES: TRAFFIC OFFICERS

Employees: Traffic: 118; 130 and 119					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	3	3	-	0%
4 - 6	10	10	10	-	0%
7 - 9	33	37	37	1	3%
10 - 12	9	11	8	4	50%
13 - 15	1	4	4	-	0%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	53	65	62	5	8%

3.21 LAW ENFORCEMENT

3.21.1 LAW ENFORCEMENT: HIGHLIGHTS/CHALLENGES AND SERVICE STATISTICS

Highlights	Description
By law Enforcement	<ul style="list-style-type: none"> Law Enforcement has a program eMIS in place to record all law enforcement related cases/queries received. The eMIS system is a job card system which assist the department in ensuring that all cases/queries received are attended to, completed and feedback is provided to the public. A monthly report is drawn for record purposes and to see if cases are adhering to. Traffic Law Enforcement Aggressive Speed Law Enforcement took place ANPR roadblocks conducted to finalise outstanding warrants Aggressive by-law enforcement The service was restructured as from July 2014

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3.21.2 FINANCIAL PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT

Financial Performance : Traffic and Law Enforcement					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	30,022	14,422	24,372	25,330	4%
Expenditure:					
Employees	10,028	11,317	11,317	10,960	-3%
Repairs and Maintenance	474	584	577	428	-26%
Other	20,376	3,724	18,602	19,298	4%
Total Operational Expenditure	30,879	15,625	30,496	30,687	1%
Net Operational Expenditure	857	1,203	6,124	5,357	-13%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.65.5

3.21.3 LAW ENFORCEMENT: CHALLENGES

Challenges	Actions to Address
Shortage of permanent staff	<ul style="list-style-type: none"> EPWP contract staff was appointed to fulfill law enforcement operational needs. Of the 20 students/wardens appointed no one is left in service, all of them has sort alternative employment More appointments are required. Partnerships and new programs to be investigated and implemented.
Public ignorance towards by-laws	<ul style="list-style-type: none"> Awareness campaigns Aggressive patrolling's in terms of high visibility (foot patrols etc.). Consistent operations throughout the whole TWK jurisdiction. Busy Implementing Law Enforcement Strategy and Community Safety Plan Existing by-laws were reviewed and new by-laws were promulgated
Vehicle shortage	<ul style="list-style-type: none"> Fleet Management to budget and procure additional vehicles
Impoundment of animals	<ul style="list-style-type: none"> Vehicle shortage to impound animals Upgrading of pound New by-law were work shopped with the public and by-law is promulgated Animal pound was established and is operational.
Shortage of communication systems	<ul style="list-style-type: none"> Cell phones, two way hand radio's to be budgeted for Budget needed for communication infrastructure
Protective tools	<ul style="list-style-type: none"> Firearms, bullet proofs, handcuffs, Tomfa
Training	<ul style="list-style-type: none"> Crowd control to assist with marches Firearm training Self-defense training Client services and conflict management training
Taxi violence	<ul style="list-style-type: none"> Taxi Pound were established Integrated public transport operations Provincial support
Vandalism	<ul style="list-style-type: none"> Reward for information policy approved by Council

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3.22 DISASTER MANAGEMENT

3.22.1 INTRODUCTION TO DISASTER MANAGEMENT

Disaster Management is to provide blankets, food and shelter during disaster incidents in mostly informal structural areas. Preventative mitigation measures are also done by managing and maintaining rivers and other natural areas to prevent disaster events as far as possible.

Disaster management performed well within its limitations and budget restraints.

3.22.2 EMPLOYEES: DISASTER MANAGEMENT

Employees: 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	-	-	-	-	-
4 - 6	-	-	-	-	-
7 - 9	-	-	-	-	-
10 - 12	-	-	-	-	-
13 - 15	1	1	1	0	0%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	1	1	1	0	0%

3.22.3 FINANCIAL PERFORMANCE: DISASTER MANAGEMENT

Financial Performance: Disaster Management					
Details	2013/14	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Fire fighters	-	-	-	-	-
Other employees	-	-	-	-	-
Repairs and Maintenance	608	400	400	395	-1%
Other	56	120	135	40	-70%
Total Operational Expenditure	664	520	535	435	-19%
Net Operational Expenditure	664	520	535	435	-19%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.66.5

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COMPONENT H: SPORT AND RECREATION

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

3.23 SPORT AND RECREATION

3.23.1 SPORT AND RECREATION: HIGHLIGHTS/CHALLENGES AND SERVICES

There were quite a number of sport facilities that were upgraded or even constructed from scratch regardless of the limited amount of funding.

Caledon:

At the **Caledon rugby sport grounds** the playing surface for both the rugby as well as the soccer fields were treated with top soil. One of the main successes during this period must surely be the Vodacom rugby match between Boland and Western Province that took place in 21 March 2015 at the Caledon rugby sport grounds. This was only made possible due to the high standard of our rugby sport facility at Caledon which was also confirmed by the executive committee of Boland rugby Union. In order to meet all the requirements to host this Vodacom match, the ablution/ cloak room was also revamped.

Villiersdorp:

The highlight over the past nine years must surely be the construction of an entirely new sport facility to the amount of R18 million at Villiersdorp. This money was made available through the MIG process after successful application for this funding. This project started in early 2014 and should be completed during the final part of 2015. This facility will cater for rugby, soccer as well as netball with proper drainage, fencing, floodlights, irrigation and also an ablution/ cloakroom facility. If all goes according to plan, the official opening of this facility will be with the start of the 2016 rugby season.

Grabouw:

The sport grounds at Pineview Park do have amongst other serious problem with drainage especially during the winter season which results in matches to be cancelled or moved to another rugby field. In order to address the shortcomings at this facility, Lyners Engineering has been appointed to do a cost analysis to upgrade this facility. This report has been submitted to MIG in order to apply for funding to upgrade this facility once approved.

Botriver Education Foundation:

The Botriver Education Foundation (BEF) was established 7 years ago by the community of Botriver. The aim of this initiative is to have an annual mountain bike and trail run event whereby funding is generated which is then used as tuition fee for students that excel especially in mathematics and science. This event shows an upward trend in terms of participants with world class athletes that have already made their appearance here.

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Theewaterskloof Municipality has become one of the main sponsors with not just sponsoring of money but also “in kind service” prior to and during this event.

Challenges

Sport plays a major role to assist with social stability in the community especially amongst the youth. The limited financial resource makes it extremely difficult to meet all the demands from the different sporting codes. There are still a few towns with rugby and soccer clubs but no proper facilities to cater for these codes, eg. Tesselaarsdal, Riviersonderend.

Rugby used to be the dominant sport in this area but with the growth in soccer the need for this type of facility has grown dramatically.

Sport codes and all other users thereof need to take ownership of the sport facilities as vandalism is the main threat to our assets costing thousands of rand to do repairs.

Only affiliated sporting codes should be allowed to make use of the sporting facilities. Where codes are not affiliated TWK will assist to get those codes associated with the relevant body. There must be aggressive search for partnerships that is willing to play a role with the development as well as maintenance of the facilities.

3.23.2 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	-	-	-	-	-
4 - 6	-	-	-	-	-
7 - 9	-	-	-	-	-
10 - 12	-	-	-	-	-
13 - 15	1	1	1	0	0%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	1	1	1	0	0%

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3.23.3 FINANCIAL PERFORMANCE: SPORT AND RECREATION

Financial Performance: Sport and Recreation					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(332)	75	(685)	(780)	14%
Expenditure:					
Employees	4,198	4,518	4,518	4,457	-1%
Repairs and Maintenance	1,646	1,893	2,046	1,982	-3%
Other	552	969	943	671	-29%
Total Operational Expenditure	6,396	7,380	7,507	7,109	-5%
Net Operational Expenditure	6,728	7,305	8,192	7,889	-4%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.68.4

3.23.4 CAPITAL EXPENDITURE: SPORT AND RECREATION

Capital Expenditure : Sport and Recreation					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3,466	11,425	10,469	202%	
Clubhouse for Caledon Pigeon Club	180	180	166	-8%	0
Upgrade of Sport Facilities	3,286	11,245	10,303	214%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.68.5

3.23.5 EMPLOYEES: PARKS

Employees: Parks: 516 and 517					
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	13	10	3	30%
4 - 6	23	24	22	1	5%
7 - 9	3	3	3	0	0%
10 - 12	1	1	1	1	100%
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-

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19 - 20	-	-	-	-	-
Total	40	41	36	5	14%

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

3.24.1 EMPLOYEES: EXECUTIVE AND COUNCIL

Employees: The Executive and Council : MM AND DIRECTORS					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	-	-	-	-	-
7 - 9	-	-	-	-	-
10 - 12	-	-	-	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	6	6	6	0	0%
Total	6	6	6	0	0%

Employees: Administration: INCLUDES ADMIN STAFF IN TOWNS					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	11	11	11	-	0%
4 - 6	6	6	5	1	20%
7 - 9	18	18	18	-	0%
10 - 12	13	13	13	-	0%
13 - 15	5	5	5	-	0%
16 - 18	1	1	1	0	0%
19 - 20	-	-	-	-	-
Total	54	54	53	1	1%

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

3.24.2 FINANCIAL PERFORMANCE: EXECUTIVE AND COUNCIL

Financial Performance : The Executive and Council					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	4,700	5,461	5,793	5,501	-5%
Expenditure:					
Employees	10,971	12,705	13,600	13,099	-4%
Repairs and Maintenance	5	8	11	37	252%
Other	16,579	14,849	18,779	12,313	-34%
Total Operational Expenditure	27,555	27,563	32,390	25,448	-21%
Net Operational Expenditure	22,856	22,102	26,597	19,947	-25%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.69.5

3.25 FINANCIAL SERVICES

3.25.1 INTRODUCTION TO FINANCIAL SERVICES

The application of sound financial management principles is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainable, economically and equitably to all communities.

The key objective of the Municipal Finance Management Act (2003) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services. Municipal financial management involves managing a range of interrelated components: planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting and oversight. Each component contributes to ensuring that expenditure is developmental, effective and efficient and that municipalities can be held accountable.

During the 2011 strategic planning session, Financial Sustainability was identified as the highest priority for the municipality. A Turnaround Strategy was adopted and a Steering Committee established to guide and

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implements the strategy. Specific low hanging fruit projects have also already been adopted by such a committee.

The biggest challenge is the functioning and results of the Revenue Section which is critical to financial sustainability and consequently it is the area that we should be focussing on.

FINANCIAL SERVICES: CHALLENGES

Challenges	Description
Revenue Section	Collection rate is too low. Gross Consumer Debtors increased by R 64.39 million in the past 10 years; peaking at R 134.12 million in 2011/12. Theewaterskloof made sufficient provision for all debtors which are older than 30 days. The growth in Provision for Bad Debts complimented the growth in Gross Consumer Debtors. In 2013/14, Gross Consumer debtors declined by 25.8%, However even though the collection rate improved in 2014/15 Gross Consumer Debtor grew at an alarming rate of 12.71%.Collection remained below 90% for the past 5 years.
Inadequate grant funds from National and Provincial Government	The Fiscal Model has become out-dated further skewed by the inaccurate data of recent census. We will continue to fight for a review of the criteria for Grant distribution to municipalities.
Narrow rates base	Not enough economic development and job opportunities to contribute towards the fiscus of the municipality. Viewed as one of the few true rural municipalities, plagued by poverty due to unemployment and seasonality of work. Lowest per capita income of all the 4 municipalities in the District and also lower than the national average.
Implementation of SCOA (Standard Chart of Accounts)	In terms of section 169(1) (b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Minister of Finance has signed into effect and subsequently published the Municipal Regulations on a Standard Chart of Accounts (SCOA) in terms of Notice 312 of 2014, Government Gazette No. 37577 subsequent to formal consultation. The Municipal Regulations on a Standard Chart of Accounts inter alia makes provision for an updated GFS Classification Framework, Detailed Classification Framework of the 7 Segments. All 278 municipalities must be compliant by 1 July 2017. The necessary structures will be established and municipalities and other stakeholders will be informed in due course of the way forward. The obvious challenge faced by TWK is the financial resources required to ensure that the financial system able to implement SCOA. The cost of training could place further strain on the municipality's financial resources. Other challenges faced is the time spent away from work whilst receiving training, employees resistant to change, having to use external service providers as a result of employees not coming to terms with the complexity of the new regulations etc.
A weak revenue stream	Due to the relative small revenue out of electricity as most of the reticulation is done by ESKOM, this not only affect the municipalities ability to generate revenue it's also hampers debt collection in towns where the

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municipality don't provide electricity. TWK is one of the pioneers fighting for either being the sole provider of electricity in its area or alternatively concluding service level agreements with ESKOM aimed at receiving additional revenue from electricity sold in the area and assisting with debt control through restriction of electricity supply to defaulting consumer.

The problem is that expectations and frustrations of the poorest of the poor are escalating by the day and the municipality is simply not able to respond due to lack of funding. The wider the gap between expectations and institutional capacity the bigger the risk of service protests. It is the responsibility of all to manage expectations down to a realistic affordable level. Obviously every attempt should also be made to manage the institutional capacity up in response to narrowing the gap between expectation and capacity.

The backlogs in infrastructure further puts pressure on municipal finances. The inability of the municipality to spent in non-grant funded areas due to lack of reserves are causing frustration in paying community and could negatively affect their willingness to pay. The uncertainty surrounding the sustainability of future grant funding, central government's fiscal model, low revenue base, unemployment and the community's ability/willingness to pay for services as well as the uncontrolled influx of unemployed, unskilled and homeless people into the municipal area are factors all of which have a negative impact on the financial health of the municipality.

Although the financial health of the municipality has improved considerably over the last few years, the current financial health as reflected in various ratios indicates an inherent risk to service delivery sustainability and should these risk not be mitigated or eliminated a breakdown in service delivery could become a reality.

3.25.2 DEBT RECOVERY

Debt Recovery			
			R' 000
Details of the types of	Year 2014/15		
	Billed in year	Payment	Percentage
Caledon	76,449	74,350	97%
Grabouw	49,156	28,832	59%
Villiersdorp	31,377	30,991	99%
Riviersonderend	14,523	13,656	94%
Greyton	16,906	17,112	101%
Genadendal	11,453	4,799	42%
Botrivier	8,937	7,028	79%
Tesselaarsdal	1,774	1,141	64%
Plase	18,001	21,418	119%
Corrections	12,785	12,785	100%
Total	241,361	212,113	88%
			T3.70.2

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3.25.3 EMPLOYEES: FINANCIAL SERVICES

Employees: Financial Services: 210					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	14	15	14	1	7%
7 - 9	29	30	27	2	7%
10 - 12	5	5	10	0	0%
13 - 15	6	8	4	2	50%
16 - 18	1	1	1	0	0%
19 - 20	-	-	-	-	-
Total	55	58	56	5	9%

3.25.4 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

Financial Performance: Financial Services					
R' 000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	59,391	50,172	51,986	66,179	27%
Expenditure:					
Employees	14,436	15,792	15,812	16,126	2%
Repairs and Maintenance	191	313	293	307	5%
Other	8,951	11,977	16,990	12,691	-25%
Total Operational Expenditure	23,578	28,081	33,095	29,123	-12%
Net Operational Expenditure	(35,813)	(22,091)	(18,892)	(37,055)	96%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.70.5

3.25.5 CAPITAL EXPENDITURE: FINANCIAL SERVICES

Capital Expenditure : Financial Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	38	38	28	-28%	
Inventory Items Finance	38	38	28	-28%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.70.6

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3.26 HUMAN RESOURCE SERVICES

3.26.1 HUMAN RESOURCE SERVICES

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

3.26.2 FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES

Financial Performance: Human Resource Services					
R'000					
Details	Year 2013/14	Year 2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	232	769	769	279	-64%
Expenditure:					
Employees	2,648	3,462	3,462	2,680	-23%
Repairs and Maintenance	-	-	-	-	
Other	3,866	3,620	3,680	3,668	0%
Total Operational Expenditure	6,514	7,082	7,142	6,349	-11%
Net Operational Expenditure	6,282	6,313	6,374	6,070	-5%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.</i>					T3.71.5

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

The municipal ICT Steering Committee (ICTSC) is a formal committee of council delegated to make decisions with regards to the municipal ICT governance. Furthermore, the Theewaterskloof Municipal ICT is an active member of the Western Cape Local Government ICT Forum, which concluded a Provincial governance policy for local government, the Municipal Corporate Governance of ICT Policy, which was approved by Parliament. This policy also brought about the drafting of other policies addressing key areas within the municipality, such as data backups, security controls, disaster recovery procedures, and so forth. Furthermore in terms of ICT Governance, an ICT Operational Committee was established, which will be responsible for monitoring the

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operational performance of ICT, as well as progress in respect of the Auditor General's requirements for ICT operations.

The ICT auditing system which monitors and reports the status of the entire ICT environment was also elevated and is now included as part of the performance of the Corporate Services director. These reports are submitted to the director on a quarterly basis and scrutinized on a monthly by the ICTSC.

Other initiatives of ICT included:

- Cost savings projects, which resulted in an approximate R500000.00 savings on telephone costs.
- The redesign of the municipal website to be more interactive and aligned with future developments and standardized throughout the Western Cape Province.
- Centralization of Bulk SMS system to enhance communication with communities.

For the 2014/15 financial year our capital projects included the standardization of desktop computers and mainframe servers to align with the ICT Standardization policy. We also centralized the Uninterruptible Power Supply Unit to ensure critical services are not affected by Eskom load shedding, including the implementation of additional Uninterruptible Power Supply systems.

3.27.1 EMPLOYEES: ICT SERVICES

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

3.27.2 FINANCIAL PERFORMANCE: ICT SERVICES

Financial Performance: ICT Services					
R'000					
Details	Year 2013/14	Year 2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	809	889	892	874	-2%
Repairs and Maintenance	-	-	-	-	-
Other	3,308	4,692	4,015	3,735	-7%
Total Operational Expenditure	4,117	5,581	4,907	4,609	-6%
Net Operational Expenditure	4,117	5,581	4,907	4,609	-6%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.72.5

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3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

3.28.1 PROPERTY MANAGEMENT: CHALLENGES/HIGHLIGHTS

Challenges

The Property Management Department had many challenges this year of which **capacity** still remains the biggest challenge. There are only 3 people within the Department that manages the under mentioned. The main activities consist of managing the following:

- Lease agreements
- Encroachments agreements
- Surveying and Registering of all servitudes and servitude rights
- Surveying and Registration of all subdivided land, including General Plans
- All land enquiries
- Transfer of land to and from the municipality
- Submitting of reports for property related applications to the various committees and eventually to Council
- New developments on Council land
- Contract Management

The sourcing for a skilled property administrator is also a problem as there are only a few people in the country that has experience in property management. A property administrator was working in the post for 8 months and now the post is again vacant as the person was sourced by another municipality with a higher salary. This causes a big backlog and now a new person has to be trained in the post.

The **national economy** has a big influence on the sale and development of properties as there is not a lot of bank credible buyers.

The **red tape and legislative requirements** associated with property administration are very time consuming and results into property transactions taking years to establish.

Achievements

6 Properties were sold to the value of R2 084 404.

35 New Lease agreements were entered into.

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3.28.2 EMPLOYEES PROPERTY MANAGEMENT AND VALUATIONS

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

Employees: Property Management: 124; 126 and 419					
Job Level	Year 2013/14	Year 2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	3	-	-
4 - 6	4	6	6	-	-
7 - 9	1	1	2	1	100%
10 - 12	1	1	1	0	0%
13 - 15	1	1	1	0	0%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	10	12	13	2	15%

3.28.3 FINANCIAL PERFORMANCE: PROPERTY MANAGEMENT

Financial Performance : Property Services					
R'000					
Details	Year 2013/14	Year 2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	29,075	2,974	599	1,913	219%
Expenditure:					
Employees	1,458	1,632	1,632	1,320	-19%
Repairs and Maintenance	2,078	1,527	1,551	1,368	-12%
Other	23,514	6,437	10,587	6,072	-43%
Total Operational Expenditure	27,050	9,596	13,771	8,760	-36%
Net Operational Expenditure	(2,025)	6,622	13,171	6,847	-48%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5.					T3.73.5

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3.28.4 CAPITAL EXPENDITURE: PROPERTY MANAGEMENT

Capital Expenditure: Property Services					
R' 000					
Capital Projects	Year 2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All				-	
Project A				-	
Project B				-	
Project C				-	
Project D				-	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T3.73.6

No capital expenditure for the financial year 2014/15.

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CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

The municipality has currently a staff component of 615 officials, who individually and collectively contribute towards the achievement of the municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEES TOTALS, TURNOVER AND VACANCIES

4.1.1 EMPLOYEES

Employees					
Description	Year 2013/14	Year 2014/15			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water : 521	34	34	32	5	16%
Waste Water: 420; 421 (Sewerage)	32	34	31	1	3%
Electricity: 311	21	21	21	0	0%
Waste Management (includes Dumping): 413	89	92	93	2	2%
Housing: 116	11	15	13	2	15%
Waste Water (Sewerage purification): 414	16	16	18	2	11%
Roads and Storm water	102	102	101	1	1%
Traffic: 118; 130 and 119	53	65	62	5	8%
Town Planning: 115	8	11	11	1	9%
Local Economic Development: 125	2	3	2	1	50%
Planning (Strategic & Regulatory/ IDP): 114	2	2	2	0	0%
Finance: 210	55	58	56	5	9%
Administration: 110; 519; 107; 108 and 113	74	78	74	3	4%
HR: 117	6	6	6	0	0%
IT: 211	2	2	2	0	0%
Property Management: 124; 126 and 419	10	12	13	2	15%
Parks: 517; 516	40	41	36	5	14%
Libraries: 112	32	33	32	4	13%
Valuations: 110	1	1	0	1	100%
Internal Audit: 213	3	3	3	0	0%
Totals	593	629	608	40	7%

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4.1.2 VACANCY RATE: YEAR 2014/15

Vacancy Rate: Year 2014/15			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1		0.00
CFO	1		0.00
Other S57 Managers (excluding Finance Posts)	4		0.00
Other S57 Managers (Finance posts)	0		0.00
Police officers	0		0.00
Traffic & Law Enforcement	62	5	8%
Senior management: Levels 13-15 (excluding Finance Posts)	39	3	8%
Senior management: Levels 13-15 (Finance posts)	7	1	14%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	256	7	3%
Highly skilled supervision: levels 9-12 (Finance posts)	7	1	14%
Total	377	17	5%

4.1.3 TURN-OVER: YEAR 2014/15

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2011/12	39	23	7.5%
2012/13	32	24	6%
2013/14	60	15	4%
2014/15	69	22	4%

4.1.4 COMMENT ON VACANCIES AND TURNOVER

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. The critical challenge for the current administration is to attract and retain scarce skills in the workplace.

The municipality's turnover rate for the past years has been between 7.5% (2011/12) and 4% (2014/15) and below 10% which indicates that it is well within the National and International benchmarks. This rate can be attributed to normal attrition, staff leavening for better prospects as well as through disciplinary process.

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COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 INTRODUCTION TO MANAGING THE MUNICIPAL WORKFORCE

The Municipal Systems Act, S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

The Human Resource division comprises of HR Administration Services. This section is responsible for the administration of leave, fringe benefits, medical aid contributions and housing scheme including the Occupational Health and Safety section, as well as the Training and Skills development.

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

4.2.1 HUMAN RESOURCE POLICIES AND PLANS

HR Policies and Plans				
	Name of Policy	Completed	In Process of being Reviewed	Date adopted by council or comment on failure to adopt
1	Affirmative Action (Employment Equity)	X		15 September 2011.
2	Attraction and Retention		x	Policy was referred back by Management
3	Code of Conduct for employees	X		Schedule 2 – Municipal Systems Act [Act 32 of 2000]
4	Delegations, Authorisation & Responsibility	X		Revised by council 24 th March 2011- new council adopted on 31 May 2011
5	Disciplinary Code and Procedures	X		Negotiated on Bargaining Council Level (Adopted 01 July 2010)
6	Essential Services	X		Parties could reach an agreement on the services that was identified as Essential. The Draft Agreement will be discussed at the Local Labour Forum meeting that is scheduled for 25 July 2012.
7	EAP	X		Adopted on the 27 March 2014
8	Exit Management	X		Exit interview are held with employees leave the organisation.
9	Grievance Procedures	X		In terms of Main Collective Agreement that was adopted on Bargaining Council Level on 01 May 2007
10	HIV/Aids	X		20 March 2013
11	Human Resource and Development	X		31 October 2013
12	Information Technology	X		Policy was adopted on 15 September 2011
13	Task Job Evaluation Policy	X		09 October 2013
14	Leave	X		20 March 2013
15	Occupational Health and Safety	X		Policy adopted by Council on 29 July 2010
16	Official Housing (subsidy)	X		Adopted at bargaining council level
17	Travel and Subsistence	X		Policy reviewed and approved 26 March 2015
18	Official transport to attend Funerals			None

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HR Policies and Plans				
	Name of Policy	Completed	In Process of Being Reviewed	Date adopted by council or comment on failure to adopt
19	Official Working Hours and Overtime			Main Collective Agreement – Adopted on Bargaining Council Level
20	Organisational Rights	X		Main Collective Agreement – Adopted on Bargaining Council Level
21	Payroll Deductions	X		Statutory deductions
22	Performance Management and Development	X		January 2010
23	Recruitment, Selection and Appointments	X		Policy reviewed and approved 17 June 2015
24	Remuneration Scales and Allowances	X		As per Salary and Wage Collective Agreement - Adopted on Bargaining Council Level.
25	Resettlement	X		Current policy
26	Sexual Harassment	X		Adopted on 29 July 2010
27	Skills Development	X		Workplace Skills Plan – Adopted on 30 June 2011.
28	Smoking	X		Adopted on 26 May 2008
29	Bursary	X		Adopted on 15 October 2008
30	Substance Abuse	X		Adopted on 15 September 2011
31	Uniforms and Protective Clothing	X		Adopted on 29 July 2010
32	Transport Policy	X		Adopted on 24 April 2012
33	Medical Assistance for former employees	X		Adopted on 05 May 2011
34	Induction	X		Adopted 7 August 2012
35	Training Policy	X		13 October 2013
36	Revision Transport	X		26 March 2015
37	Scarce Skills	X		20 March 2013

All HR Policies are discussed by the Policy Working Group that comprises of top Management and representatives from the Unions, where after it is referred to the Local Labor Forum for approval. Good progress is being made with the adoption of HR Policies and procedures, and we are well within our target of adopting at least 2 policies in a year.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

4.3.1 NUMBER AND COST OF INJURIES ON DUTY

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only					
Temporary total disablement	147	49	33.33%	3	R60 042.00
Permanent disablement			0.00%	0	R 0.00
Fatal			0.00%	0	R 0.00
Total	147	49	33.33%	3	R 60 042.00
					T4.3.1

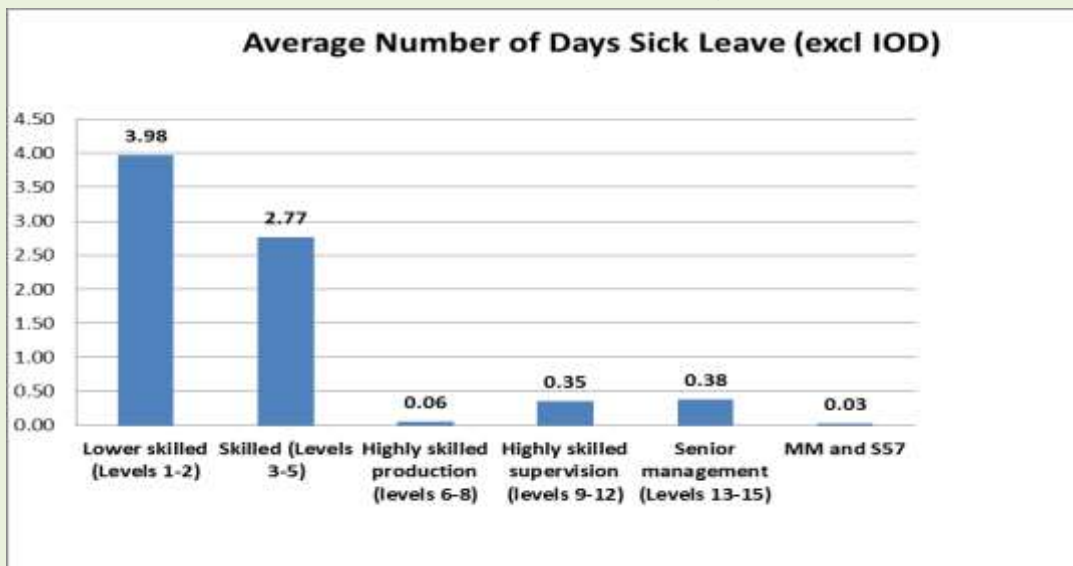
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Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

4.3.2 NUMBER OF DAYS AND COST OF SICK LEAVE (EXCLUDING INJURY ON DUTY)

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	2358	19%	256	88	3.98	R 712 172.81
Skilled (Levels 3-5)	1640	19%	71	189	2.77	R 598 777.83
Highly skilled production (levels 6-8)	35	26%	6	144	0.06	R 20 529.39
Highly skilled supervision (levels 9-12)	210.5	16%	20	107	0.35	R 208 034.86
Senior management (Levels 13-15)	226.5	10%	24	59	0.38	R 386 207.06
MM and S57	15	83%	5	6	0.03	R 78 313.00
Total	4485	29%	382	593	7.56	R 2 004 034.95

4.3.3 AVERAGE NUMBER OF DAYS OF SICK LEAVE (EXCLUDING INJURY ON DUTY)



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4.3.4 COMMENT ON INJURY AND SICK LEAVE

The number of days' sick leave taken by employees has service delivery cost implications. The monitoring of sick leave identifies certain pattern or trends. Once these patterns are identified, corrective action can be taken.

4.3.5 NUMBER AND PERIOD OF SUSPENSIONS

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
General Ass	Did not perform duties to the best of his abilities; Left workplace without permission; Possession of alcohol on work premises.	27/10/2014 - 31/10/2014	5 days suspension without remuneration.	16/10/2014
Senior Foreman	Negligence	10/2/2015 - 23/2/2015	10 days suspension without remuneration	09/2/2015
General Worker	Absent without leave	08/7/2015 - 21/7/2015	10 days suspension without remuneration	25/6/2015

In terms of the Disciplinary Code only officials from other departments or from other municipalities can be appointed as Presiding Officers and Employer Representatives. The availability of the officials is a huge problem. There are simply not enough officials with the necessary expertise and knowledge to handle disciplinary hearings. The Code further states that the Employer Representative must be at a level more senior than the employee(s) who is/are being charged, which makes the "pool" of available officials even smaller. Another factor is the constant requests for postponements from the Unions. All officials post level T14 to T17 were sent on an Initiator and Chairperson training and hopefully this initiative will speed up the finalization of the disciplinary hearings.

4.4 PERFORMANCE REWARDS

4.4.1 PERFORMANCE REWARDS BY GENDER

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 2014/15	Proportion of beneficiaries within group
				R' 000	%
Lower skilled (Levels 1-2)	Female	-	-	-	-
	Male	-	-	-	-
Skilled (Levels 3-5)	Female	-	-	-	-
	Male	-	-	-	-
Highly skilled production (levels 6-8)	Female	-	-	-	-
	Male	-	-	-	-
Highly skilled supervision (levels 9-12)					

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	Female	-	-	-	-
	Male	-	-	-	-
Senior management (Levels 13-15)	Female	-	-	-	-
	Male	-	-	-	-
MM and S57	Female	-	-	-	-
	Male	6	6		100%
Total		6	6		100%

The implementation of performance management to lower levels of staff could not be realized due to capacity constraints.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

Policies for internal bursaries are in place. The training committee which follows a well-organized procedure involving all relevant role-players meets on a monthly basis after the local labor forum meeting. Transparent regulation of all courses involves the unions SAMWU and IMATU in all decision making.

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4.5 SKILLS DEVELOPMENT AND TRAINING

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that as head of administration the Municipal Manager is responsible for the management, utilisation and training of staff.

4.5.1 NUMBER OF SKILLED EMPLOYEES

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 2014	Number of skilled employees required and actual as at 30 June Year 2014											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year 2014	Actual: End of Year 2015	Target	Actual: End of Year 2014	Actual: End of Year 2015	Target	Actual: End of Year 2014	Actual: End of Year 2015	Target	Actual: End of Year 2014	Actual: End of Year 2015	Target
MM and s57	Female	0	-	-	-	0	0	-	0	-	-	0	0	-
	Male	6	-	-	-	1	2	-	4	-	-	5	2	-
Councillors, senior officials and managers	Female	16	-	-	-	12	2	-	3	-	-	15	2	-
	Male	34	-	-	-	16	8	-	7	-	-	25	0	-
Technicians and associate professionals*	Female	15	-	-	-	9	1	-	0	-	-	9	1	-
	Male	12	-	-	-	6	2	-	0	-	-	6	2	-
Professionals	Female	6	-	-	-	2	0	-	0	-	-	2	0	-
	Male	36	-	-	-	7	10	-	4	-	-	7	10	-
Sub total	Female	37	-	-	-	23	3	-	3	-	-	26	3	-
	Male	88	-	-	-	29	22	-	16	-	-	35	22	-
Total		250	0	0	0	105	50	0	37	0	0	130	42	0

*Registered with professional Associate Body e.g CA (SA)

T4.5.1

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4.5.2 FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT

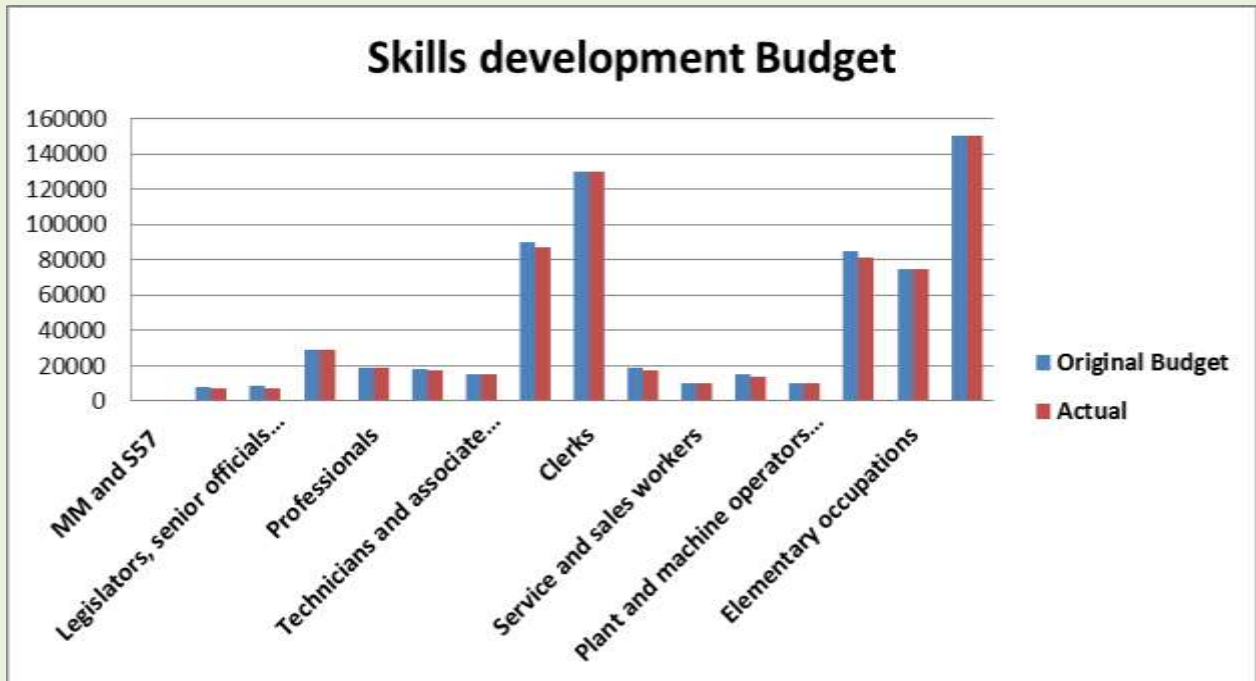
Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidat ed: Competen cy assessmen ts completed for A and B (Regulatio n 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>						
<i>Chief financial officer</i>	1	0	1		0	0
<i>Senior managers</i>	1	0	1		0	1
<i>Any other financial officials</i>	4	0	4		0	1
Supply Chain Management Officials	28	0	28	24	0	14
<i>Heads of supply chain management units</i>	1	0	1			0
<i>Supply chain management senior managers</i>	0	0	0			
TOTAL	35	0	35	24	0	16

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4.5.3 SKILLS DEVELOPMENT EXPENDITURE

Skills Development Expenditure										R
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	0	0	0		0	0	0	0	0
	Male	6	0	0	8000	7000	0	0	8000	7000
Legislators, senior officials and managers	Female	18	0	0	8500	7000	0	0	8500	7000
	Male	31	0	0	29000	28700	0	0	29000	28700
Professionals	Female	15	0	0	19000	19000	0	0	19000	19000
	Male	14	0	0	18000	17500	0	0	18000	17500
Technicians and associate professionals	Female	6	0	0	15000	15000	0	0	15000	15000
	Male	41	0	0	90000	87260	0	0	90000	87260
Clerks	Female	105	0	0	130000	129650	0	0	130000	129650
	Male	41	0	0	19000	17500	0	0	19000	17500
Service and sales workers	Female	12	0	0	10000	10050	0	0	10000	10050
	Male	32	0	0	15000	14000	0	0	15000	14000
Plant and machine operators and assemblers	Female	1	0	0	10000	10000	0	0	10000	10000
	Male	64	0	0	85000	81349	0	0	85000	81349
Elementary occupations	Female	57	75000	75000	0	0	0	0	75000	75000
	Male	241	150000	150000	0	0	0	0	150000	150000
Sub total	Female	214	75000	75000	192500	190700	0	0	267500	265700
	Male	470	150000	150000	264000	253309	0	0	414000	403309
Total		684	225000	225000	456500	444009	0	0	681500	669009
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									0.62%*	*R 670000
T4.5.3										

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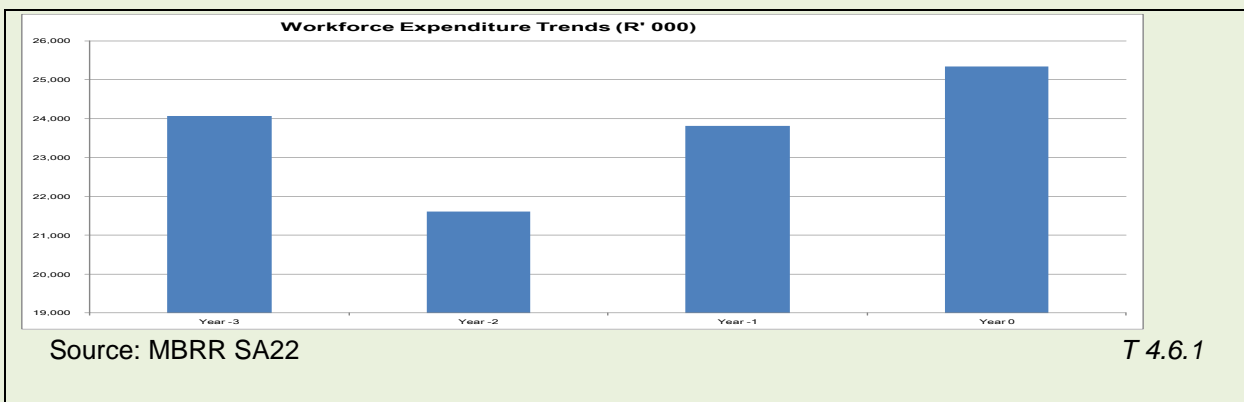


COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance (excluding councilor remuneration) for the past three financial years and that the municipality is well within the national norm of between 35 to 40%:

4.6 EMPLOYEE EXPENDITURE

4.6.1 EMPLOYEE EXPENDITURE



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4.6.2 NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	
	Male	
Skilled (Levels 3-5)	Female	
	Male	3
Highly skilled production (Levels 6-8)	Female	13
	Male	24
Highly skilled supervision (Levels 9-12)	Female	
	Male	3
Senior management (Levels 13-16)	Female	
	Male	3
MM and S 57	Female	
	Male	
Total		46

4.6.3 EMPLOYEE WHOSE SALARY LEVELS EXCEED THE GRADE DETERMINED BY JOB EVALUATION

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
NONE	2	T9	T10	Job Evaluation
	2	T6	T9	Job Evaluation
	1	T14	T11	Job Evaluation
	1	T7	T9	Job Evaluation
	3	T5	T6	Job Evaluation
	1	T10	T12	Job Evaluation

4.6.4 EMPLOYEES APPOINTED TO POSTS NOT APPROVED

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
NONE	-	-	-	-

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CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

Demographics and Economic Overview of the Municipality

To understand the financial challenges and position of the municipality it is important that one has an understanding of the demographics and economic environment of the region:

- Population of 108 790 (biggest in District) with a growth rate of 1.2%. Population estimated to 121739 by the 2020.
- Highest % of age population falls in the age group 25 – 34 for both males and females(indicative of the size of economically active people)
- TWK has the lowest annual per capita income (R25,692) within the Overberg district also lower than the national average of R44 802.
- 53% indigent population
- The economy of TWK has net job losses of more than 7000 jobs over the last 8 years.
- Theewaterskloof has the largest negative employment growth of -2.4 per cent over the period and the lowest GDP growth rate (2005-2013)
- Theewaterskloof comprised the largest share (36 per cent or R4.7 billion) of the District's GDP of R13.3 billion in 2013, making it the largest economy in the District, followed by Overstrand (34 per cent; R4.6 billion).
- Theewaterskloof municipal area experienced average year-on-year growth of 3.6 per cent from 2005 - 2013, is on par with the Province's growth rate over this period.
- Theewaterskloof is the slowest growing municipality in the District.
- Theewaterskloof's agriculture sector is the largest employer in the Municipality, employing 13 479 (or 32.9 per cent) of the Municipality's working population in 2013. Agricultural employment is seasonal in nature compounding/adding to the indigent burden "out of seasons".
- Three larger employment sectors in TWK are as follows:
 - Finance, insurance, real estate and business services (32%)
 - Agriculture, fishing and forestry (21%)
 - Manufacturing (14%)

During yet another tough economic year, the municipality had to continue to introduce initiatives to handle and deal with price increase, especially those attributable to inflationary increases. The municipality strengthened its stance on decreasing/eliminating non-essential spending.

Looking at the future the municipality identified several key matters to be dealt with in 2014/2015:

- Replacing or upgrading ageing infrastructure and working towards obtaining R450m to deal with this over the next 5 years. .
- The excessive cross subsidizing of rates by trading services and the impact it has on the ability to build municipal capital reserve funds.
- Operational input costs, such as bulk water, personnel costs, fuel and bulk electricity, exceeding the inflation rate.

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- Drastic rates and tariff increases to address the threats.
- Municipal sustainability considerations versus the affordability of the Municipal bill.
- An indigent population of 53% and increased pressure on those who carries the bulk of the municipal bill.
- National Grants funds for services and capital projects in previously disadvantaged areas.
- Improved debt collection remains key the success of remaining financial viable and therefor remains at the fore front of focus areas.

The following achievements during the financial year should be highlighted:

- A clean audit was achieved for the first time in 2012/13 which is proof of sound financial practices and principles. Only 30 (12 in the Western Cape) municipalities from a total of 278 had obtained this achievement nationally. The municipality managed to sustain the clean audit outcome both in 2013/14 and 2014/15.
- 90% expenditure of the capital budget was spent in 2012/13 and 2013/14, in 2014/15 there was a slight decrease in capital expenditure, 86% of the capital budget was spent in 2014/15 this remains an improvement when comparing to the 78% achieved in 2011/2012
- The collection rate has shown some improvement from 83.7% in 2013, to 86.3% in 2014 and 89 in 2015.
- Debtor collection period before impairment has decreased from 236 day to 172 days
- Debtor's collection period has also increased when compared to the previous year (from 39 days in 2014 to 48 days in 2015). The municipality's intervention to improve the debt collection rate that was implemented in the prior period and which yielded positive results is hampered by the economic climate in the country as a whole, which has place a lot of consumers under financial stress. The municipality, however, remains committed to improve its debt collection rate.
- The Current Ratio improved from 0.9:1(2013) to 1.1:1(2014) and to 1.2:1 in 2015
- Capital replacement reserve increased from R500,000 (2013) to R6.5m (2014) and to R15,7m
- Capital spending: Despite being rated one of the least financial viable municipalities TWK over the last 11 years invested R570m in capital assets and infrastructure
- TWK has posted annual Accounting Surpluses with the exception of a deficit in 2011/12 for the last 11 financial years
- TWK has been able to manage its credit score within the BBB Band for more than 10 years
- Financial Viability Improved from 42 in 2010 to 63 in 2014
- Efficient costing of services and projects by identifying and managing the cost drivers.
- Active use of forecasts and projections to manage cash flow efficiently.
- Active monitoring of income and expenditure against pre-determined budget targets/projections.
- Set financial benchmarks and monitor performance against them

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5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
						R' 000
Description	2013/14	2014/15			2014/15 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	58,673	68,910	68,910	68,769	-0.21%	-0.21%
Service charges	142,532	156,249	156,254	153,960	-1.46%	-1.47%
Investment revenue	2,904	2,482	3,000	5,134	106.85%	71.14%
Transfers recognised - operational	108,864	103,590	122,945	109,684	5.88%	-10.79%
Other own revenue	79,233	32,676	41,604	45,177	38.26%	8.59%
Total Revenue (excluding capital transfers and contributions)	392,206	363,907	392,712	382,724	5.17%	-2.54%
Employee costs	124,568	139,914	140,981	138,725	-0.85%	-1.60%
Remuneration of councillors	8,203	9,277	9,277	8,573	-7.59%	-7.59%
Depreciation & asset impairment	32,816	23,081	27,081	12,609	-45.37%	-53.44%
Finance charges	12,478	13,433	12,733	13,237	-1.46%	3.96%
Materials and bulk purchases	50,043	54,651	55,091	54,670	0.03%	-0.77%
Transfers and grants	,824	1,000	1,000	1,351	35.08%	35.08%
Other expenditure	151,703	130,236	164,532	140,027	7.52%	-14.89%
Total Expenditure	380,634	371,591	410,694	369,191	-0.65%	-10.11%
Surplus/(Deficit)	11,572	(7,685)	(17,982)	13,533	-276.10%	-175.26%
Transfers recognised - capital	47,047	54,670	61,638	59,671	9.15%	-3.19%
Contributions recognised - capital & contributed assets	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	58,618	46,985	43,656	73,204	55.80%	67.68%
Share of surplus/ (deficit) of associate		-	-	-	-	-
Surplus/(Deficit) for the year	58,618	46,985	43,656	73,204	55.80%	67.68%
Capital expenditure & funds sources						
Capital expenditure	62,947	67,547	85,177	73,003	8.08%	-14.29%
Transfers recognised - capital	46,802	54,731	63,081	59,671	9.03%	-5.41%
Public contributions & donations		-	-	-		
Borrowing	8,509	5,670	10,978	1,044	-81.58%	-90.49%
Internally generated funds	7,365	7,146	11,118	6,645	-7.01%	-40.23%

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Total sources of capital funds	62,947	67,547	85,177	67,361	-0.28%	-20.92%
<u>Financial position</u>						
Total current assets	76,273	54,091	64,013	111,643	106.40%	74.41%
Total non current assets	800,804	664,223	858,895	908,952	36.84%	5.83%
Total current liabilities	66,587	58,740	63,155	91,644	56.02%	45.11%
Total non current liabilities	178,789	172,164	184,395	210,212	22.10%	14.00%
Community wealth/Equity	631,701	487,411	675,358	718,739	47.46%	6.42%
<u>Cash flows</u>						
Net cash from (used) operating	66,799	74,410	82,897	114,479	53.85%	38.10%
Net cash from (used) investing	(60,777)	(65,891)	(85,172)	(77,467)	17.57%	-9.05%
Net cash from (used) financing	4,651	(1,300)	(1,084)	(6,740)	418.47%	521.57%
Cash/cash equivalents at the year end	38,218	7,235	34,859	68,463	846.30%	96.40%
<u>Cash backing/surplus reconciliation</u>						
Cash and investments available	38,218	7,235	34,859	68,463	846.30%	96.40%
Application of cash and investments	26,794	(3,832)	18,879	19,978	-621.33%	5.82%
Balance - surplus (shortfall)	11,424	11,067	15,980	48,484	338.10%	203.41%
<u>Asset management</u>						
Asset register summary (WDV)	800,780	968,018	858,876	730,647	-24.52%	-14.93%
Depreciation & asset impairment	32,816	23,081	27,081	12,609	-45.37%	-53.44%
Renewal of Existing Assets	17,254	33,999	32,832	26,086	-23.27%	-20.55%
Repairs and Maintenance	18,412	22,906	23,179	22,368	-2.35%	-3.50%
<u>Free services</u>						
Cost of Free Basic Services provided	13,552	22,463	22,463	14,086	-37.29%	-37.29%
Revenue cost of free services provided	13,552	27,500	27,500	14,086	-48.78%	-48.78%
<u>Households below minimum service level</u>						
Water:	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-
Energy:	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-
<i>This table is aligned to MBRR table A1</i>						T5.1.1

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Financial Performance of Operational Services						
						R '000
Description	2013/14	2014/15			2014/15 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Service						
Water Distribution	(558)	(5 560)	(9 640)	7,518	-235%	-177.99%
Waste Water Management	(2 294)	(1 295)	(943)	-252	-81%	-73.27%
Electricity Distribution	(17 055)	(16 009)	(18 275)	22,537	-241%	-223.32%
Solid Waste Management	(633)	(4 580)	(3 277)	(496)	-89%	-84.85%
Housing Services	3,905	5,495	(25 732)	25,387	362%	-198.66%
Component A: sub-total	(16 634)	(21 949)	(57 866)	54,694	-349%	-194.52%
Roads Services	20,283	24,367	24,031	(23 621)	-197%	-198.30%
Transport	–	–	–	–	–	–
Component B: sub-total	20,283	24,367	24,031	(23 621)	-197%	-198.30%
Planning	6,482	6,344	6,266	(5 852)	-192%	-193.40%
Local Economic Development	2,459	3,048	3,045	(2 630)	-186%	-186.38%
Component C: sub-total	8,941	9,391	9,311	(8 482)	-190%	-191.11%
Community & Social Services	(228)	13	(486)	472	3609%	-197.08%
Environmental Protection	33	50	50	(6)	-112%	-112.07%
Health	–	–	–	–	–	–
Public Safety	857	1,892	7,434	(6 110)	-423%	-182.19%
Sport and Recreation	6,728	7,305	8,192	(7 889)	-208%	-196.31%
Corporate Policy Offices and Other	(78 726)	(68 942)	(33 627)	64,148	-193%	-290.76%
Component D: sub-total	(71 336)	(59 682)	(18 437)	50,614	-185%	-374.53%
Net Total Expenditure	(58 746)	(47 872)	(42 961)	73,204	-253%	-270.40%
In this table operational income (but not levies or tariffs) is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3.						T5.1.2

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5.2 GRANTS

Grant Performance						
R' 000						
Description	2013/14	2014/15			2014/15 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	91 664 645	76 316	71 066	71 430		
Equitable share	57 262	62 481	62 481	62 481	-	0%
Municipal Systems Improvement	858	934	825	825	-12%	0%
Municipal Disaster Recovery	-	-	439	439	-	0%
Local Government Financial Management Grant (FMG)	1 249	1 600	1 600	1 600	-	0%
Municipal Infrastructure Grant (MIG)	24 801	765	923	878	15%	-5%
National Electrification Programme	-	-	-	-	-	0%
Expanded public works programme (EPWP)	1 771	1 106	1 106	1 097	-1%	-1%
Regional Bulk Infrastructure Grant	5 720	5 441	-	-	-100%	0%
VAT on grants	3	3 989	3 693	4 110	3%	11%
Neighbourhood Development Programme Grant	1	-	-	-	-	0%
Provincial Government:	59 212 474	30 947	48 330	36 906		
Health subsidy	-	-	-	-	-	-
Housing	52 358	24 658	39 934	29 543	20%	-26%
Municipal Infrastructure Support Grant	-	-	450	448	-	0%
Sports and Recreation	-	-	-	-	-	-
Financial Management Support Grant	600	-	1 437	1 018	-	29%
CDW Operational Support Grant	166	122	232	181	48%	-22%
Maintenance of proclaimed main roads	74	92	92	92	0%	0%
Library Service conditional Grant	6 015	6 075	6 185	5 624	-7%	-9%
Spatial Development Framework	30	-	-	-	-	-
District Municipality:	0	0	0	0	0	0
<i>[insert description]</i>					0%	0%
					0%	0%
Other grant providers:	1 649 906	1 769	2 336	1 340 700	0	1
DBSA GIS	1	-	-	-	-	-
IDC	368	-	-	54	-	-
DBSA LEDI	118	-	345	18	-	-95%
HAN	931	1 000	1 222	990	-1%	-19%
SETA	232	769	769	279	-64%	-64%
Total Operating Transfers and Grants	152 527	109 032	121 732	109 677		
						T5.2.1

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COMMENT ON OPERATING TRANSFERS AND GRANTS:

38.28% of Theewaterskloof's Total Revenue was derived from government grant and subsidies in 2014/15; indicating the Municipality's reliance on Grants and Subsidies. During the 2014/15 financial year the municipality received a total of R185.420m. Provincial transfers of R81, 937, national grants amounting to R101,805m and R1,678m from other grant funders make up the total amount of grant funding received during the 2014/15 financial year. Total grant expenditure for the corresponding period amounts to R169, 355m. The largest transfer received was received in the form of housing grant (R73, 293m) and equitable share (R62,481m). The total operating grant expenditure amounts to R169, 355m. The biggest spending variances on operating grants were on the following grants:

Government Grants and Subsidies

- Western Cape Financial Management Support Grant – 29% underspent
- Housing 26% underspent

The underspending on the Western Cape FMSG was amounted to R586, 000. This amount would have been used to procure a system that is SCOA compliant. During the financial year National Treasury did not vet any system vendors, this meant that the municipality could not procure a system or make changes to the current financial system, as it would be fruitless and wasteful expenditure if we procure a system and it is later not vetted by National Treasury. The process was further hampered by the fact that the money provided by Provincial Treasury was not nearly enough to procure a system and the municipality did not have the financial resources to supplement the funds received from Provincial Treasury.

The underspending on Human Settlement Grant was largely due to the "Rooi Dakke Project" amounting to R4.4m. The before mentioned amount was included when the budget was compiled however with the compilation of the Annual Financial Statements the amount had to be removed from the expenditure as the municipality only acting as a transferring agent and not an implementing agent (refer to GRAP 23 and GRAP 9)

- DBSA LEDI – 95% underspent
- SETA – underspent

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Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant 2013/14	Actual Grant 2014/15	2014/15 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
SETA	232	279				Skills Development
HAN	925	1400				Youth Development
DBSA LEDI		18				Purchase LED software programmes
IDC Grant		54				Promotion of LED and tourism
DBSA GIS		–				
Foreign Governments/Development Aid Agencies						
Private Sector / Organisations						
Provide a comprehensive response to this schedule						T5.2.3

The municipality received a total of R169 355 from Donors other than the division of revenue act. The IDC grant is for the promotion of local economic development and tourism. The HAN grant gives students from abroad the opportunity to engage with previously disadvantage communities and launch projects aimed at uplifting these communities. SETA is utilised from skills development and training within the organisation. The DBSA LEDI grant expenditure was largely attributable to the purchase of LED software programme.

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Overview

Theewaterskloof Municipality have a centralised Asset Management Unit based in Caledon. The unit is responsible for all assets related functions throughout the entire region consisting of eight (8) towns.

Key Element from the Asset Management Policy (AMP)

The proper utilization and management of assets is one of the prime mechanisms by which a municipality can fulfil its constitutional objectives for:

- Delivery of sustainable services;
- Promotion of Social and economic development
- Promoting a safe and healthy environment and;

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- Providing for the basic needs to the community.
- The municipality has a legal and moral obligation to ensure it implements policies to provide for the effective and efficient usage of its assets over the useful life thereof.
- The asset management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of assets.
- Stewardship has three components being the:
 - Management, utilization and control by the Municipal Officials.
 - Financial administration by the Chief Financial Officer, and
 - Physical administration by the Manager: Assets & Insurance
- Statutory provisions exist to protect public property against arbitrary and inappropriate management or disposal by a local government.
- Accounting standards are set to ensure the appropriate financial treatment for property, plant and equipment. The requirements of these accounting standards include:
- The compilation of asset registers recording all assets controlled by the municipality.
- Accounting treatment for the acquisition, disposal, recording and depreciation of property, plant and equipment.
- The standards to which these financial records must be maintained.

The Municipal Manager is responsible for the management of the assets of the municipality, including the safeguarding and the maintenance of those assets.

- The Municipal Manager must take all reasonable steps to ensure that:
- The municipality has and maintains a management, accounting and information system that records all the assets of the municipality;
- The municipality's assets are valued in accordance with recognised standards as prescribed by statutes and/or regulations;
- That the municipality has and maintains a system of internal control of assets, including an asset register; and
- That Senior Management comply with this policy.

The Chief Financial Officer is responsible to the Municipal Manager to ensure that the financial investment in the municipalities' assets is properly recorded.

- The Chief Financial Officer must take all reasonable steps to ensure that
- Appropriate systems of financial management and internal controls are established and carried out diligently;
- The financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;

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- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented
- The systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained to standards sufficient to satisfy the requirements of all statutes;
- Financial processes are established and maintained to ensure the municipality's financial resources are optimally utilized through appropriate asset plans, budgeting, purchasing, maintenance and disposal decisions;
- The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets;
- The Directors and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets;
- The Chief Financial Officer may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed

The Directors must take all reasonable steps to ensure that:

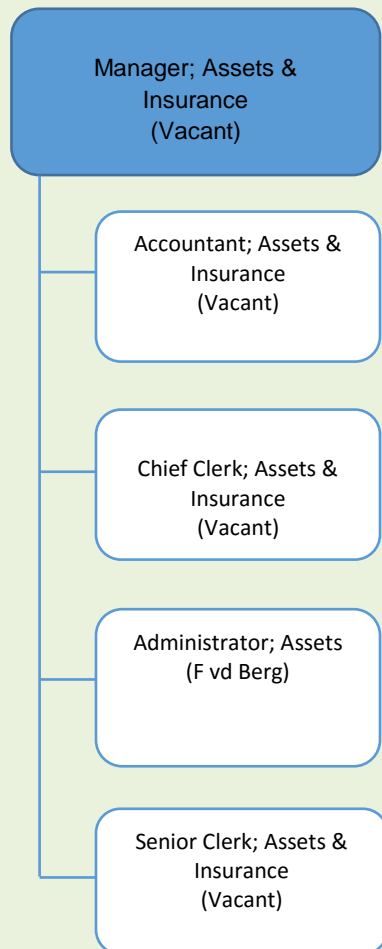
- Appropriate systems of physical management and controls are established and carried out for assets in their areas of responsibility;
- The municipal resources assigned to them are utilized effectively, efficiently, economically and transparently;
- The assets under their control are appropriately safeguarded and maintained to the extent necessary and that risk management systems are in place and applied;
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- The asset management systems and controls can provide an accurate, reliable and up to date record of assets under their control.
- They are able to justify that their asset plans, budgets, purchasing, maintenance and disposal decisions optimally achieve the municipality's strategic objectives.
- The purchase of assets complies with all municipal policies and procedures.
- All moveable property, plant and equipment is duly processed and identified and inspected as being in order before it is received into their stewardship.
- All moveable assets received into their stewardship are appropriately safeguarded against inappropriate use or loss. This will include control over the physical access to these assets and regular stock takes to ensure that no losses have occurred. Any known losses should be immediately reported to the Chief Financial Officer.
- Assets are appropriately utilized for the purpose for which the municipality acquired them.

The Director may delegate or otherwise assign responsibility for performing these functions but will remain ultimately accountable for ensuring these activities are performed

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Asset Management Unit (AMU)

The organogram extract of the AMU on the next page represent the current human resource allocation. There are currently no capacity development initiatives in terms of the AMU



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TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2014/15				R'000
Asset 1				
Name	Upgrading of Villiersdorp Waste Water Treatment Works			
Description	Civil and Structural Works for the Villiersdorp WWTW			
Asset Type	Fixed Asset			
Key Staff Involved	N Kayser			
Staff Responsibilities	Project Management			
Asset Value	`2011/12	`2012/13	`2013/14	2014/15
				7,746
Capital Implications	Maintanance cost and financing			
Future Purpose of Asset	To make provision for treatment of waste water			
Describe Key Issues	Fast growing community			
Policies in Place to Manage Asset	Assest Management Policy			
Asset 2				
Name	Grabouw Waste Water Treatment Plant			
Description	Upgrade of Waste water Treatment Plant in Grabouw			
Asset Type	Fixed Asset			
Key Staff Involved	N Kayser			
Staff Responsibilities	Project Management			
Asset Value	`2011/12	`2012/13	`2013/14	2014/15
				5,238
Capital Implications	Maintanance cost and financing			
Future Purpose of Asset	To make provision for treatment of waste water			
Describe Key Issues	Fast growing community			
Policies in Place to Manage Asset	Assest Management Policy			
Asset 3				
Name	Site Saviwa housing development			
Description	Upgrading of Electrical Networks in Caledon			
Asset Type	Fixed Asset			
Key Staff Involved	F du Toit			
Staff Responsibilities	Project Management			
Asset Value	`2011/12	`2012/13	`2013/14	2014/15
				2,965
Capital Implications	Maintanance cost and financing			
Future Purpose of Asset	To make provision for Electrcity supply for new Housing Development			
Describe Key Issues	Fast growing community			
Policies in Place to Manage Asset	Assest Management Policy			
				T5.3.2

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Repair and Maintenance Expenditure: 2014/15				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	22,906	23,179	22,368	-3.50%
				T5.3.4

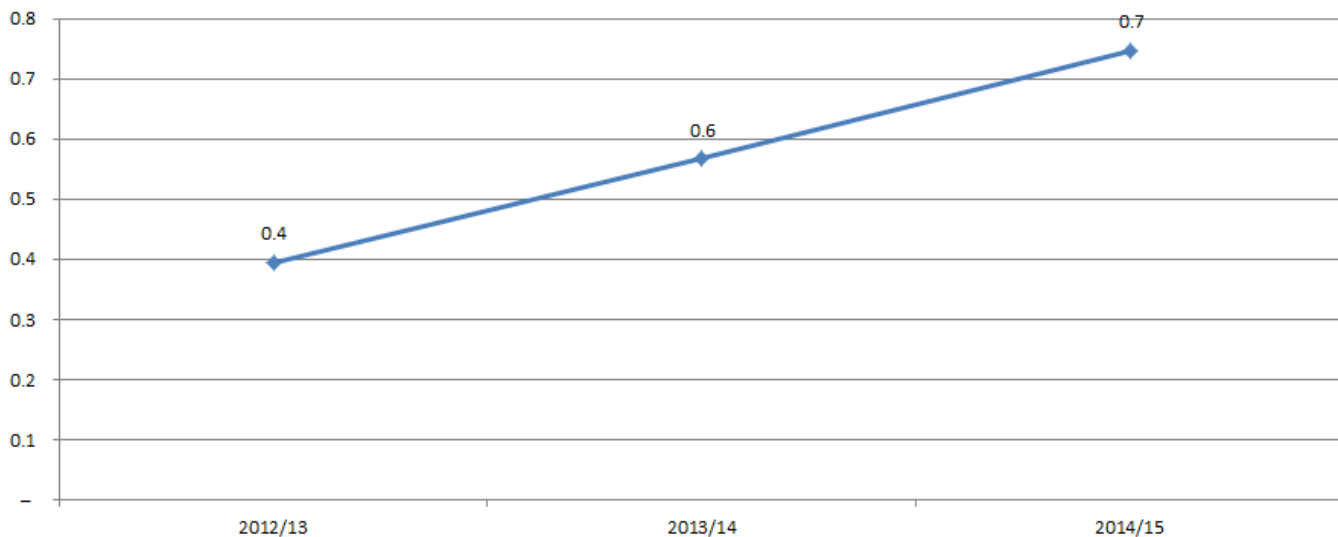
The projected growth in Repairs & Maintenance of 34% in 2015/16 will bring this allocation closer to the National Treasury guideline of 10% against Total Expenditure. Repairs and Maintenance will make up 7% of Total Expenditure in 2015/16; from a low base of 5% in the past.

During the 2014/15 financial year the municipality's total expenditure on repairs and maintenance amounted to R22, 3 million representing 6.2% of total operating expenditure. This is a 21% increase from 2013/14 when the municipality spent R18.4m on repairs and maintenance.

This is proof that the municipality acknowledges the importance of spending on maintenance to ensure asset function optimally and reach their expected useful life. The municipality's first priority however is to ensure that day to day service delivery proceed undisturbed and has managed to do so within the limits of the budget. A rapid year on year increase in repairs and maintenance expenditure could have negative consequences such as cash shortages that in turn could hamper essential service delivery. Routine maintenance was however performed as planned.

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity Ratio



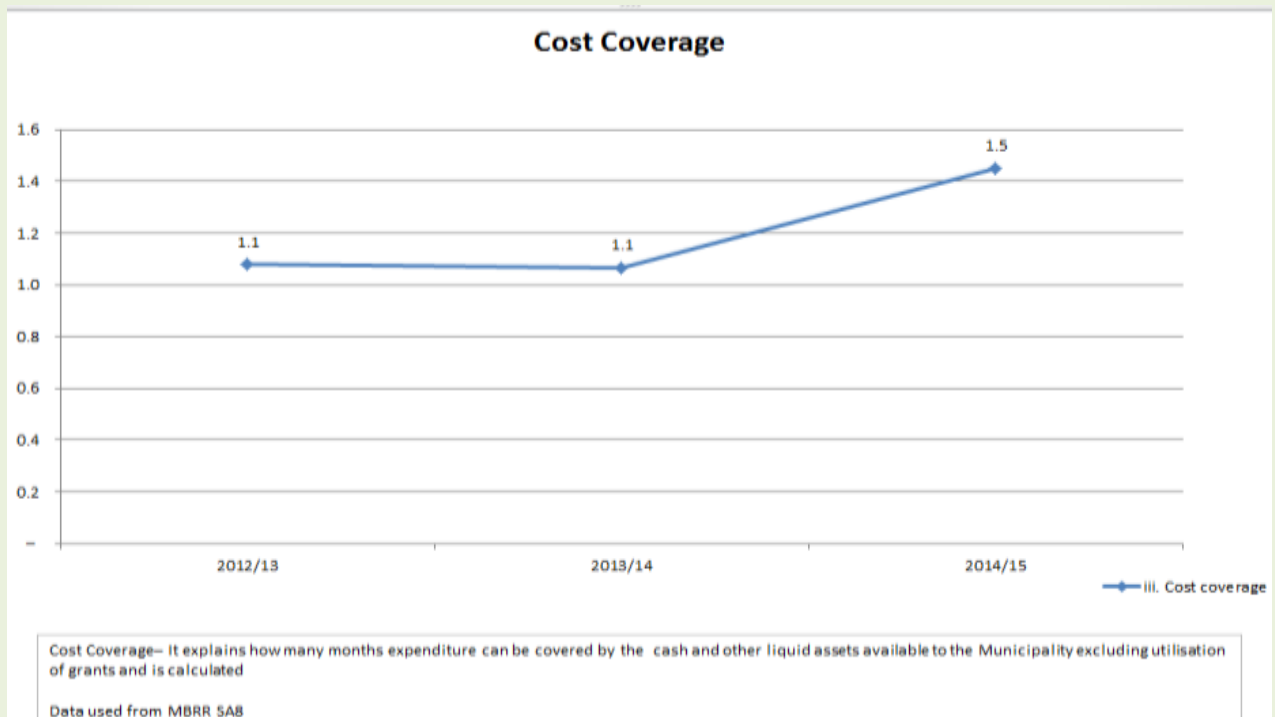
Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

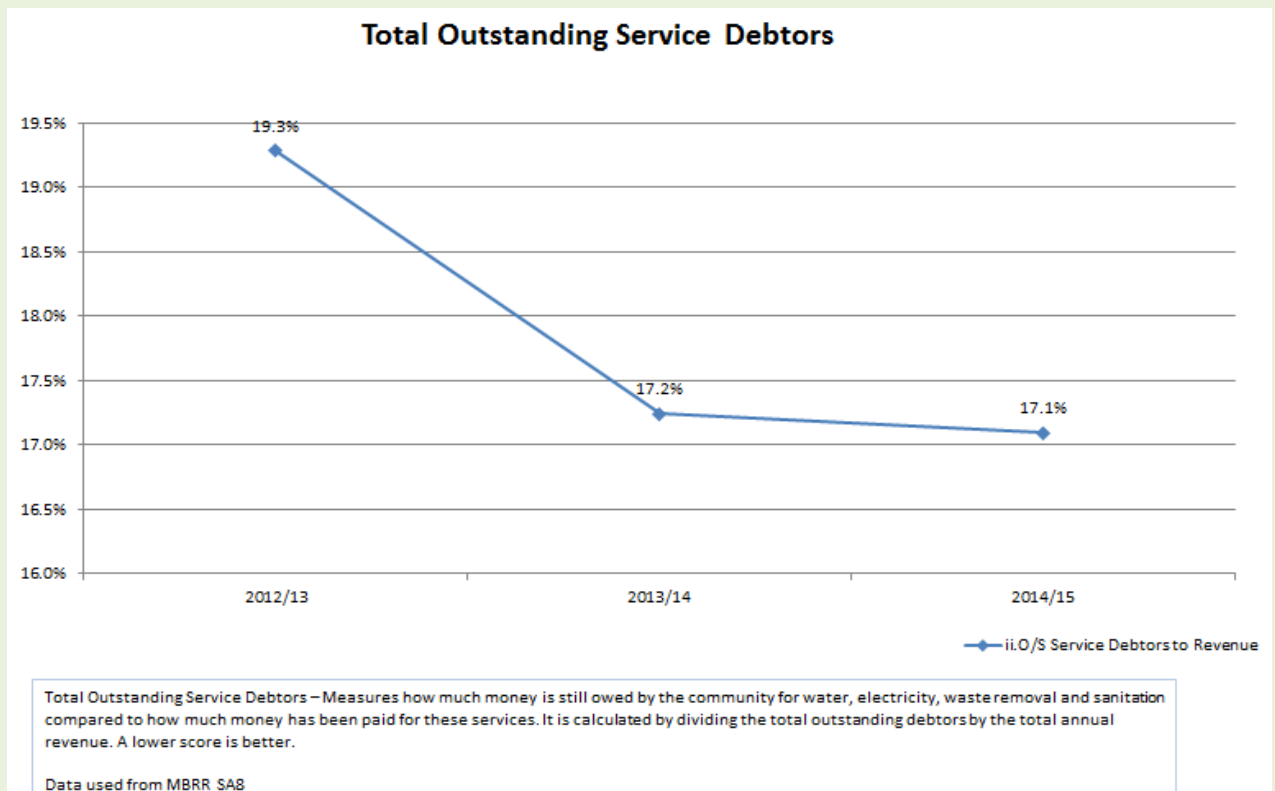
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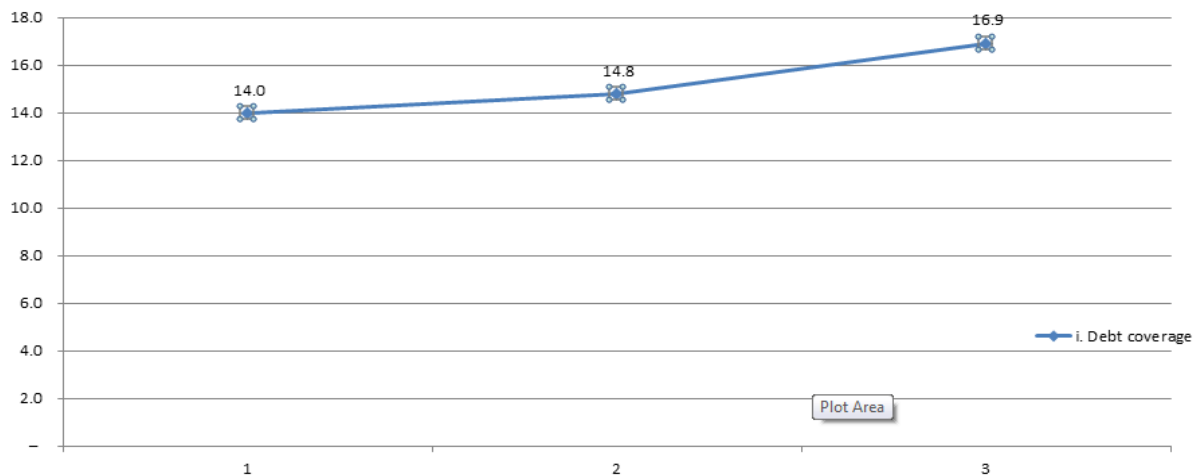
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Debt Coverage

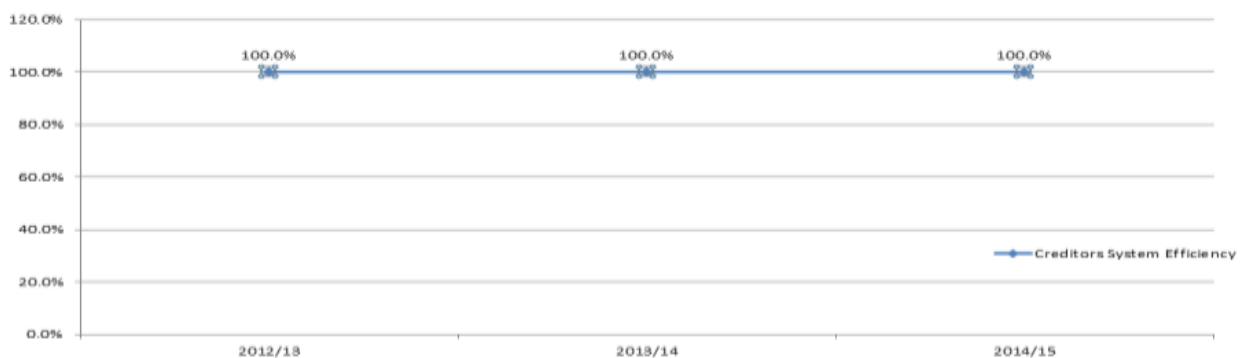


Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

T5.4.4

Creditors System Efficiency



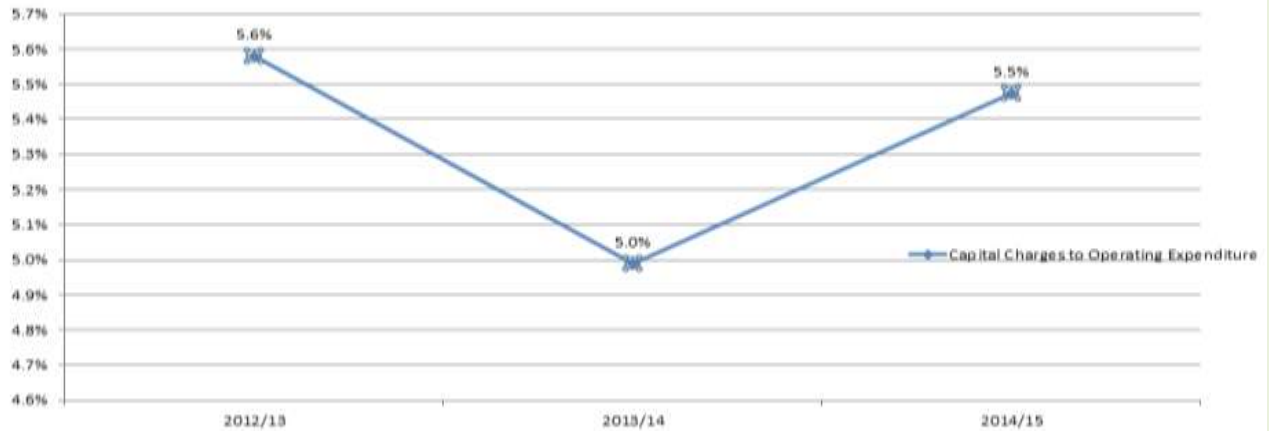
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

T5.4.5

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Capital Charges to Operating Expenditure

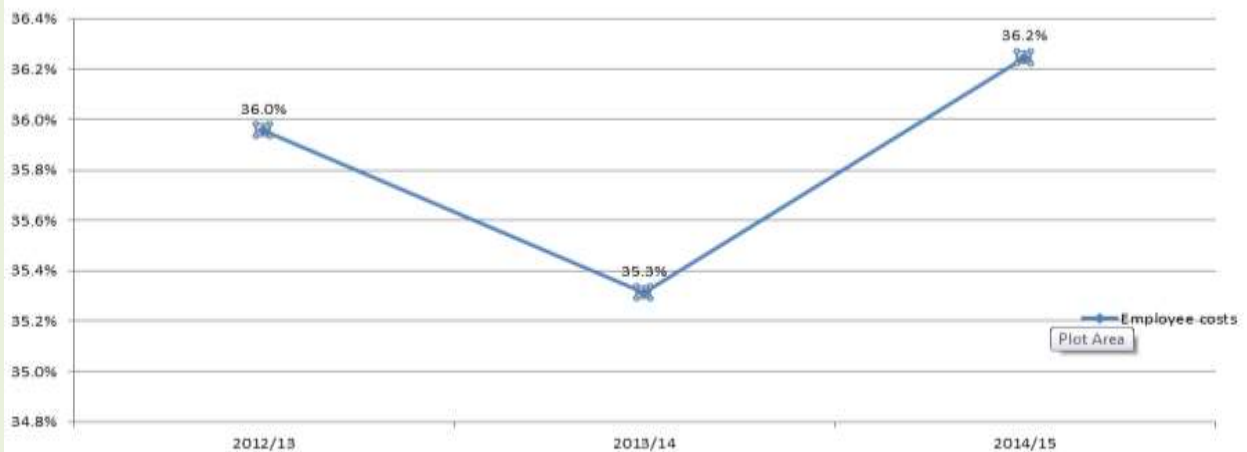


Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR 5A8

T5.4.6

Employee Costs

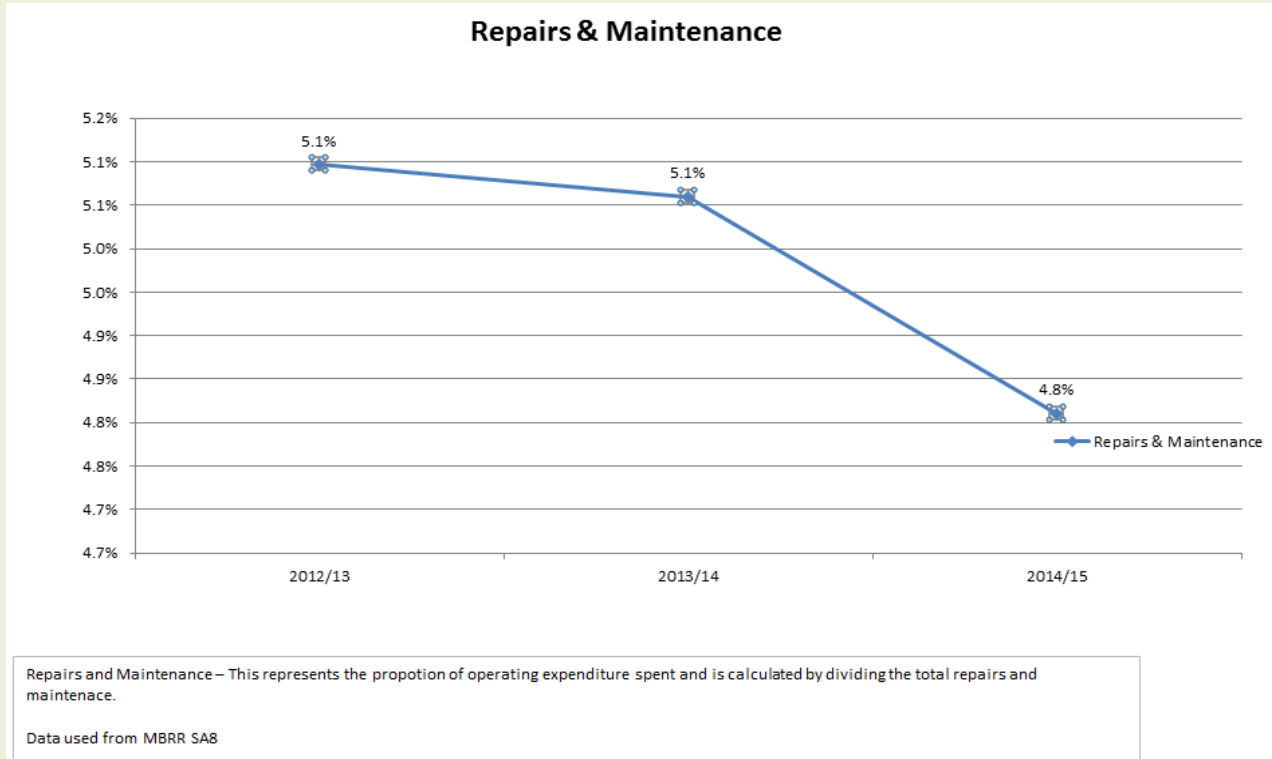


Employee cost= Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR 5A8

T5.4.7

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T5.4.8

COMMENT ON RATIOS:

The result of the ratio between Current Assets and Current Liabilities reflects directly on the management of Theewaterskloof's liquidity position. At the very minimum the current assets should at least cover current liabilities at a ratio of 1:1 and for a healthy position the ratio should exceed 2:1. Theewaterskloof's liquidity levels improved in 2010/11 before declining again the following year due to the significant increase in Short term Provisions and Creditors. The improvement in the liquidity ratio for 2013/14 can be mainly attributed to an improvement in the cash position and an increase in unpaid Government Grants. Although the ratio is currently managed at a positive level of 1.2:1, it is essential for Theewaterskloof to carefully manage the increases in Creditors and Short Term Provisions and in turn make the necessary cash provisions in order to remain in a position to fulfill its short term obligations in the future. Figure 5.4.1 is indicative of the improvement of the municipalities liquidity position this is largely attributable to the improved cash position at 30 June 2015 (refer to the chapter: Cash and Investments)

The cost coverage ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month. The norm set by National Treasury is that a municipality should have between one and three months cash to cover its monthly fixed expenses. Theewaterskloof's cost coverage position improved significantly over the last three years from having 1.1 months cash available in 2011/12 to 1.2 months available cash in 2013/14 and 1.5 months cash available in 2014/15 (almost at the national norm). Refer to the cash flow statement to see the effect of various initiatives implemented by the municipality to improve its cash position.

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The ratio for outstanding service debtors improved from 19.3% in 2012/13 to 17.2.1% in 2013/14. Much effort has been made over the last few years to improve debtor management and collection percentage. During the 2014/15 a large amount of irrecoverable debt was written off (R27,774m), a debt collection task team led by the Executive Mayor, Finance Portfolio Chairperson, Municipal Manager and CFO was established during the year 2013/14 financial year to identify the main causes for the poor collection rate and to monitor progress of action plans. The Grabouw door to door project was rolled out in 2014/15 and reaped relatively good results. . These interventions had led to an improvement in the collection rate. The debt coverage ratio decreased from 16.9 in 2013/14 to 16.5 in 2014/15. The door to door project will be further rolled out to town like Botriver and Genadendal in 2015/16.

Theewaterskloof always ensure that compliance with the MFMA requirement that all creditors must be paid within 30 days. When a municipality struggles to pay all creditors within 30 days it could be an indication of liquidity challenges and failing to pay creditors on time could result in fruitless and wasteful expenditure in the form of interest and could negatively affect service delivery as suppliers will become reluctant to transact with the municipality.

Capital Charges:

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as a percentage of Total Operating Expenditure.

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the Norm could pose a risk to the Municipality should changes or fluctuations in financing costs arise.

The ratio for Theewaterskloof municipality is 5.5% in 2013/14deacreing to 4.6% in 2014/15. This is evident of the conscious decision taken by the municipality to only take up loans for counter funding or when no other income source exist and expenditure can't be avoided. The municipality's investments status and cash positions show that the decrease in the ration is not due to the municipality not being able to access loans.

See financial health overview for comments relating to employee expenditure as well as expenditure on repairs and maintenance.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses.

The municipalities total capital expenditure for 2014/15 amounted to R73, 127m, the budget for the corresponding period was R67, 486, this budget was adjusted to R85,177m. The municipality therefor spent 86% of the available capital budget.

The largest project in the 2014/15 financial years were:

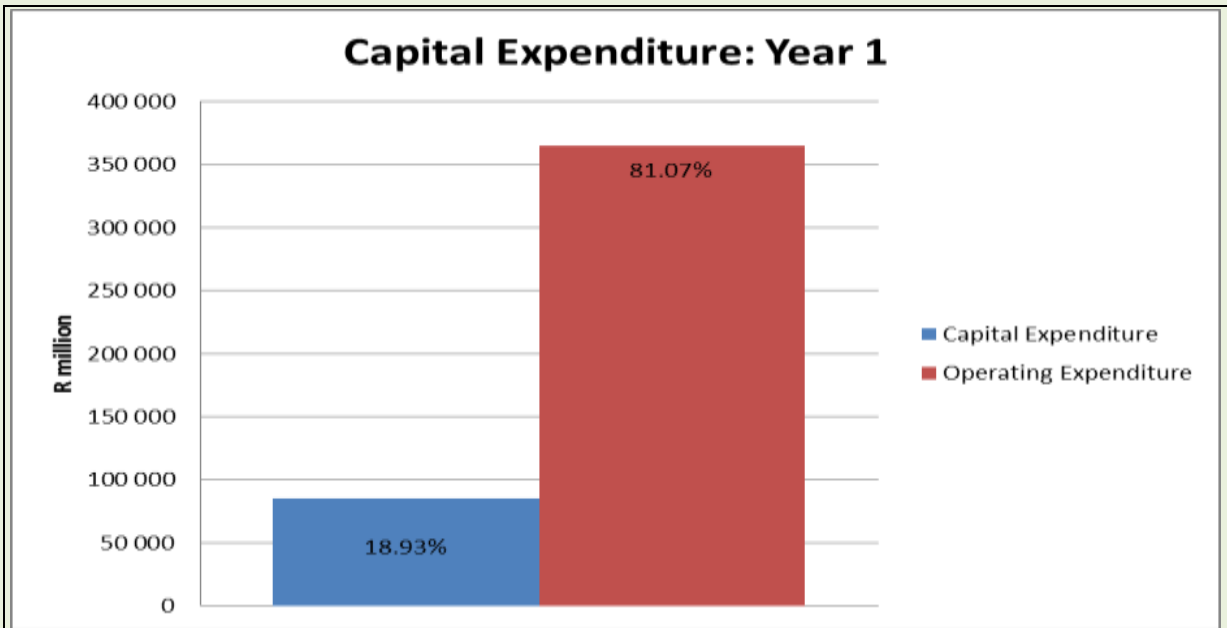
Low cost housing 22.5m (R31m budget)

Sports Facilities 10.3m (R11m budget)

Grabouw waste water treatment plant 6.2m (R7.8m budget)

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5.5 CAPITAL EXPENDITURE



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R million	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	67 547	85 177	73 127	8.3%	-14.1%
	67 547	85 177	73 127	8.3%	-14.1%
Operating Expenditure	301 202	364 816	369 191	22.6%	1.2%
	301 202	364 816	369 191	22.6%	1.2%
Total expenditure	368 748	449 993	442 318	20.0%	-1.7%
Water and sanitation	27 846	23 299	18 565	-33.3%	-20.3%
Electricity	6 400	8 120	7 287	13.9%	-10.3%
Housing	22 964	31 229	29 555	28.7%	-5.4%
Roads, Pavements, Bridges and storm water	3 263	4 588	3 303	1.2%	-28.0%
Other	7 074	17 942	14 460	104.4%	-19.4%
	67 547	85 177	73 170	8.3%	-14.1%
External Loans	5 670	10 978	6 687	17.9%	-39.1%
Internal contributions	7 146	11 118	5 867	-17.9%	-47.2%
Grants and subsidies	54 731	63 081	60 616	10.8%	-3.9%
Other					
	67 547	85 177	73 170	8.3%	-14.1%
External Loans	5 670	10 978	7 466	31.7%	-32.0%
Grants and subsidies	54 731	63 081	59 837	9.3%	-5.1%
Investments Redeemed					
Statutory Receipts (including VAT)					
Other Receipts					
Salaries, wages and allowances					
Cash and creditor payments					
Capital payments	67 547	85 177		-100.0%	-100.0%
Investments made					
External loans repaid			6 909		
Statutory Payments (including VAT)					
Other payments					
	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Property rates					
Service charges					
Other own revenue					
Employee related costs					
Provision for working capital					
Repairs and maintenance					
Bulk purchases					
Other expenditure					
Service charges: Electricity	73 418	72 994	72 337	-1.5%	-0.9%
Grants & subsidies: Electricity	2 488	2 488	3 510	41.1%	41.1%
Other revenue: Electricity					
	75 906	75 482	75 847	-0.1%	0.5%
Employee related costs: Electricity	4 825	4 825	4 793	-0.7%	-0.7%
Provision for working capital: Electricity	0	0	0		
Repairs and maintenance: Electricity	2 957	1 229	1 104	-62.7%	-10.1%
Bulk purchases: Electricity	44 029	44 470	44 583	1.3%	0.3%
Other expenditure: Electricity	8 086	7 683	3 783	-53.2%	-50.8%
	59 897	58 207	54 263	-9.4%	-6.8%
Service charges: Water	40 136	42 709	43 967	9.5%	2.9%
Grants & subsidies: Water	6 918	6 918	1 474	-78.7%	-78.7%
Other revenue: Water	1	1	4	268.5%	268.5%
	47 056	49 628	45 445	-3.4%	-8.4%
Employee related costs: Water	7 169	7 169	7 112	-0.8%	-0.8%
Provision for working capital: Water					
Repairs and maintenance: Water	3 083	2 933	3 037	-1.5%	3.6%
Bulk purchases: Water	10 621	10 621	10 086	-5.0%	-5.0%
Other expenditure: Water	20 623	20 766	17 692	-14.2%	-14.8%
	41 496	41 488	37 927	-8.6%	-8.6%

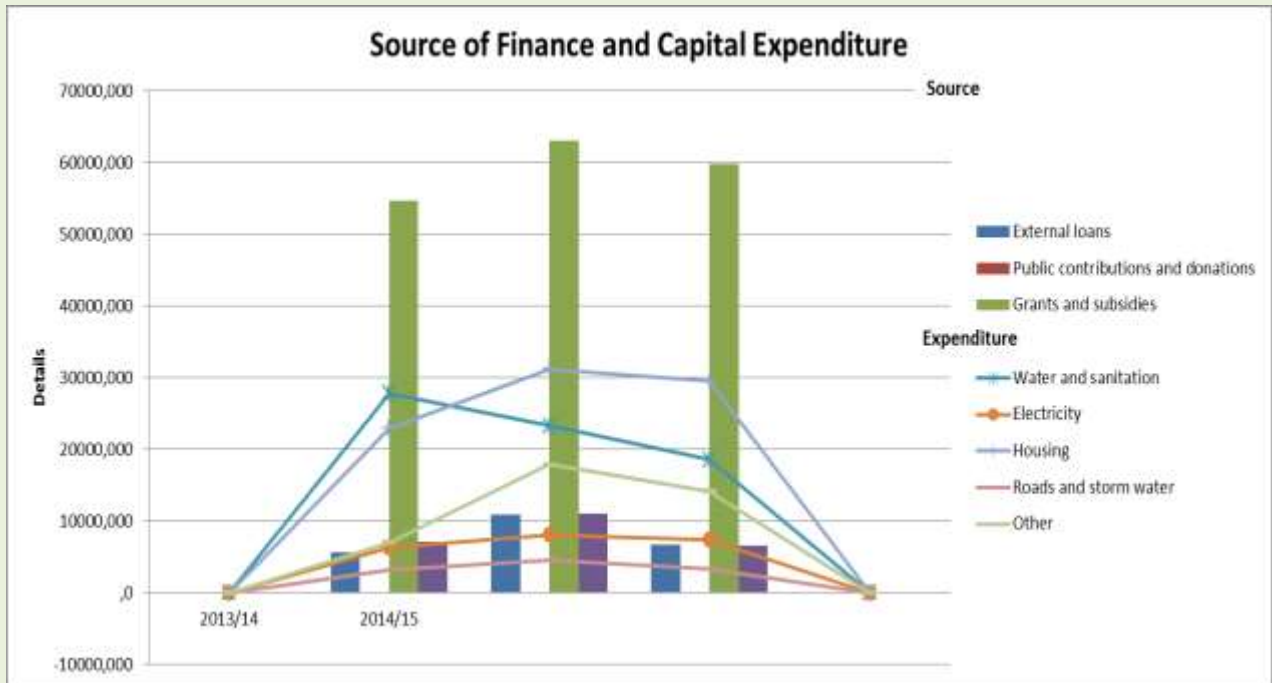
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5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources Year 2013 to 2015						
R' 000						
Details	2013/14	2014/15				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	8,509	5,670	10,978	6,687	93.62%	17.94%
Public contributions and donations						
Grants and subsidies	46,802	54,731	63,081	59,838	15.26%	9.33%
Other	7,636	7,146	11,118	6,602	55.58%	-7.61%
Total	62,947	67,547	85,177	73,127	164.45%	19.66%
Percentage of finance						
External loans	13.5%	8.4%	12.9%	9.1%	56.9%	91.2%
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants and subsidies	74.4%	81.0%	74.1%	81.8%	9.3%	47.5%
Other	12.1%	10.6%	13.1%	9.0%	33.8%	-38.7%
Capital expenditure						
Water and sanitation	26,723	27,846	23,299	18,565	-16.33%	-33.33%
Electricity	3,300	6,400	8,120	7,470	26.88%	16.72%
Housing	16,661	22,964	31,229	29,555	35.99%	28.70%
Roads and storm water	5,192	3,263	4,588	3,303	40.59%	1.22%
Other	11,071	7,074	17,942	14,234	153.65%	101.23%
Total	62,947	67,547	85,177	73,128	240.77%	114.54%
Percentage of expenditure						
Water and sanitation	42.5%	41.2%	27.4%	25.4%	-6.8%	-29.1%
Electricity	5.2%	9.5%	9.5%	10.2%	11.2%	14.6%
Housing	26.5%	34.0%	36.7%	40.4%	14.9%	25.1%
Roads and storm water	8.2%	4.8%	5.4%	4.5%	16.9%	1.1%
Other	17.6%	10.5%	21.1%	19.5%	63.8%	88.4%
T5.6.1						

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COMMENT ON SOURCES OF FUNDING:

The sources of funding for capital expenditure are as follows:

Government grants and subsidies – 81.8%

External Loans -9.1%

Own Funds – 9.0%

Biggest variances on loans were attributable to the following projects that were underspent:

Caledon Cemetery – R400, 983

Grabouw Cemetery – R379, 387

Purchase of prepaid water meters – R2m

During the 2014/15 financial year the municipality started an investigation into purchasing of a new type of water meter, this meant that expenditure on the current type (at that time) had to be put on hold as it would make no sense for the municipality to continue purchasing the “old meters” and the investigation reveal that the “new meters” are more beneficial.

The underspending on Cemeteries was largely due to EIA processes taking longer than anticipated and due to the lack of available land within the Grabouw area.

More than 90% of both the original and adjustment budget was spent; this is yet another achievement of which TWK takes pride.

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5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
					R' 000
Name of Project	Current Year: 2014/15			Variance Current Year: 2014/15	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Low cost housing projects	22,964	31,229	29,555	29%	-5%
Upgrading of Sport Facilities	3,286	11,245	10,303	214%	-8%
Grabouw Waste Water Treatr	7,602	7,825	6,205	-18%	-21%
Upgrading of Villiersdorp Wa	11,002	7,895	7,746	-30%	-2%
Site Saviwa Development	3,900	3,900	3,764	-3%	-3%
* Projects with the highest capital expenditure in Year 2014/2015					
Name of Project - A	Low cost housing projects				
Objective of Project	Provision for Basic Human Settlement				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - B	Upgrading of Sport Facilities				
Objective of Project	Upgrading of Sport Facilities within the municipal Area				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - C	Grabouw Waste Water Treatment Plant				
Objective of Project	Treatment of domestic waste generated through the sewerage system				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - D	Upgrading of Villiersdorp Waste Water Treatment Works				
Objective of Project	Treatment of domestic waste generated through the sewerage system				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - E	Site Saviwa Development				
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
					T5.7.1

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5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS- OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Access to basic services within South Africa is a basic human right. It is also an indication of the quality of life of the inhabitants in the country. Access to basic services has a wider impact on education and health and therefore also on the economy. Of the four local municipalities within the Overberg District, Theewaterskloof has the largest population which is estimated at 114 780 in 2015. This total gradually increases across the 2015/16 MTRF years and is projected to reach 121 739 by 2020. In addition to population projections, the projections on the number of households form the basis of municipal service delivery planning and essentially inform budget allocations towards basic services such as water, electricity, sanitation and refuse removal. It is therefore vital that for budget planning and implementation purposes a municipality rely on credible and accurate household estimates.

The total number of households in the Theewaterskloof Municipality was estimated at 31 952 in 2015 growing from 29 794 households in 2011. Households therefore increased by 2 158 units at an annual average growth rate of 1.8 per cent. With agriculture being the biggest employer in the region it is also the biggest contributing factor to the migration phenomena into the region. The seasonality factor of agricultural employment causes people to move into the area during certain parts of the year and then remaining in the area even when agricultural employment ceases. These people now become the responsibility of the municipality, as they must receive services, housing even though they have no income to pay for these. This places a large financial and infrastructure burden on the municipality. The cost to provide free basic services was more than R14m during the 2014/15 financial year.

TWK prides itself in providing all households with at least the minimum service levels.

Service Backlogs as at 2014/15				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	30340	100%		%
Sanitation	30340	100%		%
Electricity	6143	100%		%
Waste management	30340	100%		%
Housing				%
% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.				T5.8.2

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Municipal Infrastructure Grant (MIG)* Expenditure 2014/15 on Service backlogs						R' 000
Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust-ments Budget	
Infrastructure - Road transport	2,477	2,475	2,374	-4%	-4%	
Roads, Pavements & Bridges	2,477	2,475	2,374	-4%	-4%	
Storm water	–	–	–			
Infrastructure - Electricity						
Generation						
Transmission & Reticulation						
Street Lighting						
Infrastructure - Water	4,852	946	946	-81%	0%	
Dams & Reservoirs						
Water purification	400	–	–	-100%		
Reticulation	4,452	946	946	-79%	0%	
Infrastructure - Sanitation	11,002	7,895	7,746	-30%	-2%	
Reticulation	11,002	7,895	7,746	-30%	-2%	
Sewerage purification						
Infrastructure - Other						
Waste Management						
Transportation						
Gas						
Other Specify:	3,286	10,301	8,431	157%	-18%	
Sport	3,286	10,301	8,431	157%	-18%	
Total	21,617	21,617	19,496	-10%	-10%	
* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M.						T5.8.3

MIG grants have been utilised to redress the backlogs by implementing the following projects in the following areas:

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PROJECT	TOWN	FUNCTION	ADJUSTED BUDGET	ACTUAL YEAR-TO-DATE EXPENDED
Upgrading of Road Networks - Savory Gaffley Jan van Eck & Felix Street	Grabouw	Roads	539824	539824
Upgrading of Road Networks - Erica & Street 7	Villiersdorp	Roads	400737	359074
Upgrading of Road Networks - Bree & Pleinstreet	Riviersonderend	Roads	352456	347539
Upgrading of Road Networks - Lyle Medusa & Kosmos Street	Greyton	Roads	434649	422511
Upgrading of Road Networks - Fucia Hibiscus & Seymour Street	Botrivier	Roads	747368	744040
Upgrading of Villiersdorp Water Purification Works	Villiersdorp	Water	0	-
Upgrade of Bulk Water Grabouw: Water Treatment Works to Steenbras Reservoir rising main	Grabouw	Water	945725	943883
Upgrading of Villiersdorp Waste Water Treatment Works	Villiersdorp	Sewerage	7894736	7745658
Upgrade of Sport Facilities	Villiersdorp	Sport	10301339	10301339
Total			21 616 834.00	21 403 868.00

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COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Cash Flow is the movement of money into and out of the municipality's bank account, as money is received from ratepayers and consumers or paid out to staff and service providers. When more money flows in to the bank account than has to be paid out, the municipality has a cash surplus and can proceed with planned development projects that have been planned in the budget via the IDP process.

TWK municipality aims at ensuring optimal performance with the least possible risk, in managing and investing the cash resources of the municipality and to ensure transparency, accountability and appropriate lines of responsibility in the process. The municipality has a very comprehensive Cash and Investment policy guiding the municipality on all related matters.

There has been an improvement in the overall cash position of the municipality as a result of a cash based budget and improved cash management as well as the increased debt collection rate. The municipality's cash position increased from R27, 544m 2012/13 to R38m in 2013/14.

The municipality's current investments grew by R23, 932m from 2013/14 to 2014/15, bringing the closing balance of municipal current investment to R50, 709m at 30 June 2015. The municipality made a large fixed investment of R9, 627m to redeem a sinking fund loan over a period of 5 years.

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5.9 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	2013/14	Current Year: 2014/15		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	197 790	228 062	231 860	218 115
Government - operating	69 048	103 590	127 946	76 014
Government - capital	78 786	54 670	61 638	108 006
Interest	12 171	8 962	9 480	11 607
Dividends				
Payments				
Suppliers and employees	(277 607)	(307 741)	(335 595)	(284 514)
Finance charges	(12 478)	(12 133)	(11 433)	(13 237)
Transfers and Grants	(912)	(1 000)	(1 000)	(1 351)
NET CASH FROM/(USED) OPERATING ACTIVITIES	66 799	74 410	82 897	114 641
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	1 584	1 656		5 755
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables	586		5	(453)
Decrease (increase) in non-current investments	(190)			(9 642)
Payments				
Capital assets	(62 947)	(67 547)	(85 177)	(73 127)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(60 967)	(65 891)	(85 172)	(77 467)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing	11 275	5 670	5 670	0
Increase (decrease) in consumer deposits	354	213	220	233
Payments				
Repayment of borrowing	(6 978)	(7 183)	(6 974)	(6 973)
NET CASH FROM/(USED) FINANCING ACTIVITIES	4 651	(1 300)	(1 084)	(6 740)
NET INCREASE/ (DECREASE) IN CASH HELD	10 483	7 220	(3 359)	30 435
Cash/cash equivalents at the year begin:	27 545	15	38 218	38 028
Cash/cash equivalents at the year end:	38 028	7 235	34 859	68 462
Source: MBRR SA7				T5.9.1

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5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Any growing urban area requires substantial investments in infrastructure, and there are very few municipalities who receive enough in capital grants from national governments to finance all their requirements. This shortfall requires that municipalities look for alternative funding sources, or face the prospect that infrastructure backlogs become insurmountable, with serious negative implications for the quality of life and the economic growth of the urban area. One of these funding sources is to take up loans. Although taking up loans is an acceptable alternative financing source, particularly for huge infrastructure projects, the cost of credit must be considered and one has to strike a balance between community needs and affordability.

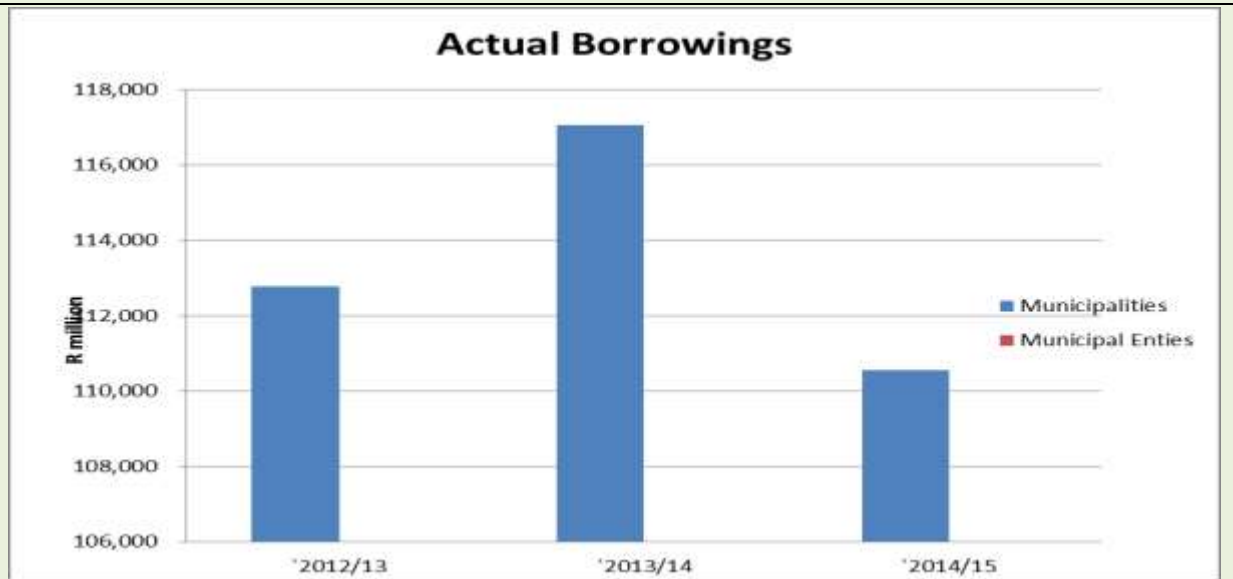
The municipality has for a number of financial years emphasized the loans will only be taken up as a matter of last resort. During the 2014/15 financial year no additional loans was taken up. The stock loan balance remained unchanged whilst the annuity loan balance decrease from R99,977 to 93,067m representing a R6,908m redemption of loans in the 14/15 financial year.

The balance of finance leases increased R64, 505 to R458, 477 that was attributable to a new finance lease taken up in 2014/15 to for 30 laptops as per operational needs and requirements.

Actual Borrowings 2012 to 2015			
	R' 000		
Instrument	2012/13	2013/14	2014/15
Municipality			
Long-Term Loans (annuity/reducing balance)	95 637	99 977	93 069
Long-Term Loans (Stock loans)	17 023	17 023	17 023
Local registered stock			
Instalment Credit			
Financial Leases	107	65	458
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	112,767	117,065	110,550
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (Stock loans)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total			

T5.10.2

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T 5.10.3

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Municipal and Entity Investments			
R' 000			
Investment* type	`2012/13	`2013/14	`2014/15
	Actual	Actual	Actual
<u>Municipality</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	20,740	26,967	59,776
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
Municipality sub-total	20,740	26,967	59,776
<u>Municipal Entities</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	—	—	—
Consolidated total:	20,740	26,967	59,776
			T5.10.4

Chapter 5

5.11 PUBLIC PRIVATE PARTNERSHIPS

There are currently no Public Private Partnerships in place within TWK municipality.

T 5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The Local Government: Municipal Finance Management Act, No 56 of 2003, MFMA) requires the municipality to have and implement a Supply Chain Management Policy (SCM Policy) which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.

The accounting officer submits a report on the implementation of the SCM policy monthly to council.

Council has duly delegated the implementation of the Supply Chain Management Policy to the Accounting Officer who is responsible for taking all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices

Supply Chain Management processes

The following thresholds are currently being adhered to in order to support the strategic and operational commitments of the municipality:

- f. Petty cash purchases, up to a transaction of value of R200.00(vat included);
- g. 1(One) written or verbal quotation for procurements of a transaction value up to R2,000.00 (VAT included)
- h. 3 (Three) written quotations for procurements of transaction value form R2,000.01 up to R30,000.00 (VAT included)
- i. 3 (Three) formal written price quotations for procurements of a transaction value over R30,000.00 up to R200,000.00 (VAT included); and
- j. A Competitive Bidding Process For-
 - i. Procurements above a transaction value of R200,000.00 (VAT included); and
 - ii. The procurement of long term contracts

Where the procurement will have budgetary implications for the future years, Section 33 of the MFMA regarding contracts must be complied with. Section 33 (1) will not apply to contracts valued at below R1million or as prescribed by National Treasury.

Chapter 5

5.13 GRAP COMPLIANCE

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General has issued an unqualified audit opinion with no other matters on the financial statements for the past two financial years. The municipality has therefore complied with the requirements of the MFMA and DoRA and the financial statements were prepared in accordance with SA Standards of GRAP.

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -1

6.1 AUDITOR GENERAL REPORTS YEAR 2013/14 (PREVIOUS YEAR)

REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT AND THE COUNCIL ON THE THEEWATERSKLOOF MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Theewaterskloof Municipality set out on pages 3 to 82, which comprise the statement of financial position as at 30 June 2014, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Chapter 6

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Theewaterskloof Municipality as at 30 June 2014 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

8. As disclosed in note 40 to the financial statements, the corresponding figures for 30 June 2013 have been restated as a result of errors discovered during 2014 in the financial statements of the municipality at, and for the year ended, 30 June 2013.

Impairments

9. As disclosed in note 21 to the financial statements, the total bad debt written off in the year amounted to R54 million (2012-13: R11,5 million).

Material under spending of the budget

10. As disclosed in note 45.1 to the financial statements, the municipality materially underspent the final approved capital budget by R7,1 million.

Additional matter

11. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

12. In terms of section 125(2) (e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

Chapter 6

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2014:
- Strategic objective 4: infrastructure and bulk upgrades and replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process (pages 48 to 57)
 - Strategic objective 5: improved environmental management (pages 51 to 57)
 - Strategic objective 6: increase community safety through traffic policing, bylaw enforcement and disaster management (page 51)
 - Strategic objective 7: To develop integrated and sustainable human settlements that will address the housing demand within the TWK area (pages 47 to 51)
15. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
16. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information*.
17. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected objectives.

Additional matters

19. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected objectives, I draw attention to the following matters:

Achievement of planned targets

20. Refer to the annual performance report on pages 41 to 57 for information on the achievement of planned targets for the year.

Unaudited supplementary information

21. The supplementary information set out on pages 58 to 119 does not form part of the annual performance report and is presented as additional information. I have not audited this schedule and, accordingly, I do not express a conclusion thereon.

Compliance with legislation

Chapter 6

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

Internal control

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

Auditor-General

Cape Town
28 November 2014



COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2014/15 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 2014/15 (CURRENT YEAR)

REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT AND THE COUNCIL ON THEEWATERSKLOOF MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Theewaterskloof Municipality set out on pages 3 to 86, which comprise the statement of financial position as at 30 June 2015, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

Chapter 6

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2014 (Act No. 10 of 2014) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

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

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material impairments

8. As disclosed in notes 20 and 21 to the financial statements, receivables have been significantly impaired. The impairment allowance amounts to R118 million (77% of gross receivables) of which R76,8 million (50% of gross receivables) relates to services debtors.

Restatement of corresponding figures

Chapter 6

9. As disclosed in note 39 to the financial statements, the corresponding figures for 30 June 2014 have been restated as a result of errors discovered during the 2014-15 financial year in the financial statements of Theewaterskloof Municipality at, and for the year ended, 30 June 2014.

Material underspending of the budget

10. As disclosed in note 44.1 to the financial statements the municipality has underspent on its final approved capital budget to the amount of R12 million (2013-14: R7,1 million).

Additional matters

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

12. The supplementary information set out on pages 87 to 95 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

Unaudited disclosure notes

13. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

Report on other legal and regulatory requirements

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

15. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2015:
- Strategic objective 4: Infrastructure and bulk upgrades on pages 59 to 67
 - Strategic objective 5: Improved environmental management on pages 61 to 62
 - Strategic objective 6: Increased community safety on page 57
 - Strategic objective 7: Develop integrated and sustainable human settlements on page 53 to 55

Chapter 6

16. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
17. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information*.
18. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected objectives.

Additional matters

20. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected objectives, I draw attention to the following matters:

Achievement of planned targets

21. Refer to the annual performance report on page 48 to 67 for information on the achievement of the planned targets for the year.

Unaudited supplementary information

22. The supplementary information set out on pages 68 to 169 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report thereon.

Compliance with legislation

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

Internal control

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

Chapter 6

Auditor-General

Cape Town

30 November 2015



COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

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

T 6.2.5

GLOSSARY

GLOSSARY

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

GLOSSARY

Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and

GLOSSARY

	express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
	FT/PT			%	%
Alderman C B Punt	Fulltime	Executive Mayor	DA	90%	10%
Councillor C Vosloo	Fulltime	Speaker	DA	100%	0%
Councillor P U Stanfliet	Fulltime	Technical Services	Ward 7 DA	100%	0%
Councillor M Tshaka	Fulltime	Corporate Services	Ward 13 DA	90%	10%
Councillor K Papier	Fulltime	Operational Services	Ward 3 DA	100%	0%
Councillor G Carelse	Fulltime	Development Services	COPE	95%	5%
Councillor N De Wet	Fulltime	Financial Services	Ward 5 DA	100%	0%
Councillor N Pieterse	Part Time	Corporate Services	Ward 9 DA	95%	5%
Councillor M Nongxaza	Part Time	Corporate Services	NICO	95%	5%
Councillor J Nellie	Part Time	Corporate Services	Ward 6 ANC	70%	30%
Councillor F Mankayi	Part Time	Corporate Services	ANC	65%	35%
Councillor M Koegelenberg	Part Time	Financial Services	Ward 4 DA	100%	0%
Councillor L Mathomela	Part Time	Financial Services	Ward 11DA	70%	30%
Councillor M Appel	Part Time	Financial Services	ANC		
Councillor J Hendricks	Part Time	Financial Services	ANC	85%	15%
Councillor M Plato	Part Time	Development Services	Ward 10 DA	95%	5%
Councillor I Sileku	Part Time	Development Services	DA	100%	0%
Councillor P de Wet	Part Time	Development Services	ANC	60%	40%
Councillor U Sipunzi	Part Time	Development Services	Ward 12 ANC	90%	5%
Councillor K Tiemie	Part Time	Technical Services	Ward 1 DA	100%	0%
Alderman C November	Part Time	Technical Service	ANC	90%	10%
Councillor C Thembani	Part Tim	Technical Service	Ward 8 ANC	95%	5%
Councillor J Van Niekerk	Part Time	Operational Services	NNP	60%	40%
Councillor M Hector	Part Time	Operational Services	Ward 2 DA	95%	5%
Councillor A Cupido	Part Time	Operational Service	ANC	100%	0%
Note: * Councillors appointed on a proportional basis do not have wards allocated to them					T A

Concerning T A

Delete Directive note before publication: Provide comments on the above table.

T A.1

APPENDICES

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Performance and Audit Committee	The Performance and Audit Committee is an assurance provider to Council that evaluates the effective, efficient and transparent systems of financial and risk management and internal control that are maintained by the Council, which contribute to the efficient and effective utilisation of resources, safeguarding of assets and the accomplishment of established goals for operations or programs
Oversight Committee	<ul style="list-style-type: none"> • Undertake a review and analysis of the Annual Report, invite, receive and consider inputs from Councillors and Portfolio Committees on the Annual Report. • Consider written comments received on the Annual Report from the Public consultation process; • Conduct public hearings to allow the local community or any organs of state to make representations on the Annual report; • Receive and consider Councils' Performance- and Audit Committee views and comments on the annual financial statements and the performance report; • Preparation of the draft Oversight Report, taking into consideration the views and inputs of the public, representatives of the Auditor General, Organ of State, Council's performance and Audit Committee and Councillors
Risk Management Committee	The Risk Management Committee is responsible for assisting the Accounting Officer in addressing his oversight requirements of risk management and evaluating and monitoring the institution's performance with regards to risk management. The Risk management committee is appointed by the Accounting officer and its role is to formulate, promote and review the institution's ERM objectives, strategy and policy and monitor the process at strategic, management and operational levels.
Combined Management, Speaker and Executive Mayoral Committee	To share information, to obtain input from Politicians and determine policy direction
Management Committee	To deal with and consider various managerial aspects and items
Portfolio Committees	As per legislation
ICT Committee	The purpose of this committee is to establish an ICT Steering committee to govern and be accountable for the municipality's ICT environment and ensure that ICT conforms to legislation. The committee will advise in terms of an oversight role to Management/ Council on all matters relating to ICT and be responsible for various ICT activities
Planning	To plan the next 3-year budget including Review of IDP and previous IDP

APPENDICES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Financial Sustainability	This committee plans, organize, coordinate, drive, support and oversee the successful implementation of the financial sustainability plan of Theewaterskloof Municipality
Ward Committees	<ul style="list-style-type: none"> • The Ward committee is the official liaison mechanism on all municipal matters within the community. • The ward committee assists in the drafting of the Ward IDPs and Budget. • They review the community input and participate in the Town Advisory Forum. The ward committee is also responsible for reviewing and approving the Service Level Agreements (SLAs). • They make recommendations to Council reports. • They consider the quick win budget for their ward. They report back to their constituencies on issues discussed at the Ward committee meetings
Town Advisory Committees	<ul style="list-style-type: none"> • The TAF meets when the Ward committee's input for a town as a whole. • The role and function of the TAF is to advise and make recommendations to Council on behalf of the community within their respective wards on matters pertaining to the IDP and Budget, Service delivery and developmental projects within the town. • The TAF is the official body which the Municipality will liaise with regarding the matters affecting the entire town.
T B	

APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	
Building regulations	Yes	
Child care facilities	No	
Electricity and gas reticulation	No	
Fire fighting services	No	
Local tourism	Yes	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	No	
Municipal public transport	No	
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	
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	No	
Facilities for the accommodation, care and burial of animals	No	
Fencing and fences	Yes	
Licensing of dogs	No	
Licensing and control of undertakings that sell food to the public	No	
Local amenities	No	
Local sport facilities	Yes	
Markets	Yes	
Municipal abattoirs	No	
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	Yes	
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
* If municipality: indicate (yes or No); * If entity: Provide name of entity		T D

APPENDICES

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	K Tiemie (Ward Councillor)	Yes	Seven (7)		Two (2)
	C Botha				
	M Kroukamp				
	V Fisher				
	A Mouton				
	W Pretorius				
	E Fillies				
	J Sebonka				
	J de Jager				
	A Prins				
Ward 2	M Hector (Ward Councillor)	Yes	Eight (8)		Two (2)
	B Coetzee				
	C Smith				
	G Juries				
	J Coert				
	A Magerman				
	C Windvogel				
	C Myburgh				
	J Kroukamp				
	C Barthus				
	M Reid				
Ward 3	K Papier (Ward Councillor)	Yes	Six (6)		Two (2)
	C van Wyk				
	G Simons				
	S Swarts				
	K Hoffman				
	E van der Ventel				
	A de Bruin				
	N Jende				
	R Carelse				
	M Pietersen				

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 4	M Koegelenberg (Ward Cllr)	Yes	Five (5)		Two (2)
	G Visser				
	JP de Witt				
	A Rossouw				
	J Norval				
	V Watton				
	M Wessels				
	S Young				
	J Hauman				
	E Labuschagne				
Ward 5	C Lamprecht (Ward Cllr)	Yes	Eight (8)		Two (2)
	D Fyfer				
	A Louw				
	H Schoeman				
	C Nel				
	B Davids				
	I Botha				
	C Balie				
	N Japhta				
	J Jansen				
	C Young				
Ward 6	J Nellie (Ward Councillor)	Yes	Eight (8)		Two (2)
	S Ntantiso				
	J Jantjies				
	H Schoeman				
	C Balie				
	J Lakey				
	V Hendricks				
	R Pietersen				
	R Brinkhuys				
	J McKenzie				
	T van Rooyen				
Ward 7	P Stanfliet (Ward Cllr)	Yes	Six (6)		Two
	J Swanepoel				
	I Andries				
	G Visagie				
	N Greeff				
	R Jacobs				
	N Kaptein				
	I Swartz				
	Q Williams				
	E Herman				

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 8	C Thembani (Ward Cllr)	Yes	Seven (7)		Two (2)
	M Jiba				
	E Gertze				
	A Plaatjies				
	M Mosolo				
	T Tsetse				
	P Louw				
	T Kanetsi				
	E Mars				
	A Mentile				
	J Stena				
Ward 9	N Pietersen (Ward Cllr)	Yes	Eight (8)		Two (2)
	D Jooste				
	J Gerbers				
	I Kortje				
	G Julies				
	J Titus				
	M Koelman				
	N Fortuin				
	N Goniwe				
	L Jacobs				
	H Schoeman				
Ward 10	M Plato-Mentoor (Ward Cllr)	Yes	Six (6)		Two (2)
	P Aploon				
	J Rawboue-Viljoen				
	R Damons				
	W Williams				
	R Fisher				
	J De Bruin				
	JC van der Merwe				
	R Mathews				
	C Januarie				
Ward 11	L Matomela (Ward Cllr)	Yes	Seven (7)		Two (2)
	R Johnson				
	J Fortuin				
	K Thezaphi				
	Q Bosman				
	A Theron				
	P Kwaza				
	Z Fentele				

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 12	U Sipunzi (Ward Cllr)	Yes	Seven (7)		Two (2)
	M Wani				
	A Inyinbor				
	C Absalom				
	L Madizeni				
	S Daniels				
	A Hoorn				
	W Nomxhanya				
	M Mabentisela				
	H Syster				
Ward 13	M Tshaka (Ward Cllr)	Yes	Seven (7)		Two (2)
	L Vosloo				
	A Kortje				
	S Baba				
	M le Roux				
	H Waterboer				
	M Bhangaza				
	J Fourie				
	S Maziza				
	N Swanepoel				

APPENDICES

APPENDIX F – WARD INFORMATION

Capital Projects: Seven Largest in Year 1 (Full List at Appendix X)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
	Grabouw WWTW upgrade	2012	12/07/2014	46 900
	Villiersdorp WWTW upgrade	2013	Ongoing	33 060
	Grabouw Bulk Water upgrade (new reservoir)	2013	Ongoing	6 500
	Villiersdorp Sport ground	2014	Ongoing	16 000
	Villiersdorp Reservoir	2012	2014	6 500
T F.1				

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery.	26449	26449		26449	
Households without minimum service delivery	0	0		0	
Total Households*	26449	26449		26449	
Houses completed in year					
Shortfall in Housing units.					
*Including informal settlements					T F.2

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During Year 0
T F.3		

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)
Names: xxx (8); xxx (7)...
T F.3

APPENDICES

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2014/15

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 1	Recommendations adopted (enter Yes) If not adopted (provide explanation)
28-Aug-14	Draft Financial Statements for the Year ended 30 June 2014	Yes
29-Aug-14	Audit Work Completed and Planned	Yes
29-Aug-14	Supply Chain Management 4th Quarter 2013/2014	Yes
29-Aug-14	Strategic Risks Audit	Yes
29-Aug-14	Credit Control and Debt Collection Audit	Yes
29-Aug-14	Solid Waste Audit	Yes
29-Aug-14	Municipal Systems Act & Municipal Structures Act Compliance Audit	Yes
29-Aug-14	Inventory Audit	Yes
29-Aug-14	Allowances Audit	Yes
29-Aug-14	Cost of Compliance Audit	Yes
29-Aug-14	Internal Audit Follow-up Reports	Yes
29-Aug-14	Revised Annual Risk Based Internal Audit Plan 2014/2015	Yes
29-Aug-14	Internal Audit Charter	Yes
29-Aug-14	Review of Risk Management Committee Charter	Yes
29-Aug-14	Review of Risk Management Policy	Yes
29-Aug-14	Review of Risk Management Process Plan	Yes
29-Aug-14	Review of Risk Management Strategy	Yes
29-Aug-14	Minutes of the Risk Management Committee	Yes
29-Aug-14	Minutes of the Section 32(2)(b) of the MFMA Committee	Yes
29-Aug-14	2013/2014 Performance Assessment	Yes
29-Aug-14	Financial Services SOP Excel Documents	Yes
29-Aug-14	Technical Services: Improving Controls Regarding the Purchase of Fuel	Yes
29-Aug-14	Financial Services: Lease vs Purchase of Dozer	Yes
26-Sep-14	Auditor General's Strategic Plan - 2013/2014 Audit	Yes
5-Dec-14	Audit Work Completed and Planned	Yes
5-Dec-14	MFMA Compliance Audit	Yes
5-Dec-14	Solid Waste First Quarter Audit	Yes
5-Dec-14	Inventory First Quarter Audit	Yes
5-Dec-14	Internal Audit Follow-up Reports	Yes
5-Dec-14	2014/2015 First Quarter Performance Assessment	Yes
Municipal Audit Committee Recommendations		

APPENDICES

Date of Committee	Committee recommendations during Year 1	Recommendations adopted (enter Yes) If not adopted (provide explanation)
5-Dec-14	Out dated Bylaws	Yes
5-Dec-14	Quarterly Budget Statement for the First Quarter Ending 30 September 2014	Yes
20-Jan-15	Audit Work Planned	Yes
20-Jan-15	2013/2014 Annual Report	Yes
6-Mar-15	Audit Work Completed and Planned	Yes
6-Mar-15	Inventory Second Quarter Audit	Yes
6-Mar-15	Backlog in Infrastructure Audit	Yes
6-Mar-15	Solid Waste Second Quarter Audit	Yes
6-Mar-15	Supply Chain Management 1st Quarter 2014/2015	Yes
6-Mar-15	Maintenance on Proclaimed Roads	Yes
6-Mar-15	Internal Audit Follow-up Reports	Yes
6-Mar-15	Auditor General Report Follow-Up	Yes
6-Mar-15	2014/2015 Mid-Year Performance Assessment	Yes
6-Mar-15	Internal Audit Charter	Yes
6-Mar-15	Internal Audit Budget 2015/2016	Yes
6-Mar-15	Anti-Corruption Strategy Revised 2014	Yes
6-Mar-15	Quarterly Budget Statement for the Second Quarter Ending 31 December 2014	Yes
6-Mar-15	Financial Statements 31 December 2014	Yes
6-Mar-15	Minutes of the Risk Management Committee	Yes
6-Mar-15	Status of ICT Governance and Risk in TWK	Yes
6-Mar-15	Villiersdorp Housing Tender DEV03/2010/2011	Yes
5-Jun-15	Audit Work Completed and Planned	Yes
5-Jun-15	Inventory Third Quarter Audit	Yes
5-Jun-15	Solid Waste Third Quarter Audit	Yes
5-Jun-15	Supply Chain Management 2nd Quarter Audit	Yes
5-Jun-15	Supply Chain Management 3rd Quarter Audit	Yes
5-Jun-15	Disaster Management Audit	Yes
5-Jun-15	Influx of unemployed, unskilled, homeless people audit	Yes
5-Jun-15	Internal Audit Follow-up Reports	Yes
5-Jun-15	2014/2015 Third Quarter Performance Assessment	Yes
5-Jun-15	Performance and Audit Committee Evaluation	Yes
5-Jun-15	Internal Audit Evaluation	Yes
5-Jun-15	Meeting Schedule	Yes
5-Jun-15	Annual Risk Based Internal Audit Plan 2015/2016	No, the first quarter's plan was adopted. The plan should be reviewed that less time be spent on Cash and Stock Counts and more time on Risk Based Audit and that stock counts be reduces to 2 times a year
5-Jun-15	INCA Report	Yes

APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 1	Recommendations adopted (enter Yes) If not adopted (provide explanation)
5-Jun-15	Quarterly Budget Statement for the third quarter statement ending 31 March 2015	Yes
5-Jun-15	Minutes of the Risk Management Committee	Yes
5-Jun-15	ICT Policy	Yes
5-Jun-15	Shared Services	Yes

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

[illegible][illegible]

APPENDICES

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose (i)	(a) Service Indicators	Year 0		Year 1			Year 2	Year 3	
	(b) Service Targets (ii)	Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)

Note: This statement should include no more than the top four priority indicators. *Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *Current Year' refers to the targets set in the Year 0 Budget/IDP round. *Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold *italics*) then the Service Target underneath (not in bold - standard type face) to denote the difference.

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APPENDICES

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 0 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor		
Member of MayCo / Exco		
Councillor		
Municipal Manager		
Chief Financial Officer		
Deputy MM and (Executive) Directors		
Other S57 Officials		

* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A

APPENDICES

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	R' 000					
	Year 0	Current Year: Year 1			Year 1 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Executive & Council	6 571	8 442	7 741	7 372	-13%	-5%
Vote 2 - Finance & Admin	147 914	122 951	122 370	133 599	9%	9%
Vote 3 - Planning & Development	2 371	2 026	2 722	2 004	-1%	-26%
Vote 4 - Community & Social Services	6 113	6 155	6 432	6 156	0%	-4%
Vote 5 - Housing	-	-	71 162	59 099		-17%
Vote 6 - Public Safety	30 022	14 622	24 373	25 340	73%	4%
Vote 7 - Sport & Recreation	(332)	75	(685)	(780)	-1136%	14%
Vote 8 - Environmental Protection	-	-	-	-		
Vote 9 - Waste Management	25 517	30 202	30 202	26 211	-13%	-13%
Vote 10 - Waste Water Management	23 730	25 898	26 907	25 581	-1%	-5%
Vote 11 - Roads Transport	5 340	5 601	6 684	5 078	-9%	-24%
Vote 12 - Water	39 417	47 056	49 628	45 445	-3%	-8%
Vote 13 - Electricity	69 845	75 906	75 482	75 847	0%	0%
Vote 14 - Other	82 744	79 643	31 332	31 442	-61%	0%
Vote 15 - [NAME OF VOTE 15]						
Total Revenue by Vote	439 252	418 577	454 351	442 395		
<i>This table is aligned to MBRR table A3</i>						T K.1

APPENDICES

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	'2013/14	'2014/15			Year 1 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	58 673	68 910	68 910	68 769	-0.21%	-0.21%
Property rates - penalties & collection charges	-	-	-			
Service Charges - electricity revenue	64 594	72 911	69 284	75 847	4.03%	9.47%
Service Charges - water revenue	37 087	40 136	42 709	45 445	13.23%	6.41%
Service Charges - sanitation revenue	19 983	20 248	21 257	16 140	-20.29%	-24.07%
Service Charges - refuse revenue	20 723	22 795	22 795	16 370	-28.19%	-28.19%
Service Charges - other	145	159	210	158	-0.63%	-24.76%
Rentals of facilities and equipment	1 936	1 607	1 766	1 467	-8.71%	-16.93%
Interest earned - external investments	2 904	2 482	3 000	5 134	106.85%	71.14%
Interest earned - outstanding debtors	9 267	6 480	6 480	6 473	-0.10%	-0.10%
Dividends received	-	-	-			
Fines	29 835	14 334	24 284	25 247	76.14%	3.97%
Licences and permits	2 635	2 724	2 469	2 561	-6.01%	3.72%
Agency services	2 189	2 332	2 400	2 435	4.42%	1.46%
Transfers recognised - operational	108 864	103 590	122 945	109 684	5.88%	-10.79%
Other revenue	33 060	4 963	4 205	5 126	3.28%	21.92%
Gains on disposal of PPE	310	235	-	1 867	694.39%	0.00%
Environmental Protection	-	-	-	-		
Total Revenue (excluding capital transfers and contributions)	392 205	363 907	392 712	382 724	4.92%	-2.61%
This table is aligned to MBRR table A4.						T K.2

APPENDICES

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
National Treasury						
<i>Equitable Share (Indigent)</i>	62 481	62 481	62 481	0%	0%	
<i>Local Government Financial Management Grant (FMG)</i>	1 600	1 600	1 600	0%	0%	
<i>Municipal System Improvement Grant (MSIG)</i>	934	825	934	0%	13%	
<i>National Electrification Programme (NEP)</i>	3 900	3 900	3 900	0%	0%	
<i>Expanded Public Works Programmes</i>	1 106	1 106	1 106	0%	0%	
<i>Regional Bulk Infrastructure Grant (RBIG)</i>	7 602	5 441	6 220	-18%	14%	
<i>Municipal Disaster Recovery</i>	0	1 385	1 385	0%	0%	
Total	77 623	76 738	77 626	0%	1%	
Provincial Treasury						
<i>Integrated Housing and Human Settlement & Dev. Grant</i>	47 622	71 162	73 293		3%	
<i>CDW Operational Support Grant</i>	122	232	122		-47%	
<i>Maintenance Of Proclaimed Main Roads</i>	92	92	92	0%	0%	
<i>Library Service Conditional Grant</i>	6 075	6 185	6 075	-2%	-2%	
<i>Financial Management Support Grant (100 000)</i>	0	100	1 337		1237%	
<i>Financial management Support Grant (350 000)</i>	0	350		-100%	-100%	
<i>Financial management Support Grant (987 000)</i>	0	987		-100%	-100%	
<i>Municipal Infrastructure Support Grant</i>	0	1 018	1 018	0%	0%	
Total	53 911	80 126	81 937	52%	2%	
Other Specify						
<i>SETA</i>	769	769	279	-64%	-64%	
<i>DBSA LEDI</i>	0	345	0			
<i>HAN students</i>	1 000	1 222	1 400	40%	15%	
<i>IDC Grant</i>	0	266	0			
Total	1 769	2 602	1 678			
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant						T L

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

Delete Directive note once comment is completed – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

T L.1

APPENDICES

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
Description	Year 0	Year 1			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	–	3 900	3 900	3 764	–	–	–
Infrastructure: Road transport - Total	–	–		–	–	–	–
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	–	3 900	3 900	3 764	–	–	–
Generation							
Transmission & Reticulation		3 900	3 900	3 764			
Street Lighting							
Infrastructure: Water - Total	–	–		–	–	–	–
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	–	–		–	–	–	–
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	–	–		–	–	–	–
Waste Management							
Transportation							
Gas							
Other							
Community - Total	–	3 286	12 349	10 317	–	–	–
Parks & gardens							
Sportsfields & stadia		3 286	11 245	10 303			
Swimming pools							
Community halls							
Libraries		–	310	–			
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries		–	794	14			
Social rental housing							
Other							
Table continued next page							
Table continued from previous page							

APPENDICES

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - New Assets Programme*							
Description	R '000						
	Year 0	Year 1			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Heritage assets - Total	–	180	460	324	–	–	–
Buildings		180	460	324			
Other							
Investment properties - Total	–	22 964	31 229	29 555	–	–	–
Housing development		22 964	31 229	29 555			
Other							
Other assets	–	3 218	4 407	3 081	–	–	–
General vehicles		–	1 000	96			
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment		3 218	3 407	2 985			
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	–	–		–	–	–	–
List sub-class							
Biological assets	–	–		–	–	–	–
List sub-class							
Intangibles	–	–		–	–	–	–
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on new asset	–	33 548	52 345	47 041	–	–	–
Specialised vehicles	–	–		–	–	–	–
Refuse							
Fire							
Conservancy							
Ambulances							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)							
							T M.1

APPENDICES

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	Year 0	Year 1			Planned Capital		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	33 609	32 106	25 390	-	-	-
Infrastructure: Road transport -Total	-	3 263	4 588	3 303	-	-	-
Roads, Pavements & Bridges		3 263	3 642	3 094			
Storm water	-	-	946	209			
Infrastructure: Electricity - Total	-	2 500	4 220	3 522	-	-	-
Generation							
Transmission & Reticulation		2 500	4 220	3 522			
Street Lighting							
Infrastructure: Water - Total	-	9 242	5 379	2 526	-	-	-
Dams & Reservoirs							
Water purification		400		-			
Reticulation		8 842	5 379	2 526			
Infrastructure: Sanitation - Total	-	18 604	17 920	16 039	-	-	-
Reticulation		18 604	17 920	16 039			
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
Community	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	-	390	726	696	-	-	-
Buildings		390	726	696			
Other							
Table continued next page							
Table continued from previous page							

APPENDICES

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	Year 0	Year 1			Planned Capital		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	-		-	-	-	-
List sub-class							
Biological assets	-	-		-	-	-	-
List sub-class							
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on renewal of existing assets	-	33 999	32 832	26 086	-	-	-
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)							T M.2

APPENDICES

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

Capital Programme by Project: 2014/15					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water	9 242	5 379	2 526		
Upgrading of Villiersdorp Water Purification Works	400	0	0		
Upgrade of Bulk Water Grabouw: Water Treatment Works	6 842	2 361	1 342	-43%	-80%
Repair and Replace Water pre-paid meters	2 000	2 600	817	-69%	-59%
Basic Services - Site Saviwa	0	418	368	-12%	
Electricity	6 400	8 120	7 287	-10%	14%
New 185mm ² MV cable between Aandblom and Veldblom	2 500	2 500	2 342	-6%	-6%
Site Saviwa housing development	3 900	3 900	3 764	-3%	-3%
Upgrading of 11kV Network Greyton and Villiersdorp	0	1 400	1 133	-19%	
Replace Miniature Substation Kerkstraat Villiersdorp	0	320	47	-85%	
Sewerage/Sanitation	18 604	17 920	16 039	-10%	-14%
Grabouw Waste Water Treatment Plant	7 602	7 825	6 205	-21%	-18%
Upgrading of Villiersdorp Waste Water Treatment Works	11 002	7 895	7 746	-2%	-30%
Upgrade Caledon bulk sewerage	0	1 750	1 670	-5%	
Basic Services - Site Saviwa	0	450	418	-7%	
Housing	22 964	31 229	29 555	-5%	29%
Low cost housing projects	22 964	31 229	29 555	-5%	29%
Sports Fields	3 286	11 245	10 303	-8%	214%
Upgrade of Sport Facilities	3 286	11 245	10 303	-8%	214%
Fleet	0	1 000	96	-90%	
Upgrade of Fleet	0	1 000	96	-90%	
Roads, Pavements, Bridges & Stormwater	3 263	4 588	3 303	-28%	1%
Resurfacing - Recealing of Ou Kaapse Weg	300	300	200	-33%	-33%
Upgrading of Road Networks - Savory, Gaffley, Jan van Eck & Felix Street	723	726	755	4%	4%
Resurfacing - Recealing of Theewaterskloof Single	100	100	94	-6%	-6%
Upgrading of Road Networks - Erica & Street 7	400	401	359	-10%	-10%
Upgrading of Road Networks - Bree & Pleinstreet	350	352	348	-1%	-1%
Resurfacing - Recealing of Church, Domisse & Myburghstreet	100	100	66	-34%	-34%
Resurfacing - Recealing of Park Street	100	100	106	6%	6%
Upgrading of Road Networks - Lyle, Medusa & Kosmos Street	450	435	423	-3%	-6%
Upgrading of Road Networks - Fucia, Hibiscus & Seymor Street	740	747	744	0%	1%
Tesselaarsdal Stormwater	0	946	0	-100%	
Upgrade of bulk stormwater for Low cost Housing Villiersdorp 251 IRDP pr	0	380	209	-45%	

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Land and Buildings	570	2 290	1 033	-55%	81%
Additions to building (Youth Centre for Office accomodation)	390	726	696	-4%	78%
Building of clubhouse at Bergsig mini sportfield for Caledon Pigeon Club	180	180	166	-8%	-8%
Cemetery Caledon	0	401	0	-100%	
Cemetery Grabouw	0	393	14	-97%	
Thusong Multi Purpose Centre	0	280	158	-44%	
Purchase house for Library	0	310	0	-100%	
Office Equipmant	3 218	3 407	2 985	-12%	-7%
Inventory Items	38	38	28	-28%	-28%
Inventory Items	68	68	37	-45%	-45%
Inventory Items	29	64	56	-12%	93%
Inventory Items	677	677	646	-5%	-5%
Inventory Items	140	140	125	-11%	-11%
Inventory Items	61	218	167	-23%	176%
Inventory Items	80	80	70	-13%	-13%
Inventory Items	584	584	477	-18%	-18%
Inventory Items	4	1	1	0%	-63%
Inventory Items	759	759	674	-11%	-11%
Inventory Items	245	245	204	-17%	-17%
Inventory Items	127	127	127	0%	0%
Inventory Items	194	194	190	-2%	-2%
Inventory Items	211	211	184	-13%	-13%
	67 547	84 177	73 127	-13%	8%
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APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital Programme by Project by Ward: Year 2014/15			R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)	
Botrivier			
Upgrading of Road Networks – Fucia, Hibiscus & Seymour S	Ward 7	Yes	
Caledon			
Additions to building (Youth Centre for Office accomodation)			
Building of clubhouse at Bergsig mini sportfield for Caledon Pigeon Club			
Cemetery Caledon			
Basic Services Site Saviwa Water Reticulation	Ward 3	Yes	
Site Saviwa housing development (Electricity)	Ward 3	Yes	
Upgrade Caledon bulk sewerage	Ward 3,4	No	
Basic Services – Site Saviwa (Sewerage)	Ward 3	Yes	
Inventory Items	Ward 3	Yes	
Greyton			
Upgrading of 11kV Network Greyton	Ward 4	No	
Resurfacing – Resealing of Park Street	Ward 2	Yes	
Upgrading of Road Networks – Lyle, Medusa & Kosmos Stre	Ward 2	Yes	
Genadendal			
Inventory Items			
Grabouw			
Cemetery Grabouw	8,10,11,12,13	No	
Thusong Multi Purpose Centre	8,10,11,12,13	Yes	
Upgrading of Road Networks – Savory, Gaffley, Jan van Eol	11,8,13,12	Yes	
Resurfacing – Resealing of Ou Kaapse Weg	Ward 11	Yes	
Upgrade of Bulk Water Grabouw: Water Treatment Works	8,10,11,12,13	No	
Grabouw Waste Water Treatment Plant	8,10,11,12,13	No	
Inventory Items	All Wards	Yes	
Riviersonderend			
Upgrading of Road Networks – Bree & Pleinstreet	Ward 1	Yes	
Resurfacing – Resealing of Church, Domisse & Myburghstr	Ward 1	Yes	
Inventory Items	Ward 1	Yes	
TWK			
Repair and Replace Water pre-paid meters	All Wards	No	
New 185mm ² MV cable between Aandblom and Veldblom S	Ward 4	Phase 1 Completed	
Low cost housing projects	All Wards	No	
TwK Sport and Recreation	All Wards	No	
Upgrade to Fleet	All Wards	No	
Inventory Items	All Wards	Yes	
Villiersdorp			
Upgrading of Road Networks – Erica & Street 7	Ward 6	Yes	
Resurfacing – Resealing of Theewaterskloof Single	Ward 5	Yes	
Upgrading of Villiersdorp Water Purification Works	Ward 5,6	No	
Upgrading of 11kV Network Villiersdorp	Ward 5	No	
Replace Miniature Substation Kerkstraat Villiersdorp	N/A	Cancelled	
Upgrading of Villiersdorp Waste Water Treatment Works	Ward 5,6	No	
Inventory Items	Ward 5,6	Yes	

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APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Clinics (NAMES, LOCATIONS)				
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				T P

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APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licencing and Testing Centre:		
Reservoirs		
Schools (Primary and High):		
Sports Fields:		
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APPENDICES

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 0				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 0 R' 000	Total Amount committed over previous and future years
* Loans/Grants - whether in cash or in kind				T R

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APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capability		
<i>* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.</i>		
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VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.