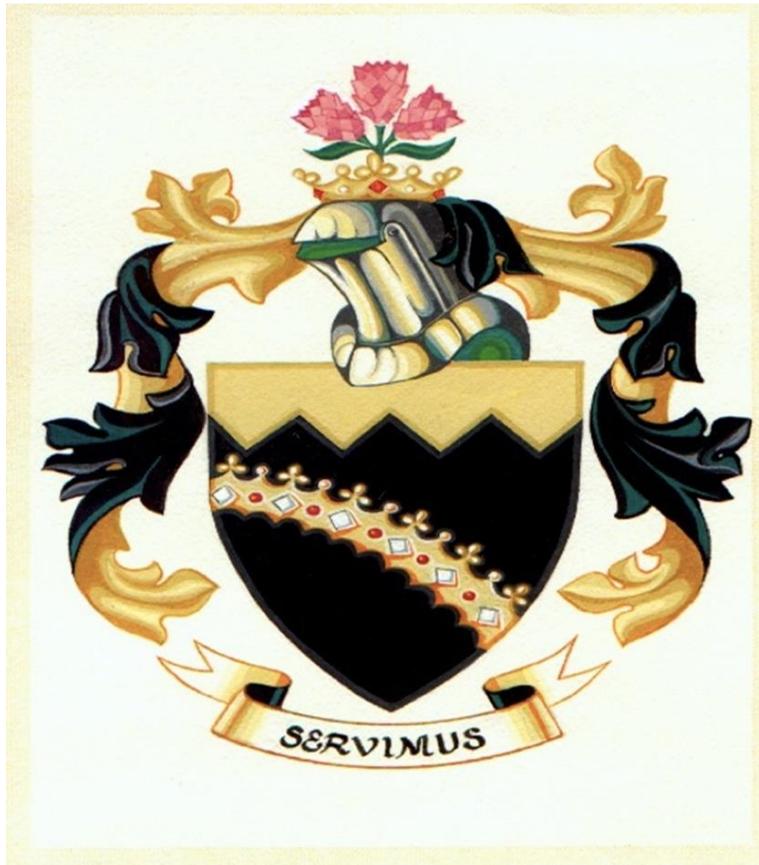


**DRAFT ANNUAL REPORT
PRINCE ALBERT MUNICIPALITY
2019/20**



MARCH 2021

TABLE OF CONTENTS

| | |
|--|-----|
| 1. Chapter 1: Mayor's Foreword and Executive Summary | 3 |
| 2. Chapter 2: Good Governance | 18 |
| 3. Chapter 3: Service Delivery Performance | 44 |
| 4. Chapter 4: Organisational Development Performance | 144 |
| 5. Chapter 5: Financial Performance | 154 |

CHAPTER 1: Mayor's Foreword and Executive Summary

COMPONENT A: MAYOR'S FOREWORD



EXECUTIVE MAYOR: GOLIATH LOTTERING

It is my privilege to present to you the draft annual report on the 2019/20 financial year. The operations for the 2019/20 financial year was based on the needs of the community identified during our public participation processes as well as legislative requirements that was harnessed via our budget and

Integrated Development Plan to deliver on the constitutional responsibilities assigned to municipalities according to section 152 of our proud Constitution.

The reporting year held vast promises of a better future for all of us. We were very excited about the proposed development of the new sporting facility in Prince Albert that would have seen an investment of about R14 million in our communities, creating jobs and new tourism potential. Unfortunately, the tenders submitted were well in excess of the available budget and we could not make provision out of own funds to cover the shortfall. We will not be discouraged though and have already submitted a new application as we believe that projects such as this, as with the RSEP programme that will see to the extension of the Thusong Centre, will be a catalytic economic boost to our economy. Together with the public and private sphere we will work towards the realisation of a better future for all.

The reporting year, however will be remembered for the arrival of the Covid-19 pandemic. As with the private sector, Covid-19 had a debilitating impact on our municipality. Our capital and operational projects were halted in its tracks and we were unable to see the fruition of all our planning. The fourth quarter of a municipality is the final push when all procurement processes and planning cycles come together for final implementation. Covid-19 brought us up short and though we could not deliver on our capital and operational expenditure and income targets, we are very proud to report that our basic service delivery was not compromised at any stage. I would like to thank my fellow councillors and staff for their unfailing support, dedication and commitment in putting our community first during the Covid-19 pandemic. You did me and our community proud.

During the first months of the Covid-19 pandemic the Prince Albert Municipality provided humanitarian relief from own funding as well as from Provincial funding to our community in lockdown. The Municipality increased the indigent free basic units and did not levy any interest on municipal accounts for a period of three months.

Unfortunately, we could not continue with these supporting initiatives due to a lack of funding.

During the pandemic period where people lost their jobs, many community organisations and members stepped up and strengthened our hands with relief efforts. A sincere thank you is extended to everyone that donated time, masks, food and expertise in support of our relief efforts. A special vote of thanks goes to the Department of Local Government and the Prince Albert Community Trust for their financial and in-kind contributions. Together, we have proven, we are indeed stronger.

The promise from myself as Executive Mayor, on behalf of my Council and Administration is that we will continue our efforts to deliver on our strategic objectives, set by you, our community. And we will do so in a transparent and accountable manner, as has become our trademark over the years. We will overcome the challenges set by Covid-19 and we will recover. We will claim back what is rightfully ours – a prosperous future for all.

This draft Annual Report for the 2019/20 financial year is open for public comment. Our successes are your successes. May we go from strength to strength towards a brighter future.

G Lottering

Executive Mayor

Component B: Executive Summary

1.1 Municipal Manager's Overview

Prince Albert Municipality fulfils its constitutional functions provided in terms of Chapter 4 and 5 of the Constitution according to the objectives set out in Section 152 and 153 of said Constitution.

The Municipality faced severe challenges during the reporting year. Our flagship capital project, namely the Sport precinct development, could not be implemented due to the tenders exceeding the available budget with R8 million. The project thus had to be held back and a new application with reduced scope and an increased budget was submitted to the Department of Sport and Culture in October 2020. This, together with Covid-19, was the main reason the Municipality faced extremely low capital expenditure. Roll over applications were made to the relevant treasury departments.

The Covid-19 pandemic severely hampered the implementation of the operational and capital projects for the financial year. Training was halted, the development of standard operational procedures could not commence, challenges with individual performance management could not be addressed, the investment attraction project could not be put out to tender to name but a few.

Prince Albert Municipality commenced the lockdown period with just essential workers. Service delivery continued without any major challenges. The essential service workers, especially those involved in sanitation, refuse collection, water and electricity provision is saluted for their dedication and work ethic. They were the silent backbone of our community and they deserve our gratitude and respect.

Prince Albert Municipality's humanitarian relief efforts instituted for a period of three months, were a result of funding from the Department of Local Government in the Western Cape as well as savings from own sources that was approved in an amendment budget. The Municipality co-ordinated relief efforts in our area via a Local Joint Operation Committee (LJOC) where SAPS, Social Services, Department of Education, the Central Karoo District and the Department Correctional Services were represented. This LJOC is still in operation and coordinates on a regional basis with the District LJOC that feeds into the Provincial JOC's and parliamentary fora. A special word of thanks is

extended to the Prince Albert Community Trust for their relief efforts, but also to all organisations and members of the public who provided support during the initial stages of Covid-19 and still do. You are the unsung heroes, but heroes none the less.

Just as in the private sector the Municipality was hard hit as a result of the Covid-19 pandemic. With a reduction in trade services sold due to the lockdown, job losses and reduced income all around, the payment ratio target of 85% could not be reached and have still not recovered. While the economic circumstances of the public are recognised, the Municipality will have to implement strict credit control to continue to meet the basic service delivery demands of the community. Prudent financial expenditure will be of the utmost importance. We must prioritise basic service delivery instead of nice to haves. The Municipality should carefully consider and develop an economic recovery plan for the region, in collaboration with the stakeholders within the community as well as with external stakeholders.

To support the struggling economy Council already resolved to undertake in house capital projects based on labour intensive practices.

With Covid-19 we also saw an uptake in opportunity theft and vandalism. The Municipality will address these challenges with the support of the Community Safety Forums that was established in all towns. We will also place a big focus on Gender Based Violence in the coming year.

Covid-19 brought with it severe challenges that required a new way of going about business. Virtual meetings have become a reality, the over-legislating of government operations have become apparent and require of us a new way of doing business. Covid-19 also showed us the resilience of the human race. It showed us the heart of our community – the good and bad. We will work to turn the bad to good and we will build on the good.

To every community member, government institution or community organisation that extended a hand of support to someone else during the Pandemic – our heartfelt thanks. To the Council of Prince Albert – thank you for your leadership and thank you to the community for holding this municipality accountable.

A special vote of thanks to the staff of Prince Albert Municipality. You showed that you can be counted on during a crises and I am extremely proud of you and grateful towards you.

Most of all to our Heavenly Father – May we continue to praise You through the storm.

A Vorster

MUNICIPAL MANAGER

1.2 Municipal Overview

This report addresses the performance of the Prince Albert Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and accurate reporting on programme performance and the general state of affairs in their locality. The 2019/20 Annual Report reflects on the performance of the Prince Albert Municipality for the period 1 July 2019 to 30 June 2020.

The Annual Report is prepared in terms of Section 121(1) of the Local Government: Municipal Finance Management Act (MFMA), requiring the municipality to prepare an Annual Report for each financial year.

1.2.1 Municipal Vision and Mission

Prince Albert Municipality committed itself to the following vision and mission:

Vision

Prince Albert, an area characterized by high quality of living and service delivery.

Mission

To create an enabling environment that achieves our vision, in the delivering of quality and sustainable services, to our community.

1.3. Demography

1.3.1 Population

Prince Albert's municipal area is divided into four wards. Ward one includes the Leeu-Gamka and Prince Albert Road areas, including surrounding farms, while ward 2 represents Klaarstroom, the farming areas surrounding Seekoeigat, Oukloof Dam and Drie Riviere as well as a portion of Prince Albert South (Below Church Street) Ward three includes the portion of Prince Albert North End surrounding the Pentecostal Protestant Church, while ward 4 includes the area of Rondomskrik in Prince Albert and a portion of Prince Albert South above Church Street. In preparation of the 2021 local elections, Prince Albert Municipality will embark with the Municipal Demarcation Board on a public participation process to determine ward delimitation during the coming financial year.

According to the 2011 Census, Prince Albert Local Municipality has a total population of 14 091 people, of which 84,5% are coloured, 11,8% are white, with the other

population groups making up the remaining 3,7%. A growth rate of 2.23% is estimated with a population density of 2 person per 2km².

Of those aged 20 years and older, 6,9% have completed primary school, 16,7% have some secondary education, 16,9% have completed matric, 8,7% have some form of higher education.

a) Total Population

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

| 2015* | 2016* | 2017* | 2018* | 2019* | 2020* | % growth |
|--------|--------|--------|--------|-------|--------|----------|
| 14 034 | 14 346 | 14 673 | 15 000 | 15345 | 16 054 | 2.23% |

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

b) Population profile

The following profile reflects the municipal area's total population per age group as per the last official census.

| Year | Age Groups | | | Dependency ratio |
|------|---------------------|-------------------------|----------|------------------|
| | Children 0-14 years | Working Age 15-65 years | Aged 65+ | |
| 2011 | 3 883 | 8 410 | 839 | 56.2 |
| 2018 | 3 692 | 9 323 | 1 076 | 51.1 |
| 2023 | 3 532 | 9 940 | 1 281 | 48.4 |

Table 2: Population profile (SEP report: 2019)

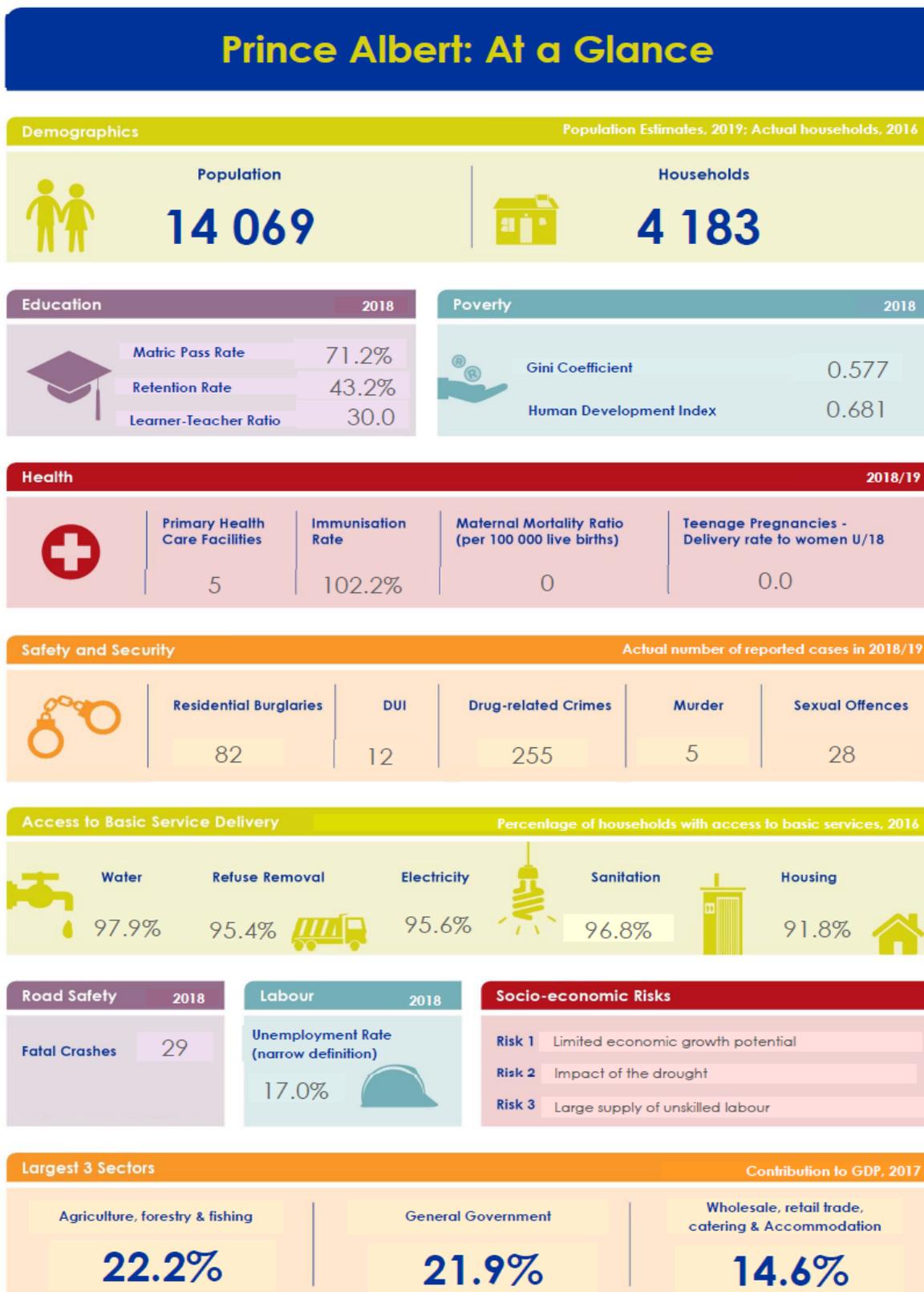
1.3.2 Households

The following table reflects the number of households in the municipal area as well as the indigent households per financial year.

| Households | 2015/16 | 2016/17 | 2017/18 | 2018/2019 | 2019/20 |
|---|---------|---------|---------|-----------|---------|
| Number of households in municipal area | 2 511 | 2 536 | 2 554 | 2 809 | 2820 |
| Number of indigent households in municipal area | 951 | 872 | 893 | 1092 | 1210 |

1.3.3 Socio Economic Status

The following table reflects key socio-economic statistics of the area as per 2019/20 Socio Economic Provincial report.



1.4 Service Delivery Overview

1.4.1 Basic services delivery performance highlights

The following table reflects the basic service delivery performance highlights for the reporting financial year.

| Highlights | Description |
|---------------------------------------|---|
| Successful drought management | Strict demand management has been implemented resulting in continuous water supply |
| Improvement of water security | Equipping of boreholes to improve water security |
| Paved road in South End | Upgrading of road in portion of South End |
| Installation of speed calming devices | Erecting additional speed calming devices in wards |
| Improved efficiency on refuse removal | Utilisation of compactor truck for refuse removal |
| Building maintenance | Upgrade of Municipal Main Building Upgrade Municipal Building along the N1 Corridor in Leeu Gamka (LED Initiative) Upgrade of Municipal Building in Klaarstroom Poort Pourri (LED Initiative) Upgrade of Thusong Centre Upgrade of Community Hall Prince Albert |
| Transformer maintenance | Transformers send for maintenance |
| Skills transfer on EPWP program | EPWP workers trained in pot hole repair |

Table 5: Basic Services Delivery Highlights

1.4.2 Basic services delivery challenges

The following table reflects the basic service delivery challenges for the reporting year.

| Ward | Challenge | Actions to address |
|------|--|---|
| | Ageing municipal Fleet: Continuous breakdowns of operational vehicles needed for day to day basic service delivery | A fleet management replacement model was adopted by Council as a guideline to plan for the systematic replacement of ageing fleet. Provision has been made in the 2020/2021 financial year to procure three operational vehicles. |
| All | Ensure quality water provision | Continuous training of water process controllers |
| All | Drought Management | Drought Recovery Programme implemented as well as the |

| Ward | Challenge | Actions to address |
|--------------|---|--|
| | | implementation of a Water Demand Management Contingency Plan. |
| All | Maintenance of road infrastructure | Pothole repair programme developed and Implemented within budget limitation. A substantial increase of the road maintenance budget is needed to eradicate the backlog of bad road surfaces in a planned and systematic way. |
| All | Improve and erect road signage and markings | Road markings to be established as per available budget |
| All | Improve access control at landfill sites | Appoint staff to improve access control Municipality due to its size and long-term financial sustainability and affordability find it extremely challenging to expand its staff establishment and depends on the EPWP Programme to fulfil key primary functions. |
| Ward 2, 3, 4 | Upgrade electricity network | Budget for replacement of old network Funding should be sourced to acquire professional expertise to do an analysis of the conditions of all critical assets needed for basic service delivery and to further developed an asset maintenance and replacement plan. Budget provision should be made year on year to replace and or upgrade assets in accordance with the asset maintenance and replacement plan. A substantial increase of the electricity budget is needed to improve the network in a planned and systematic way. |
| All | Sewerage trucks not road worthy – high cost of service | Purchase new truck; investigate possibility to connect sewerage tanks to sanitation network |
| All | Waste Management: Limited Lifespan of Prince Albert Landfill Site | Recycling facility needed and improved law enforcement on littering Provision has been made in the 2019/2020 Budget to commence with the rehabilitation of the Landfill Site. No substantial work was executed due to the national COVID 19 Lockdown. Rehabilitation work will be executed during the 2020/2021 financial year with the focus to create air space for a further five years. |

| Ward | Challenge | Actions to address |
|------|--|---|
| All | Lack of cash backed provision for rehabilitation of landfill site | Make cash backed budgetary provision for rehabilitation of all landfill sites |
| All | Waste Management: Management and Maintenance and Waste Transfer Stations in Prince Albert and Leeu Gamka. | The possibility was explored to appoint local upcoming entrepreneurs to assist the municipality with the continuous maintenance of Waste Transfer Stations. The concept yielded no success due to the affordability. The focus of the municipality and community should shift towards recycling. An action plan to institutionalise recycling will be developed and promoted. Community and private sector buy in is crucial for any recycling initiative to succeed. Law enforcement actions on littering and related by-laws will be intensified. |
| All | Sewerage Network Reticulation / Frequent Sewage Blockages as a result of network capacity and vandalism. Discharge of foreign objects in sewerage system | Education of Community to limit acts of vandalism. Improve sewerage operational equipment. Provision has been made in the 2020/2021 financial year to procure a high-pressure sewerage jetting machine. |
| All | Water Network Reticulation / Ageing Asbestos Water Pipes / Water Pipe Burst | Huge Capital investment is needed to systematically replace asbestos water pipes and valves. |

Table 6: Basic Services Delivery Challenges

1.4.3 Proportion of Households with access to Basic Services

The following table reflects the proportion of households with access to basic services.

| Proportion of Households with minimum level of Basic services | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| Detail | 2015/16 (%) | 2016/17 (%) | 2017/18 (%) | 2018/19 (%) | 2019/20 (%) |
| Electricity service connections | 100% | 100% | 100% | 100% | 100% |
| Water - available within 200 m from dwelling | 100% | 100% | 100% | 100% | 100% |
| Sanitation - Households with at least VIP service | 100% | 88.8% | 88.8% | 88.88% | 88.88% |

| | | | | | |
|--|------|------|------|------|------|
| Waste collection - kerbside collection once a week | 100% | 100% | 100% | 100% | 100% |
|--|------|------|------|------|------|

Table 7: Households with minimum level of Basic Services

1.5 FINANCIAL VIABILITY

1.5.1 Financial Viability Highlights

The following table reflects the financial viability highlights for the reporting year.

| Highlight | Description |
|--|---|
| Financial statements drafted internally | Only nominal support from consultants in verification process |
| mSCOA preparation | mSCOA preparation in line with national milestones despite challenges with |
| Transfer to Capital Replacement reserve | The municipality's available cash reserves were enough to enable a transfer to the CRR for funding of future capital projects |
| Municipal tariffs the cheapest in the Western Cape | A provincial study found that Prince Albert Municipality have the cheapest tariffs in the Western Cape |

Table 8: Financial Viability Highlights

1.5.2 Financial Viability Challenges

The following table reflects the financial viability challenges for the reporting year.

| Challenge | Action to address |
|---|--|
| Capacity constraints | Multi skilling of staff ; organogram to be reviewed to enable a split of oversight functions to improve control |
| mSCOA compliance | Financial support application |
| Debt collection – especially in Eskom areas; | Appointment of dedicated staff for debt collection |
| Increase in bad debt provision due to increase in outstanding water debtors | Stringent compliance of debt collection policy and measures |
| Incompatibility of financial software system | Change from VISTA to Phoenix financial system |
| Tariffs not sustainable and not covering cost | Review of tariff structure |
| Failure to generate projected Revenue Budget on Traffic Fines | Filling of Superintendent Traffic Services position. Explore the possibility to acquire a speed device / camera via direct procurement or service level agreement. |
| Financial Sustainability / Limited revenue streams | Explore possible options for additional revenue streams. The establishment of a drivers license testing station. |

Table 9: Financial Viability Challenges

1.5.4 Financial Overview

The following table provides a financial overview on the reporting year.

| Details | Original budget | Adjustment Budget | Actual |
|------------------------------|-----------------|-------------------|---------------|
| | R'000 | | |
| Income | | | |
| Grants | 49 348 | 61 446 | 40 299 |
| Taxes, Levies and tariffs | 30 569 | 29 008 | 28 748 |
| Other | 11 323 | 12 382 | 11 708 |
| Sub Total | 91 240 | 102 836 | 80 755 |
| Less Expenditure | 70 992 | 73 288 | 69 229 |
| Net surplus/(deficit) | 20 248 | 29 548 | 11 527 |

Table 10: Financial Overview

The income is lower than projected as the electricity income reduced significantly due to loadshedding. The housing subsidy was significantly reduced and therefore the grant income was reduced. The expenditure was lower than projected due to savings and the fact that drought funding could not be spend due to supply chain challenges, the lack of environmental authorisation and the fact that one project was stopped before appointment on request of Province. In response to the COVID 19 Pandemic the municipality on instruction of government reprioritised MIG funding and identified new water and sewerage related projects which had to be subjected to a full blown MIG appraisal process. These projects were approved late in the financial year (May 2020) and could not be implemented as a result the municipality applied for the roll-over of these funds/projects to the 2020/2021 financial year. The Covid-19 lockdown had an immense impact on the payment percentage towards services charges and taxes. The payment percentage reduced to under 50% during the lockdown period and Council was required to amend their budget to make provision for increased indigent support, while their expenses in terms of Plant, Property and Equipment (PPE) increased significantly to combat Covid-19.

1.5.5 Total Capital Expenditure

The following table provides a total capital expenditure profile for the reporting year.

| Detail | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|-------------------|---------|---------|---------|---------|---------|
| | R'000 | | | | |
| Original Budget | 10 293 | 8 701 | 8 528 | 15 700 | 22 131 |
| Adjustment Budget | 36 389 | 9 894 | 17 383 | 19 543 | 33 034 |
| Actual | 15 296 | 9 162 | 10 841 | 12 192 | 13 063 |
| % Spent | 42% | 93% | 62% | 62% | 40.2% |

Table 11: Total capital expenditure.

As indicated in the previous paragraph Council were unable to spend their capital budget due to the following. The capital budget provided for the upgrade and extension of sporting facilities in Prince Albert. Unfortunately, after going through a rigorous planning process, the tenders procured exceeded the available budget with nearly R8 million. As the Municipality did not have sufficient funding to address the shortfall from co-funding, the Municipality could not proceed with the project and had to go back to the drawing board and revise their proposed plans and resubmit an application for funding.

Covid-19 also prevented the Municipality to complete the remainder of their capital programme, while the reprioritisation of MIG funding during lockdown to allow for the mitigation of Covid-19 affects and the subsequent time-lapse to appraise the new projects in terms of the MIG program prescriptions, further delayed the capital program implementation and spending. Roll-over applications were submitted to address the spending on capital programs. The Municipality is also developing a project planning program to improve the monitoring and implementation of the capital expenditure in the Municipality.

1.6 Organisational Development Overview

1.6.1 Municipal Transformation and Organisational Development

The following table provides an overview of the municipal transformation and organizational development highlights for the reporting year.

| Highlights | Description |
|----------------------------|------------------------------------|
| Critical appointments made | Senior manager operations, Manager |

| Highlights | Description |
|------------------------------------|--|
| | Community Services and Skills Development Facilitator was appointed |
| Workplace Skills Plan submitted | Submitted within timeframe |
| HR policies reviewed | Several HR policies reviewed |
| Organisational review | Organisational review undertaken |
| Vacancy rate | Vacancy rate at 23.76 % hampering service delivery. |
| Setting of service level standards | Establishing a culture of meeting service level standards according to Charter |

Table 12: Municipal Transformation and Organisational Development Highlights

1.6.2 Municipal Transformation and Organisational Development Challenges

The following table reflects the challenges pertaining the municipal transformation and organizational development for the reporting year.

| Description | Actions to address |
|---|---|
| Capacity constraints | 23.76% vacancy rate in organisation – no funding to fill vacancies |
| Limited skills base | Skills funding limited |
| Challenges attracting and retaining staff | Remuneration packages too low and geographical location hampering attraction and retention of staff |
| Performance management | Capacity constraints hampering implementing performance management to lowest level |

Table 13: Municipal Transformation and Organisational Development Challenges

1.7 Auditor General Report

1.7.1 Audited Outcomes

The following table reflects the audited outcomes since 2016.

| Year | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|------|---------|---------|---------|---------|
| | | | | |

| Year | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|-------------------------|---|--------------------------|---|----------------|
| Opinion received | Unqualified with no matters - clean audit | Unqualified with matters | Unqualified without matters - clean audit | |

Table 14: Audit Outcomes

COMPONENT B

Chapter 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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

2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following tables indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the Local Government: Municipal System Act, 2000 (MSA). This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

Below is a table that indicates capital expenditure for the 2019/20 financial year. The capital expenditure was very low due to the fact that one of the projects on the drought scope of works was withdrawn at the last minute on request of the Provincial government. Another fact hampering efficient capital expenditure remains procurement. Government procurement processes takes very long and then most often the tenders submitted exceeds the available funding, thus forcing the municipality to go back and downscale projects before going out on tender again.

| KPA & Indicators | Municipal Achievement |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan | 42 | 78.8% | 74.7% | 62.3% | 40.2% |

Table 15: Capital budget spend

2.2 Performance Highlights - Good Governance and Public Participation

Below is a table that indicates the highlights pertaining good governance and public participation for the 2019/20 financial year:

| Highlight | Description |
|--|---|
| Ward committee functioning reviewed | Ward committee functioning reviewed annually |
| Ward committee training | Ward committees trained twice in financial year |
| Community meetings | Community meetings have high attendance numbers |
| Various communication platforms to keep community informed | Bulk sms messaging, bulk emails and social media used to keep community informed |
| Stakeholder engagements instituted | Municipality instituted a Stakeholder Engagement Forum to liaise with other sector departments to ensure maximum impact on service delivery |
| Community partnerships | Municipality has several partnerships to deliver on social cohesion such as with PACT, the Tourism Bureau, the Leesfees, Prince Albert Agricultural Association |
| Community Safety Forum | The municipality through a comprehensive, transparent, participatory and inclusive process managed to successfully established a Community Safety Forum for Prince Albert. A series of workshops were held to do a Policing Priority Needs Analysis which formed the basis for the drafting of a Community Safety Plan. The Central Karoo District Municipality also participated in the process and assisted the municipality with funding towards the implementation of its Community Safety Plan. Community Safety Ward Forums were also established in Leeu Gamka and in Klaarstroom. |

Table 16: Good Governance and Public Participation Performance Highlights

2.3 Challenges - Good Governance and Public Participation

Below is a table that indicates the challenges pertaining good governance and public participation for the 2019/20 financial year:

| Description | Actions to address |
|-------------|--------------------|
|-------------|--------------------|

| Description | Actions to address |
|---|---|
| Not all ward committee members perform optimally | Training on ward committee role and municipal programmes |
| Ward committee activities to be strengthened | Ward committee summit and ad hoc engagements with ward committees on specific programmes |
| Limited communication tools for area | No weekly newspaper is available and newspapers that are available do not reach whole of community; Engage GCIS to get Radio Gamkaland compliant so that municipal radio program can be aired again |
| Quarterly feedback in wards not compliant in regularity | Ward feedback meetings scheduled under chairmanship of ward councillors |
| Meeting fatigue | To many meetings and engagements leads to meeting fatigue and disinterest within community |
| Political factions within community | Political factions in the community undermines good governance by spreading misinformation |

Table 17: Good Governance and Public Participation Performance Challenges

Council

Below is a table that categorizes the councillors within their specific political parties and wards for the 2019/20 financial year:

| Name of councilor | Capacity | Political Party | Ward representing or proportional (PR) |
|--|---|------------------------|---|
| Cllr G Lottering | Mayor | KGP | Ward Councillor: ward 3 |
| Cllr S Botes | Speaker | DA | PR Councillor |
| Cllr L K Jaquet | Deputy Mayor | DA | Ward Councillor: ward 2 |
| Cllr M D Jaffha | Councilor Representative to District Municipality | KGP | Ward Councillor: ward 4 |
| Cllr E Maans | Councilor | ANC | Ward Councillor: Ward 1 |
| Cllr S Piedt | Councilor | ANC | PR Councillor |
| Cllr M Steyn (Resigned 30 September 2019) Cllr S Koonthea (31 | Councilor | DA | PR Councillor |

| Name of councilor | Capacity | Political Party | Ward representing or proportional (PR) |
|-------------------|----------|-----------------|--|
| Oct 2019) | | | |

Table 18: Council per political affiliation

Below is a table which indicates the Council meetings attendance for the 2019/20 financial year:

| Meeting dates | Type of Council meeting | Council Meetings Attendance | Apologies for non-attendance |
|---|-------------------------|-----------------------------|------------------------------|
| 10 July 2019 | Special | 90% | 10% |
| 30 July 2019 | Special | 80% | 20% |
| 30 September 2019 | Special | 100% | 0% |
| 19 November 2019 | Special | 90% | 10% |
| 28 August 2019 | General | 100% | 0% |
| 31 October 2019 | General | 100% | 0% |
| 12 December 2019 | General | 100% | 0% |
| 21 January 2020 | Special | 100% | 0% |
| 28 January 2020 | Special | 100% | 0% |
| 12 February 2020 | Special | 100% | 0% |
| 26 March 2020 | Special | 100% | 0% |
| 11 May 2020 | Special | 100% | 0% |
| 21 May 2020 | General | 90% | 10% |
| 15 June 2020 | Special | 100% | 0% |
| <i>Numbers between brackets indicate non-attendance without apology</i> | | | |

Table 19 Council meetings

The high attendance rate of councillors and the positive interaction resulting in a stable council, should be commended.

Executive Mayoral Committee

Prince Albert Municipality has an Executive Mayor, Cllr Goliath Lottering, but has no Mayoral Committee.

a) Portfolio Committees

Section 80 committees are permanent committees that specialize in a specific functional area of the municipality and may in some instances make decisions on

specific functional issues. They advise the Executive Mayor on policy matters and make recommendations to the Executive Mayor. Section 79 committees are temporary and appointed by the council as needed. They are usually set up to investigate a particular issue and do not have any decision-making powers, except those delegated to them by Council. Once their *ad hoc* task had been completed, Section 79 committees are usually disbanded. External experts, as well as Councillors can be included on Section 79 committees. The following Section 80 committees were utilized in the reporting year.

i) Finance Committee

All councillors in Prince Albert Council form part of the respective Portfolio Committees. The following table reflects the attendance of the respective councillors in the finance committee meetings. The Finance Committee is under the chairmanship of Cllr G Lottering and deals with financial matters in the municipality.

| Name of member | Capacity | Meeting dates |
|-------------------------|-----------------|--|
| Cllr G Lottering | Chairperson | 13/08/2019 09/10/2019 06/12/2019 10/03/2020 |
| Cllr M Jaftha | Member | |
| Cllr S Botes | Member | |
| Cllr M Steyn/ S Konthea | Member | |
| Cllr L K Jaquet | Member | |
| Cllr E Maans | Member | |
| Cllr S Piedt | Member | |

Table 20: Finance Committee

ii) Personnel and Transformation Committee

All councillors in Prince Albert Council form part of the respective Portfolio Committees. The following table reflects the attendance of the respective councillors in the Personnel and Transformation committee meetings. The Personnel and Transformation Committee is under the chairmanship of Cllr M Jaftha and deals with Human Resources and institutional development.

| Name of member | Capacity | Meeting dates |
|-----------------------|-----------------|----------------------|
| Cllr M D Jaftha | Chairperson | 12/08/2019 |

| Name of member | Capacity | Meeting dates |
|------------------------------|-----------------|--|
| Cllr G Lottering | Member | 09/10/2019 02/12/2019 10/03/2020 |
| Cllr S Botes | Member | |
| Cllr M Steyn/ Cllr S Konthea | Member | |
| Cllr L K Jaquet | Member | |
| Cllr E Maans | Member | |
| Cllr S Piedt | Member | |

Table 21: Personnel and Transformation Committee

iii) Civil Services Committee

All councillors in Prince Albert Council form part of the respective Portfolio Committees. The Civil Service Committee is under the chairmanship of Cllr M Steyn and deals with technical matters and basic service delivery matters. Most of the Municipality's capital expenditure can be traced back to the Technical Department and thus this portfolio monitors capital expenditure and MIG expenditure.

The following table reflects the attendance of the respective councillors in the civil services committee meetings.

| Name of member | Capacity | Meeting dates |
|--|-----------------|--|
| M Steyn/ S Botes (After resignation, S Botes acted as Chairperson) | Chairperson | 30/07/2019 25/09/2019 09/10/2019 02/12/2019 21/01/2020 10/03/2020 |
| Cllr M D Jaftha | Member | |
| Cllr S Botes | Member | |
| Cllr G Lottering | Member | |
| Cllr E Maans | Member | |
| Cllr S Piedt | Member | |
| Cllr L Jaquet | Member | |

Table 22: Civil Services Committee

iv) Community Services and Development Committee

All councillors in Prince Albert Council form part of the respective Portfolio Committees. The following table reflects the attendance of the respective councillors

in the Community Services and Development committee meetings. The Community Services and Development Committee is under the chairmanship of Cllr L Jaquet and deals with community and land use matters.

| Name of member | Capacity | Meeting dates |
|-------------------------|-----------------|----------------------|
| Cllr L K Jaquet | Chairperson | 12/08/2019 |
| Cllr M Steyn/ S Konthea | Member | 09/10/2019 |
| Cllr M Jaftha | Member | 02/12/2019 |
| Cllr G Lottering | Member | 10/03/2020 |
| Cllr E Maans | Member | |
| Cllr S Piedt | Member | |
| Cllr S Botes | Member | |

Table 23: Community Services and Development Committee

2.4.2 Administrative Governance Structure

The Municipal Manager is the Accounting Officer of the municipality. She is the Head of the Administration and primarily has to serve as chief custodian of service delivery and implementation of Councils priorities. She is assisted by her direct reports, which constitutes the Management Team. The table below indicates the management structure of Prince Albert Municipality.

| Name of Official | Department | Performance agreement signed |
|---------------------------|--|-------------------------------------|
| | | (Yes/No) |
| Anneleen Vorster | Municipal Manager | Yes |
| Jannie Neethling | Chief Financial Officer | Yes |
| George van der Westhuizen | Senior Operational Manager (16 September 2019 – 29 February 2020) | Yes |

Table 24: Administrative Governance Structure

2.5 Intergovernmental Relations

South Africa has an intergovernmental system that is based on the principle of cooperation between the three spheres of government – local, provincial and national. While responsibility for certain functions is allocated to a specific sphere, many other functions are shared among the three spheres.

Chapter 3 of the Constitution describes the three spheres as being 'distinctive, interdependent and interrelated' and enjoins them to 'cooperate with one another in mutual trust and good faith'. An important element of this cooperative relationship is that there needs to be a clear understanding of each sphere of government's powers and functions to ensure that a sphere of government or organ of state does not encroach on the geographical, functional or institutional integrity of government in another sphere.

2.5.1 Provincial Intergovernmental Structures

Provincial intergovernmental relations are mostly aimed at oversight and monitoring as set out in various pieces of legislation pertaining to local and provincial government. It does, however, take on a supporting role in the sharing of best-practices and knowledge sharing. Provincial intergovernmental structures include MINMAY (Western Cape Minister and Mayoral Committee) meetings, Provincial Task Groups and FORA such as the Provincial Public Participation Forum and SALGA Work Groups. Various Provincial FORA exist in every field of Local Government. The benefit of such FORA is a more integrated and coordinated planning process ensuring optimum use of available resources.

We participate in the following intergovernmental forums:

- ∞ Municipal Managers Forum where Municipal Managers engage on municipal matters
- ∞ Back to Basics Forum, both locally and regionally, that focus on governmental support to improve service delivery in Prince Albert
- ∞ Central Karoo Corporate Forum to collaborate on governance matters.
- ∞ Community Water Forum to raise awareness on water matters in the Prince Albert catchment area.
- ∞ CFO Forums where the CFO's of municipality engage on financial matters
- ∞ Central Karoo District Coordinating Forum where the municipalities in the Central Karoo District engage about shared matters. The Central Karoo District Coordinating Forum is preceded by a DCF Technical Forum where the technical aspects and implications of governance is discussed and prepared for the DCF.

- ∞ Central Karoo Communications Forum where municipalities in the Central Karoo engage on communication and public participation.
- ∞ Shared Service Forum focus on collaboration between municipalities to identify and utilise shared service options within the government sphere.
- ∞ Central Karoo IDP Forum where municipalities in the Central Karoo engage with each other on integrated development planning.
- ∞ Thusong Centre Provincial Forum where the Thusong Managers in the Province engage on shared service matters and programs.
- ∞ MIG Manager/Municipality Coordination Meetings – Western Cape Department of Local Government where municipalities and the Local Government engage on MIG spending and projects.
- ∞ Central Karoo Bilateral Meeting – Department of Water Affairs where the municipalities and Department engage on water service matters.
- ∞ The Provincial Transport Technical Committee (ProvTech) – Western Cape Department of Transport and Public Works where the municipalities engage on Technical matters.
- ∞ The Provincial Transport Committee (ProvCom) – Western Cape Department of Transport and Public Works where municipalities and the Department engage on integrated transport matters.
- ∞ Integrated Waste Management Forum – Western Cape Department of Environmental Affairs and Development Planning where the Department and municipality engage with each other on integrated waste matters.
- ∞ Western Cape Recycling Action Group – Western Cape Department of Environmental Affairs and Development Planning where municipalities and the department engage on recycling and raising awareness on such.
- ∞ SALGA Working Groups – SALGA where the municipalities in the Western Cape engage and workshop municipal infrastructure matters, Labour relations, local economic development etc.
- ∞ Working for Water: Implementing Agent Managers Forum – National Department of Environmental Affairs where the Department and municipalities on the work for water program.
- ∞ Provincial Communication Forum where all provincial municipalities and Province communicate on communication matters.

- ∞ Provincial Public Participation Forum where all provincial municipality engage on public participation matters.
- ∞ Provincial ICT Forum where municipalities and provincial departments engage on ICT matters.
- ∞ Provincial Air Quality Management Forum where municipalities and province engage on air quality management.
- ∞ Provincial Head Planning Forum where the Heads of Planning of the municipalities and Province engage with each other on planning matters.
- ∞ Shared Service Forums where municipalities in the Central Karoo and Province engage with each other on Shared Service Functions.
- ∞ Central Karoo Disaster Management Forum where Municipalities in the Central Karoo engage on Disaster Management Matters.
- ∞ Chief Traffic Forum where the Chiefs of Traffic in the Western Cape, the Department of Public Transport, the Department of Justice and the Department of Community Safety engage on traffic law enforcement
- ∞ E-Natis Provincial Task Team where E-Natis users engage with each other on E-Natis management
- ∞ Central Karoo RIMS Forum where nominated law enforcement officials engage on law enforcement and incident management.
- ∞ DAPOTT in the Central Karoo engage with departmental and potential role players and beneficiaries on the establishment of Agri Parks related projects.
- ∞ ISC: Intergovernmental Steering Committee collaborating on the poverty pockets within the Central Karoo.
- ∞ DRAP was established in the Central Karoo to manage and collaborate on the drought aspects within the Central Karoo

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.6.1 Public Meetings

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

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

The table below details public communication and participatory initiatives held by the municipality during the financial year under review:

| Nature and purpose of meeting | Date of events | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators |
|--------------------------------------|-----------------------|--|---|
| SMS messaging | Continuous | Not applicable | One |
| Bulk e-mail distribution | Continuous | Not applicable | Two |
| CWP Referencing Committee | Once every two months | All | Two |
| Stakeholder Engagement | Twice a year | Four | One |
| Ward committee summit | Once a year | Four | Two |
| IDP meetings | Twice a year | All | Four |

| | | | |
|--|----------------------------------|-----|-------|
| Indigent registration | May/June 2019/20 | All | Two |
| Water restrictions | Continuous | All | Three |
| Thusong Outreach | One a year | All | Five |
| Debt Collection Campaigns and indigent registrations | Continuous during reporting year | All | Four |
| Housing update | Once a year | All | Four |
| Water Forum | Once a quarter | All | Four |
| Kweekvallei Water Association meetings | Once a month | One | Two |
| Small Farmer engagements | Twice a year | One | Two |

2.6.2 Ward Committees

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees' function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities. In the following tables the respective ward committee meetings that were held during the reporting years are reflected.

a) Ward 1: Leeu Gamka; Prince Albert Road and Farms

| Name of representative | Capacity representing | Dates of meetings |
|------------------------|-----------------------|---|
| Cllr E Maans | Ward councillor | 13 August 2019 ward committee meetings Door to Door in September 2019 11 October 2019 ward feedback meeting December Door to Door meetings 15 January 2020 ward committee meeting Door to door meetings in February 2020 Block meetings in March 2020 |
| Anna Jonas | Block representative | |
| Ben Stols | Block representative | |
| R Lottering | Block representative | |
| D Steenkamp | Block representative | |
| P de Klerk | Block representative | |
| K Vister | Block representative | |
| G Booysen | Block representative | |
| N Baadjies | Block representative | |
| B Stols | | |
| One vacancy | | |

Table 26: Ward 1 Committee Meetings

b) Ward 2: Prince Albert (Prince Albert South, Klaarstroom and farm areas)

| Name of representative | Capacity representing | Dates of meetings |
|------------------------|-------------------------|---|
| Cllr L K Jaquet | Ward Councillor | August 2019 door to door outreach 20 September 2019 block meetings 11 October 2019 ward committee meetings November and December 2019 door to door outreaches 19 January 2020 ward committee meetings February door to door outreaches March block meetings |
| A Goosen | Block representative | |
| A Pienaar | Block representative | |
| J Plaatjies | Block representative | |
| S Makier | Business representative | |
| G van Hasselt | Farm representative | |
| P Gibson | Heritage representative | |
| Three vacancies | | |

Table 27: Ward 2 Committee Meetings

c) Ward 3: Prince Albert

| Name of representative | Capacity representing | Dates of meetings |
|------------------------|-----------------------|--|
| Cllr G Lottering | Ward Councillor | Ward committee August 2019 Block meetings 20 September 2019 Ward Committee 1 October 2019 Report Back meeting 11 October 2019 November to December Door to door visits February door to door meetings Block meetings 13 March 2020 |
| Fransiena Januarie | Block representative | |
| Jo Anne Blou | Block representative | |
| Enid Griebelaar | Block representative | |
| Arnold Mackay | Block representative | |
| Dawid Schroeder | Block representative | |
| Shorida Windvogel | Block representative | |
| Beaudine Tock | Block representative | |
| Vacancy | Block representative | |
| Vacancy | Block representative | |

Table 28: Ward 3 Committee Meetings

d) Ward 4: Prince Albert Rondomskrik and Portion of South End

| Name of Representative | Capacity Representing | Dates of meetings |
|------------------------|-----------------------|--|
| Cllr M D Jaffha | Ward Councillor | 15 July 2019 Door to Door 15 August 2019 Door to Door Block meetings 17 September 2019 |
| H Pieterse | Block representative | |
| K Koonthea | Block representative | |

| Name of Representative | Capacity Representing | Dates of meetings |
|---------------------------|-----------------------|---|
| G Abrahams | Block representative | Ward committee meeting 16 October 2019 November to January Door to door meetings Block meeting in February 2020 Door to Door in March 2020 |
| J Pietersen | Block representative | |
| Y van Wyk | Block representative | |
| J du Toit | Block representative | |
| J Pieterse 3 vacancies | Block representative | |

Table 29: Ward 4 Committee Meetings

2.6.3 Functionality of Ward Committee

The purpose of a ward committee is:

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

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

As some difficulties were experienced with the feedback from sector representatives to their respective sectors and general feedback to the community, the Municipality concluded that their ward committees were not functioning optimally. Council adopted the block based representative ward committee system. This meant that the sectors no longer had seats reserved for them on the ward committee, but they had to nominate someone living in a specific block to represent their interests. This new system operated on a combination of door-to-door visits, block meetings and ward committee meetings. Some wards functioned better than others. The ward committee members were trained on municipal policies and programmes. The ward committee meetings are open to the public and the community can attend said meetings and by arrangement with the ward councillor, provide input into meetings. Sectors can by prior arrangement, address ward committees with the approval of the ward councillor. The ward committee can also invite the sector to address them on a specific topic.

The changes made to the ward committee policy approved in June 2018 was tested during the reporting year and found to improve the functioning of the ward committee system. The ward committees undertook door-to-door visits in the first month, convene block meetings in the second and attend ward committee and ward feedback meetings in the third month. This assisted in improved mobilisation and information dissemination within the communities.

Prince Albert Municipality also launched a service charter during the 2018/19 financial year that clarifies the agreed upon service standards that the community can expect. This is continuously used to hold the municipality accountable and to improve service delivery.

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

2.6.3 Functionality of Ward Committee

| Ward Number | Committee established Yes / No | Number of reports submitted to the Speakers Office | Number meetings held during the year | Number of quarterly meetings held during year | Committee functioning effectively (Yes / No) |
|-------------|--------------------------------|--|--------------------------------------|---|--|
| 1 | Yes | 79 | 3 | 1 | Yes |
| 2 | Yes | 34 | 3 | 1 | Yes |
| 3 | Yes | 84 | 3 | 1 | Yes |
| 4 | Yes | 82 | 2 | 1 | Yes |

Table 30: Functioning of Ward Committees

2.6.4 Representative Forums

a) Labour Forum

The table below specifies the members of the Labour Forum for the 2019/20 financial year:

| Name of representative | Capacity | Meeting dates |
|------------------------|-------------|---------------|
| Cllr S Botes | Chairperson | 29/08/2019 |
| B May | IMATU | 5/11/2019 |
| M D Jafftha | Councillor | 16/03/2020 |
| A Vorster | Employer | 23/06/2020 |
| D Mooneys | Employer | |

Table 31: Labour Forum

It should be noted that Prince Albert Municipality have no SAMWU members. While IMATU remains the dominant union, MATUSA procured organisational rights at Prince Albert Municipality. They are, however not part of the Collective Bargaining Agreement and therefore not a member of the Local Labour Forum. The Municipality only hold Local Labour Forum meetings if there are agenda items to discuss as proposed either by Imatu or the Employer.

2.7 Risk Management

The table below reflects the Risk Committee:

| Member | Capacity | Department |
|-------------------------|-------------------|----------------------------------|
| 1. A Vorster | Chairperson | Municipal Manager |
| 2. J Neethling | Member / Champion | Finance |
| 3. A Badenhorst | Member | Internal Audit |
| 4. D Vermeulen | Member | Audit Committee member |
| 5. G van der Westhuizen | Member | Corporate and Community Services |

Table 32: Risk Committee

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.

2.8 RISK MANAGEMENT

Prince Albert Municipality is committed to the optimal management of risks in order to achieve our vision, deliver on our core business and key objectives.

In the course of conducting our day-to-day business operations, we are exposed to a variety of risks. These risks include operational and other risks that are material and require comprehensive controls and on-going oversight.

To ensure business success we have adopted an enterprise-wide integrated approach to the management of risks. By embedding the risk management process into key business processes such as planning, operations and new projects, we will be better equipped to identify events affecting our objectives and to manage risks in ways that are consistent with the approved risk appetite.

To further implement the enterprise-wide approach, we have taken a number of steps to reinforce a culture of disciplined risk-taking.

Council is responsible for oversight of the risk management processes and has delegated its day-to-day implementation to the Accounting Officer. The Accounting Officer, who is accountable for the overall governance of the municipality's risks, has delegated this role to the Risk Officer (RO) and management. The RO will ensure that the framework is implemented and that Council and the Risk Management Committee (RMC) receive appropriate reporting on the municipality's risk profile and risk management process. Management will execute their responsibilities outlined in the Risk Management Strategy. All other officials are responsible for incorporating risk management into their day-to-day activities.

For the 2019/20 financial year the top 5 strategic and operational risks identified are as follows:

2.8.1 Strategic Risks

- The risk of financial sustainability for the immediate and longer term – Being addressed through the development of a long-term financial strategy.
- Legal compliance on MSCOA and waste management.
- Capital funding for projects decreasing, leading to increase in external funding required – Included in the long-term financial strategy.
- Replacing old dilapidated infrastructure network – MIG funding applications submitted
- Re-vitalise local economy – through Agri Parks projects, labour intensive capital projects, neighbourhood revitalization initiatives such as the establishment of Parks, upgrading of roads etc.
- Limited technical capacity to address service backlogs.
- Outdated infrastructure master plans and Water Services Development Plan which adversely impacts grant funding application as per sector requirements.
- Lack of asset maintenance plans to support planning.

2.8.2 Operational Risks

- Lack of division of functions in employment corps – internal audit program to include spot checks
- Flat organisational structure with limited capacity that hampers operations as well as separation of duties– develop smarter ways to work and build oversight capacity

- Outdated land use register – new register to be compiled.
- Limited air space and challenges pertaining legal compliance on waste sites
- Drought
- Ageing infrastructure – business plan to be submitted via MIG and partnerships
- Ageing vehicle Fleet resulting in frequent breakdowns, high maintenance cost and high cost on overtime
- Retaining qualified professional staff – appoint key staff members
- Sector Plans outdated and capacity limited to update in line with departmental requirements;
- Non-compliant Blue Drop and Green Drop status.
- Covid-19 pandemic

2.8.3 Anti-Corruption and Anti-Fraud

Section 83(c) of the Municipal Systems Act refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

a) Developed Strategies

| Name of strategy | Developed Yes/No | Date Adopted/Reviewed |
|---|------------------|-----------------------|
| Anti-corruption and Fraud Prevention strategy and Implementation plan | Yes | Reviewed in June 2018 |
| Risk Management Policy | Yes | Reviewed in June 2018 |
| Risk Management Strategy and Implementation Plan | Yes | Reviewed in June 2018 |

Table 32: Strategies

b) Members of the Audit Committee which is also the Performance Audit Committee

| Name of representative | Capacity | Meeting dates |
|------------------------|-------------|------------------------------------|
| A Dippenaar | Chairperson | 27 August 2019 10 December 2019 |
| D Vermeulen | Member | 28 January 2020 |

| Name of representative | Capacity | Meeting dates |
|------------------------|------------------|---------------|
| JC van Wyk | Member | 28 May 2020 |
| A Badenhorst | Internal Auditor | |

Table 33: Members of the Audit Committee

The Audit Committee fulfils a critical role in ensuring accountable governance. The Audit Committee's report on the 2019/20 Annual Financial Statements and Annual Report is attached as Annexure A.

2.9 Internal Auditing

2.9.1 Annual Audit Plan

The Risk Based Audit Plan for 2019/20 was executed with the available resources. The table below provides detail on audits completed:

| Description | | |
|---|----------------------------|---|
| Revisiting current risk profile, priorities and management action plans | | |
| Compiling Risk Based Audit Plan | | |
| Audit Engagement | Departmental System | Detail |
| Grants/DoRA | Finance Department | Grant allocations verification of spending/adherence to DORA requirements |
| PMS (4 x quarterly reviews) | All departments | 4 x Quarterly internal audit reviews as required by MSA |
| Income | Finance | Water & Electricity |
| Expenditure | Finance | Expenditure management and EFT |
| SCM | Finance | Compliance to legislative requirements |
| Laws & regulations | All departments | Compliance to legislative requirements |
| mSCOA review | Finance | Internal audit of msCOA self-assessments |
| Human Resources | Corporate | Leave and Attendance |

Table 34: Internal Audit Coverage Plan

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

| Function |
|---|
| Risk analysis completed/reviewed |
| Risk based audit plan approved for 2019/20 financial year |

| |
|---|
| Internal audit programme drafted and approved |
| Number of audits conducted and reported on |
| Grants |
| Performance management |
| mSCOA Review |
| Human Resources: Recruitment and Appointments |

Table 35: Internal Audits

2.10 By-Laws and Policies

Below is a list of all the policies developed and reviewed during the financial year:

| Policies developed/ revised | Date adopted | Public Participation Conducted Prior to adoption of policy Yes/No |
|--|---------------------|--|
| Order rules for Council | 21 May 2020 | No – internally via LLF |
| EPWP policy | 21 May 2020 | No – internally via LLF |
| Credit control policy | 21 May 2020 | No – internally via LLF |
| Budget Policy | 29 May 2020 | Yes |
| Credit Control policy | 29 May 2020 | Yes |
| Asset Management policy | 29 May 2020 | Yes |
| Tariff Policy | 29 May 2020 | Yes |
| Rates Policy | 29 May 2020 | Yes |
| Indigent Policy | 29 May 2020 | Yes |
| Capital Contribution Policy | 29 May 2020 | Yes |
| Borrowings Policy | 29 May 2020 | Yes |
| B and I Policy | 29 May 2020 | Yes |
| Consultants Policy | 29 May 2020 | Yes |
| Relief and charity fund policy | 29 May 2020 | Yes |

Table 36: Policies developed and reviewed

2.11 Communication

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

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the above-mentioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of **Batho Pele** that is based on the principle of consultation, setting service standards, increased access, courtesy, providing information, openness and transparency, redress and value-for-money. This, in simple terms, means that those we elect to represent us (Councillors at the municipal level) and those who are employed to serve us (the municipal officials at municipal level) must always put people first in what they do. South Africa has adopted a system of developmental local government, which addresses the inequalities and backlogs of the past while ensuring that everyone has access to basic services, to opportunities and an improved quality of life.

To be successful, communications must focus on the issues that are shown to impact on the residents' perceptions, quality of service, value for money and efficiencies. They should ideally look to close the communication-consultation loop, i.e. tell people how they can have a say and demonstrate how those who have given their views have had a real impact.

Prince Albert Municipality firmly believes and publicly advocate that a municipality cannot be seen as Councillors and administration only, but that the community forms the heart of the Municipality. Without the community to partner with the councillors and administration in municipal initiatives, the initiatives will be once-offs that will have very limited impact on the community's quality of life and economic partnerships.

The Municipality made significant strides in keeping the community informed and involved. The bulk sms and email lists allows the municipality to inform the community on service delivery issues but also reminds them to participate in planning and public meetings.

The Municipality drafted and launched a Service Charter during the previous financial year, communicating set agreed service standards to be used to promote accountability and foster consequence management. This Charter is promoted at ward committee trainings and public meetings to build a culture of accountability.

The table below provides details regarding the municipality's use of various communication platforms

| Communication activities | Yes/No |
|---|---------------|
| Communication unit | Yes |
| Communication strategy | Yes |
| Communication Policy | Yes |
| Customer satisfaction surveys | No |
| Website | Yes |
| Public meetings | Yes |
| Ward committee meetings | Yes |
| Interest Group Engagements | Yes |
| Bulk SMS messaging | Yes |
| Functional complaint management systems | Yes |
| Newsletters distributed electronically | Yes |
| Pamphlets | Yes |
| Thusong Outreaches | Yes |

Table 37: Communication platforms

2.13 Website

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

| Documents published on the Municipal website | Published (Yes/No) |
|---|---------------------------|
| Current annual and adjustments budgets and all budget-related documents, including SDBIP | Yes |
| Tariff policy | Yes |
| Credit control policy | Yes |
| Valuation policy | Yes |
| Rates policy | Yes |
| SCM policy | Yes |
| Annual report for 2018/19 | Yes |
| All service delivery agreements for 2019/20 | No |
| All supply chain management contracts above the prescribed value for 2019/20 | No |
| Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2019/20 | Yes |
| All quarterly reports tabled in the council in terms of section 52 (d) of the | Yes |

| Documents published on the Municipal website | Published (Yes/No) |
|--|--------------------|
| MFMA during 2019/20 | |

Table 38: Website Checklist

2.14 Supply Chain Management

2.14.1 Competitive Bids in Excess of R200 000

a) Bid Committee Meetings

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

| Member | Percentage attendance |
|-------------------|-----------------------|
| M April | 100% |
| Donovan Plaatjies | 100% |
| A America | 100% |
| D Sarelse | |

Table 39: Attendance of members of bid specification committee

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

| Member | Percentage attendance |
|-------------------|-----------------------|
| PW Erasmus | 100% |
| Donovan Plaatjies | 100% |
| Christa Baadjies | 100% |

Table 40: Attendance of members of bid evaluation committee

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

| Member | Percentage attendance |
|-------------------------|-----------------------|
| Ms. D Mooneys | 100% |
| Mr JD Neethling | 100% |
| Mr G van der Westhuizen | 100% |
| Mr C Jaffa | 100% |

Table 41: Attendance of members of bid adjudication committee

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

b) Awards Made by the Bid Adjudication Committee

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

| Bid number | Title of bid | Successful Bidder | Value of bid awarded |
|------------|---|--------------------------|----------------------|
| 153/2019 | Borehole Evaluation, Testing, Camera Logging and Iron Rehabilitation for The Prince Albert Municipality, Prince | AQUIFER TESTING SERVICES | R665 172.42 |

| Bid number | Title of bid | Successful Bidder | Value of bid awarded |
|-------------------|---|----------------------------------|-----------------------------|
| | Albert | | |
| 154/2019 | Borehole Telemetry System Upgrade for The Prince Albert Municipality, Prince Albert | AQUIFER TESTING SERVICES | R366 461.00 |
| 194/2019 | The Supply and Delivery of One Light 4x4 Fully Equipped Fire Fighting | FIRE RAIDERS | R935 909.10 |
| 195/2019 | The Provision of Accounting Services for A Contract Period Ending 31 December 2022, For the Prince Albert Municipality | Mubesko Africa | R5 593 485.00 |
| 147/2019 | Upgrade of the Klaarstroom Waste Water Treatment Oxidation Ponds for The Prince Albert Municipality, Prince Albert | De Jager Loodgieter Kontrakteurs | R5 360 548.82 |
| 177/2019 | Construction of Borehole Enclosures, Prince Albert | New Morning Construction CC | R525 076.20 |
| 178/2019 | Construction of Prince Albert Iron Removal Plant | Global Trading Solutions | R2 548 034.23 |
| 40/2020 | The Provision of Electrical and Mechanical Services in the Prince Albert Municipal Area, for the Prince Albert Municipality | Jan Nel Elektries | R1 230 362.99 |
| 68/2018 | Short-term insurance | Lateral Unison | R415 483.20 |

Table 42 Ten highest bids awarded by bid adjudication committee

c) Awards Made by the Accounting Officer

No bids awarded by the Accounting Officer for the reporting year.

a) Appeals lodged by aggrieved bidders

No appeals were lodged against any bid or tender during the reporting year.

2.14.2 Deviation from Normal Procurement Processes

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

| Type of deviation | Number of deviations | Value of deviations | Percentage of total deviations value |
|-------------------|----------------------|---------------------|--------------------------------------|
| Sole suppliers | 0 | R 0.00 | 0% |
| Emergency | 8 | R 1 170 997.25 | 74.62% |
| Impractical | 17 | R 398 210.79 | 25.38% |
| Total | 25 | R 1 569 208.04 | 100% |

Table 43: Summary of deviations

2.14.3 Logistics Management

As at 30 June 2020, the value of stock at the municipal stores amounted to R671,562.00.

The system of disposal management must ensure the following:

- immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
- movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
- Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
- Immovable property is let at market related rates except when the public plight of the poor demands otherwise;
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and

- In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

We are complying with section 14 of the MFMA which deals with the disposal of capital assets. The current policies in place aim to provide the guidelines for the disposal of all obsolete and damaged assets.

Information on compliance with the B-BBEE Act

At the time of issuing MFMA circular 29 of 2019 which relates to compliance to the B-BBEE Act and reporting, Prince Albert requested through a request for quotation process for a service provider to conduct the work. As we do not have the capacity to do it ourselves, as this is something new.

CHAPTER 3

Introduction

The Prince Albert Municipality is one of the four municipalities in the Central Karoo District is approximately 400 km north of Cape Town and about 170km south of Beaufort West on the N1. It includes the scenic town of Prince Albert as well as the settlements of Leeu-Gamka and Klaarstroom, Prince Albert Road and Seekoeigat and surrounding rural area. Situated at the foot of the famous Swartberg Pass the town of Prince Albert town is renowned for its historic architecture and agricultural products. It is known as the oasis of the Karoo desert and attracts local and foreign tourists throughout the year. It is also historically an agricultural services hub that still provides its people and satellite towns with essential services.

Prince Albert has the potential for becoming the tourism hub to drive the growth of tourism within the Central Karoo region.

Component A: Basic Services

Introduction to Basic Services

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

3.1 Water Provision

Introduction to Water Provision

Prince Albert Municipality is the water service provider for the towns of Klaarstroom, Prince Albert, Prince Albert Road and Leeu Gamka. Prince Albert's bulk water supply is provided from nine boreholes with varying supply levels. These boreholes draw water from the Table Mountain, Bokkeveld and Witteberg Group aquifers. The boreholes are in a good condition and frequent maintenance is carried out. The total licensed abstraction for these boreholes is 0.229 million m³/a. This supply is augmented by a steady stream (bergbron) from the Drops River which is the only surface water source to the town. The licensed abstraction from this source is 0.471 million m³/ annum and supplies water irrigation through a furrow network to South End in Prince Albert. The Municipal water allocation is 17 hours of scheduled irrigation water per week, in Prince Albert town. The water is purified at the Prince Albert Water Treatment Works. The water supply system had insufficient capacity to supply the future water requirements for future developments. Water constraints within Prince Albert are a significant and pressing issue, particularly during the drier months of the year where water flow from the Dorps River is very low and therefore the Municipality embarked on a focused demand management initiative from November 2017 and reduced water use per consumer to 90 liters per person per day which are still applicable.

Leeu-Gamka and Klaarstroom have no surface water allocations and is solely dependent on its boreholes. The Transnet borehole was added to the Leeu Gamka water supply system with a potential abstraction rate of 300m³ per day, thus augmenting the other two boreholes in

Leeu Gamka. Three additional boreholes were sunk, two was equipped and connected to the main water network at a cost of R2 400 000 to supplement the supply with 263 kilolitres per day. A reverse osmosis plant to purify the water in Leeu Gamka to ensure that it is potable was established and resulted in significant improvement in the water quality of Leeu Gamka. In Klaarstroom three additional boreholes were constructed and completed to augment the two current boreholes in. One of the boreholes is being utilised for sport field irrigation.

The boreholes in Prince Albert town provide water to the treatment plant by a combined 160 mm diameter PVC pipe and 100 mm diameter AS-pipe supply system. Boreholes 1 to 6 have a low iron content compared to boreholes 7 to 9's high iron content. Western Cape Department of local Government has allocated R 1 500 000.00 for the 2019/20 financial year for a phase 1 iron removal plant project. Additional to this the low yielding production boreholes 5,6 and 7 have been rehabilitated to improve yield volumes and the existing telemetry system recommissioned to improve management of the water supply.

Currently only water from boreholes 7, 8 and 9 are being purified by means of an iron removal plant, as the capacity of the plant is limited. The low iron content wells and mountain source delivers water directly to the existing three raw water balancing dams with a total capacity of 4.2 ML at the treatment plant.

In summer, the Municipality have to carefully manage the supply, due to decreased runoff and the low level of the water table as well as carefully manage the demand due to very hot conditions, increased users in the holidays, and reckless usage by inhabitants. With the ever-rising municipal consumption, the available resources are no longer sufficient and shortages may occur during the summer season, as the provision of boreholes also decreases and the Storage Infrastructure was insufficient to store water over longer periods. The Municipality thus embarked on a phased process to increase the storage capacity in Prince Albert by raising the reservoir sides of the existing reservoir. This project was completed in November 2018.

The Prince Albert Municipality has equipped 2 additional production boreholes with the approval of DWS to supplement summer supply as these were formerly monitoring boreholes used by the Department of Water and Sanitation. Despite increasing pressure Prince Albert Municipality was able to manage and provide an adequate supply of water to the areas within its jurisdiction, mostly due to curbing the allowed water use to 90 liters per person per day and improved efficiency in managing groundwater resources. Prince Albert municipality is also a member of the Western Cape Drought Relief Action Plan (DRAP) which was launched on 11 April 2019 in Prince Albert by MEC Anton Bredell. This body convenes quarterly to give feedback on progress regarding the projects that was implemented in the different municipalities.

Engagements with the Department of Environmental Affairs and Development Planning and the Department of Water Affairs subsequently lead to the granting of exemption from the requirements of NEMA in terms of Section 30A(1) to allow Prince Albert Municipality to carry out listed activities in terms of the NEMA Environmental Impact Assessment (EIA) Regulations, 2014, as amended to allow the Municipality to address the water provisioning needs of the community of Prince Albert. The listed activities may include the following:

- Development of structures or infrastructures
- Expansion of structures or infrastructures
- Maintenance
- Replacement of structures or infrastructures
- Abstraction of water
- Diversion of natural spring water
- Development of Desalination Plants
- Re-use of waste water

The Municipality intended to use this exemption to establish a conversion structure in the Dorps River to divert river run-off into the irrigation/ surface water supply furrow of the Kweekvallei Irrigation Board. This project was cancelled by Provincial Government just before year end 2019 and the Municipality was unable to once again secure funding for it.

The water sources currently used for the towns in the PAM's Management Area are as follows:

- Prince Albert: Dorps River and nine boreholes.
- Leeu-Gamka: Three boreholes
- Klaarstroom: Three boreholes
- Prince Albert Road: Boreholes

It must be noted that a regional wide drought in the Western Cape Province lead to the declaration of a Provincial State of Disaster, declared on 24 May 2017 and it still applies to the whole municipal area. Over the past years Prince Albert has received below average rainfall.

Water losses are restricted to the minimum. Water losses for 2018/19 was 25.08%, with 2019/20's losses at 24.98%. These losses are measured from the source to the sector meters and include the losses in the purification works. The Municipality must emphasise that the watering of the sport fields is not metered separately from the construction supply and is reflected as non-revenue water. A meter was installed at the sport facilities during the 18/19 financial year. The Municipality curbed water losses by means of a door to door campaign where they repaired water leakages on private property. This was done not only to curb water losses but to mitigate the drought conditions prevailing in the area. The water losses have increased significantly during the past two (2) financial years. The municipality is still investigating the high-water losses through the billing system as well as testing the accuracy of the data.

The Prince Albert municipal area, with the emphasis on Leeu Gamka and Klaarstroom was declared a drought area by Provincial government and at present are still declared a drought area. The Municipality will continue to promote responsible water use.

In light of the Provincial Emergency water situation the Municipality undertook the following initiatives:

- (i) Drafted a Water Supply Emergency Intervention Plan to address the current water supply emergency situation and to ensure resilience with respect to water supply security into the future.
- (ii) The Municipality continues to implement water consumption restrictions within its jurisdiction. At present the water restrictions are at Level 4 with only 90 liters per of water per person per day allowed.
- (iii) Water leak detection and repair campaigns were undertaken continuously.

a) Highlights: Water Services

Highlights in respect of Water services are indicated below.

| Highlights | Description |
|---|--|
| Boreholes equipped | 5 Production Boreholes in total were equipped during 2019/20 for the entire Municipal Area |
| Leak detection programme | The Municipality launched a door to door leak detection and repair programme as part of their demand and drought relief strategy. |
| Effective Drought management during summer months | Water restrictions was implemented. Careful water monitoring was done over the dry season thus avoiding any service interruptions. |
| Drought relief | Funding was allocated for the Equipping of Additional Boreholes, Rehabilitation of existing Boreholes and Upgrade of The Iron Removal Plant as well as the Klaarstroom WWTW Oxidation Ponds for the reuse of waste water for Irrigation purposes |
| Water process controllers | Water process controllers appointed in all towns and currently undergoing training. |
| Cleaning of reservoirs | The reservoirs were cleaned. |
| Water Forum | A Water Forum was established for the Municipal area with public representation as well as sector representation. |
| Funding for additional raw water storage | The upgrading of the reservoirs in Prince Albert was completed in November 2018. |
| Upgrading of telemetry system | The town of Prince Albert's telemetry system has been upgraded. |

Table 42: Water Services Highlights

b) Challenges: Water Services

| Description | Actions to address |
|--|--|
| Water loss monitoring | Water losses reflected significantly higher than the previous financial year. This is due to pressure control connected to the drought leading to more burst pipes. Bulk Meters to be installed to account for water used. Meeting was held internally with key technical staff and water process controllers to improve water management, continuous monitoring and |
| Pollution of Ground water (Septic tanks) | Lobby for funding to eradicate 400+ conservancy and septic tank. Install if possible waterborne sewerage systems in the Prince Albert Town area. |
| Misuse of water by residents | Implement an awareness campaign on responsible water use |
| Drought conditions | Water restrictions implemented and careful water demand management to take place |
| Blue drop compliance and reporting | Monthly submissions will be done and will be done by the incident clerk. |

Table 43: Water Services Challenges

c) Water Service (piped water) Delivery Levels

The following table indicates the Municipality's performance in supplying water within the minimum service level as prescribed by the national government. Please note that the increase in units serviced is allocated to the new housing development in Prince Albert. Additional Informal Dwellings in Klaarstroom were provided with on-site stand pipes for 48 dwellings.

| Description | 2016/17 | 2017/18 | 2018/19 | 2019/20 | |
|--|---------|---------|---------|--|------------------------------------|
| | Actual | Actual | Actual | Actual as per census – including farms | Actual as serviced by Municipality |
| | No. | No. | | No | No |
| Water: (above min level) | | | | | |
| Piped (tap) water inside dwelling/institution | 2536 | 2554 | 2820 | 2809 | 2819 |
| Piped (tap) water inside yard | 0 | 0 | 93 | 28 | 20 |
| Piped (tap) water on community stand: distance less than 200m from | 28 | 28 | 93 | 34 | 26 |
| Minimum Service Level and Above sub-total | 2564 | 2582 | 3 518 | 2871 | 2866 |
| Minimum Service Level and Above Percentage | 100% | 100% | 98.3% | 100% | 100% |
| Water: (below min level) | | | | | |

| Description | 2016/17 | 2017/18 | 2018/19 | 2019/20 | |
|---|--|---------|---------|--|------------------------------------|
| | Actual | Actual | Actual | Actual as per census – including farms | Actual as serviced by Municipality |
| | No. | No. | | No | No |
| Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution | 0 | 0 | 0 | 0 | 0 |
| Using public tap (more than 200m from dwelling), distance between 500m and 1000m (1km) from dwelling /institution | 0 | 0 | 0 | 0 | 0 |
| Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution | 0 | 0 | 0 | 0 | 0 |
| No access to piped (tap) water | 0 | 0 | 0 | 0 | 0 |
| Below Minimum Service Level sub-total | 0 | 0 | 60 | 0 | 0 |
| Below Minimum Service Level Percentage | 0 | 0 | 0 | 0 | 0 |
| Total number of households | 2564 | 2582 | 2866 | 2871 | 2819 |
| | Included in the above table: Formal residential, Informal residential, Traditional residential Farms, Parks and recreation Collective living quarters, Industrial Small holdings, Commercial <i>The above table 2019/20 are populated as per the Census 2011 data for Source of Water, Type of dwelling and includes all dwellings</i> | | | | |

Table 44: Water Service delivery levels: Households based on 2011 Census data

Access to free basic water:

| Number /Proportion of households receiving 6 kl free | |
|--|---------|
| 2018/19 | 2019/20 |
| 2820 | 2819 |

Table 45: Source: PAMUN SDBIP – 2019/20

Please note that the increase in free basic water is allocated to the new housing development in Prince Albert.

Service delivery indicators

The table below reflects the municipality's performance pertaining basic service provision within the 2019/20 financial year.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comment |
|------|---|--|-------|---------------------------|---------------------------------|--------|---|--|
| | | | | | Target | Actual | R | |
| TL16 | Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network. | Number of formal residential properties that meet agreed service standards for piped water | All | 2 820 | 2 820 | 2 569 | | This KPI is based on new water connections to the water network that is billed. All houses are connected, but target must be amended in new SDBIP |
| TL17 | Provide 6kl free basic water to registered indigent account holders per month | No of registered indigent account holders receiving 6kl of free water | All | 1 092 | 1 100 | 1188 | | Target reached |
| TL27 | Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klaarstroom | % of test results complying with SANS 241 | All | 87.3% | 80% | 79.9% | | Target reached |
| TL28 | Develop the Water Service Development Plan and submit to Council for approval by the end of June 2020 | Plan approved by council by end of June | All | 0 | 1 | 0 | | Plan could not be compiled due to capacity constraints as well as no budget allocated for the development of a WSDP. Funding has been secured from DSBSA to draft a plan during the 2020/21 financial year |
| TL29 | Limit water losses to not more than 15% {(Number of Kiloliters | % Water losses achieved (Number of Kiloliters | All | 16.74% | 15% | 24.98% | | This was due to the drought with reduced water use and also due to |

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comment |
|-----|--|--|-------|---------------------------|---------------------------------|--------|---|--|
| | | | | | Target | Actual | R | |
| | Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100} | Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100} | | | | | | burst pipes corresponding to reduced water pressure. |

Table 46: Service delivery indicators: Water services

d) Employees: Water Services

The following table depicts the staff deployment in respect of water services. As most of the staff in Prince Albert Municipality performs dual functions, these numbers cannot be reconciled perfectly.

a) Employees: Water Services

The following table depicts the staff deployment in respect of water services. As most of the staff in Prince Albert Municipality performs dual functions, these numbers cannot be reconciled perfectly.

| Job Level | 2017/18 | 2018/19 | 2019/2020 | Vacancies (as a % of total posts) |
|--------------|-----------|-----------|-----------|-----------------------------------|
| | Employees | Employees | Employees | |
| | No | No | | |
| 0 – 3 | 0 | 0 | 0 | |
| 4 – 6 | 1 | 2 | 3 | |
| 7 – 9 | 1 | 0 | 1 | |
| 10 – 12 | 0 | 1 | 1 | |
| 13 – 15 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | |
| Total | 2 | 3 | 5 | |

Table 47: Employees: Water Services

b) Capital: Water Services

The following table reflects the municipality's capital expenditure for the 201/19 financial year in respect of water services.

| Capital Expenditure 2019/2020: Water Services | | | | |
|--|------------------|-------------------|--------------------|-------------------------------|
| R'000 | | | | |
| Capital Projects | 2019/2020 | | | |
| | Budget | Adjustment | Actual | Variance |
| | | Budget | Expenditure | from original budget % |
| Water management | 2 560 | 6 969 | 4 629 | 34% |
| Waste water management | 3 750 | 6 590 | 3 728 | 43% |
| Total | 6 310 | 13 559 | 8 357 | 39% |

3.2 Waste water (sanitation) provision

Introduction to Sanitation Provision

The four towns in the PAM area each have their own wastewater collection and treatment facility. Prince Albert, Klaarstroom and Leeu-Gamka have oxidation pond systems for WWTW, whereas Prince Albert Road is served by a communal septic tank and soak-away.

Klaarstroom

The sanitation system for Klaarstroom comprises a full waterborne system. The Klaarstroom WWTW does not hold any permit or license but function under a general authorisation. Wastewater is screened in town and pumped to the WWTW. The works has a design capacity of 50 kl/day and was constructed in 1970. The design capacity has been increased to 120 kl/day. This WWTW was recently upgraded by the addition of a septic tank, an anaerobic pond, an oxidation pond and an effluent reservoir from which the final effluent is irrigated onto an adjacent field.

Leeu-Gamka

The treatment works is a pond system comprising: Four primary ponds operating in parallel. The WWTW was originally constructed in 1985 with a design capacity of 140 kl/ day. This has recently been upgraded to accommodate the 252 housing units that was completed in 2015. Final effluent is used for irrigation into the adjacent field.

Funding to relieve the residents of the Transnet areas from the bucket system is still needed and the Municipality is collaborating with the Department of Human Settlements to provide bulk infrastructure in this respect. The wastewater is screened at the pump station before being pumped to the WWTW. The night fall (buckets) are deposited in a manhole upstream of the central pumping station. The buckets are washed and stored at the central pumping station.

Prince Albert

The Prince Albert WWTW, a pond system was designed to treat 623 kl/day (with the final effluent being used for irrigation at the adjacent nursery and farm. The treated effluent does not conform to irrigation standards. The WWTW in Prince Albert was upgraded to handle current and future flows for the 20-year design horizon and to efficiently remove screenings, grit, rags, stones and other foreign objects and prevent them from entering the maturation pond system.

The sanitation system consists of a waterborne system as well as septic tanks. These septic tanks are serviced by means of a sanitation team with appropriate equipment and vehicles who collect sewerage and deposit it into a pump network that is connected to the waterborne network. This division came under immense pressure during the reporting year due to the natural wear and tear on the vehicle fleet that runs 7 days a week for about 14 hours per day. The Municipality also drafted a business plan to change the conservancy tank system into a sanitation reticulation network. Due to the high cost of this proposed project, it will have to be phased in depending on available funding.

The sewerage tariff for the septic and conservancy tank removal was well below actual cost and therefore the tariff was increased with 15% for the 2019/20 financial year. Extensive public participation took place in preparation of the increase. This service is still subsidised by the Municipality and further increases is forthcoming.

a) Highlights: Waste Water (Sanitation) Provision

The following table depicts the highlights in respect of sanitation services for the reporting year.

| Highlights | Description |
|---|---|
| Approvals and installations of new connections | More people connected to waterborne systems. |
| Upgrade of Prince Albert Waste Water Treatment Works | New aerators installed. Outlet allows for chlorinazation. |
| Upgrade of the Klarstroom Waste Water Treatment Oxidation Ponds | New Oxidation Ponds and Reedbed System Constructed |
| License for sewerage water re-use in Prince Albert | A license for the re-use of treated sewerage water was procured in Prince Albert |
| Future planning for waterborne system | Costing of installation for a waterborne system in South End in Prince Albert completed. Currently sourcing funding |
| Water process controllers | Process controllers appointed and in training to improve compliance and reporting |

Table 49: Waste Water (Sanitation) Provision Highlights

b) Challenges: Waste Water (Sanitation) Provision

The following table depicts the challenges in respect of sanitation services within the reporting year. The Municipality continually encourage residents to connect, where possible, to the sewerage reticulation network. The performance of this division correlates closely with an available maintenance budget, with particular reference to the honey sucker vehicles. This division performed their function under extreme pressure due to the poor quality of the service fleet and a new honey sucker was purchased in the 2018/19 financial year. The service remains under severe pressure due to the poor state of the vehicle fleet.

| Description | Actions to address |
|---|--|
| Licensing of WWTW's | Currently operating under general authorisation. Funding to be sourced |
| Septic and Conservancy tanks in South End | Source funding to connect to waterborne system. Tariffs to be brought in line with cost of service |
| Scheduled sewerage suction hampered by breakages on honey sucker due to aged vehicles | Scheduled maintenance on equipment with Leeu-Gamka's equipment as standby but breakages occurred often and put this service under extreme pressure |
| Need to eradicate bucket system in Transnet areas | Funding needed to address bulk infrastructure shortcomings and to connect Transnet areas to sanitation network |

Table 50: Waste Water (Sanitation) Provision Challenges

c) Sanitation Service Delivery Levels

The table below depicts the sanitation service levels for the 2019/20 financial year in comparison to the previous financial year. It must be noted that the census numbers include the farming areas where the Municipality do not supply a direct service. Please note that the increase in flush toilets serviced is allocated to the new housing development in Prince Albert.

| Households | | | | | |
|---|--------------|--------------|--------------|---------------------------|------------------------------------|
| Description | 2016/17 | 2017/18 | 2018/19 | 2019/20 | |
| | Outcome | Outcome | Outcome | Actual as per Census 2011 | Actual as Serviced by municipality |
| | No. | No. | No. | No. | No. |
| Sanitation/sewerage: (above minimum level) | | | | | |
| Flush toilet (connected to sewerage) | 2085 | 2081 | 2411 | 2340 | 2340 |
| Flush toilet (with septic tank) | 315 | 330 | 330 | 361 | 361 |
| Chemical toilet | 0 | 0 | 0 | 3 | 0 |
| Pit toilet with ventilated (VIP) | 0 | 0 | 0 | 175 | 0 |
| Pit toilet without ventilated | 0 | 0 | 0 | 62 | 0 |
| Other toilet provisions (above min.service level) | 0 | 0 | 0 | 0 | 0 |
| Minimum Service Level and Above sub-total | 2400 | 2411 | 2 741 | 3159 | 2701 |
| Minimum Service Level and Above Percentage | 98.9% | 98.9% | 98.7% | 88% | 98.0% |

| Households | | | | | |
|---|-------------|--------------|--------------|---------------------------|------------------------------------|
| Description | 2016/17 | 2017/18 | 2018/19 | 2019/20 | |
| | Outcome | Outcome | Outcome | Actual as per Census 2011 | Actual as Serviced by municipality |
| | No. | No. | No. | No. | No. |
| Sanitation/sewerage: (below minimum level) | | | | | |
| Bucket toilet | 36 | 36 | 36 | 148 | 36 |
| Other | 0 | 0 | 0 | 125 | 0 |
| No toilet provisions | 0 | 0 | 0 | 148 | 0 |
| Below Minimum Service Level sub-total | 36 | 36 | 36 | 421 | 36 |
| Below Minimum Service Level Percentage | 1.2% | 12% | 1.3% | 1.5% | 1.3% |
| Total households | 2436 | 3 580 | 98.70 | 2447 | 98.0% |
| The above table 2019/20 are populated as per the Census 2011 data for Toilet Facilities by Type of dwelling and include all dwellings | | | | | |

Table 51: Sanitation levels

Service Delivery Indicators Waste Water (Sanitation)

The following table depicts the service delivery progress made in respect of waste water management within the reporting year.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|------|--|--|-------|---------------------------|---------------------------------|--------|---|---|
| | | | | | Target | Actual | R | |
| TL18 | Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | No of residential properties which are billed for sewerage in accordance to the financial system. | All | 2701 | 2701 | 2 548 | | This target was set incorrectly. Realistic targets will be set in future. |
| TL19 | Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets | No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements. | All | 1092 | 1 100 | 1 188 | | Target reached |

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|------|--|--|-------|---------------------------|---------------------------------|--------|---|---|
| | | | | | Target | Actual | R | |
| | (toilets). | | | | | | | |
| TL27 | Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom) | % of Lab Results complying with SANS Irrigation standards. | All | 76.4% | 90% | 79.9% | | This target could not be reached due to capacity constraints. Water process controllers were appointed. |

Table 52: Service delivery indicators: Waste Water

Employees: Sanitation Services

The table below indicates the staff component in respect of waste water / sanitation services. It must be borne in mind that staff performs a dual function and the employee statistics can thus not be seen in isolation.

| Job Level | 2018/19 | | 2019/2020 | | |
|--------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 – 3 | 3 | 6 | 3 | 3 | |
| 4 – 6 | 0 | 4 | 0 | 2 | |
| 7 – 9 | 1 | 1 | 1 | 0 | |
| 10 – 12 | 0 | 0 | 0 | 0 | |
| 13 – 15 | 0 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | 0 | |
| Total | 4 | 11 | 4 | 5 | |

Table 53: Employees Waste Water (Sanitation) Provision

d) Capital: Sanitation Services

| Capital Expenditure 2019/20: Sanitation Services | | | | | |
|--|-----------|------------|-------------|----------|---------|
| R' 000 | | | | | |
| Capital Projects | 2019/2020 | | | | |
| | Budget | Adjustment | Actual | Variance | Total |
| | | Budget | Expenditure | from | Project |
| | | | original | Value | |

| | | | | budget | |
|--------------|--------------|--------------|--------------|---------------|--------------|
| Sanitation | 3 750 | 6 590 | 3 728 | 43% | 6 590 |
| Total | 3 750 | 6 590 | 3 728 | 43,43% | 6 590 |

3.3 Electricity

Introduction to Electricity

The municipality provides a reliable service within NERSA specified limits within the area of supply. In the areas of Klarstroom and Leeu-Gamka, electricity is directly supplied by Eskom, thus impacting on revenue collection and the implementation of Prince Albert Municipality's credit control and debt collection policy. This is detrimental to the municipality's sustainability as is evident in the low payment rate in these areas. Several efforts have been made by the Municipality to conclude a credit collection agreement with Eskom but this was unsuccessful. SALGA is currently driving this process and have obtained a legal opinion stating that electricity distribution is a municipal function as per the Constitution and that Eskom can only provide said services by agreement. This proposed agreement will then include a clause on debt collection and can have a major positive change in the finances of especially rural municipalities. The Municipality will in future explore the possibility to service the electricity network for new housing developments in Klarstroom and Leeu-Gamka so as to improve their credit control initiatives.

A learner electrician was appointed by Prince Albert Municipality and underwent training to improve the human resource capacity in this division. Although theory training was successfully completed by the in-house electrician, practical experience on the network is required. The agreement with the external service provider makes provision for transfer of skills.

Transformers was repair and restored as part of the maintenance programme. An electrical engineer from MISA is providing support to PAM in term of planning and maintenance.

a) Highlights: Electricity

The following highlights pertaining electricity provision during the reporting financial year are emphasised.

| Highlights | Description |
|----------------------------|--|
| Electricity Master plan | Electricity Master Plan completed in June 2018 and provides the background for the implementation of the electricity maintenance programme |
| Transformer re-installed | A transformer was re-installed in Prince Albert |
| Transformers repaired | Transformers were repaired and can be used as back-up |
| Electricity losses reduced | Electricity losses was curbed at 12.86% |

| | |
|---|--|
| Power Factor Correction (PFC) | New PFC Unit has been installed |
| Notified Maximum Demand for Prince Albert | The NMD for Prince Albert has been increased from 2.4MvA to 3.5MvA |

Table 55: Electricity Highlights

b) Challenges: Electricity

The following challenges pertaining electricity provision during the reporting financial year are emphasised.

| Description | Actions to address |
|--|--|
| Street lighting | Street lighting remains a challenge and a proper maintenance programme must be developed |
| Trees threatening the electricity network | A maintenance programme addressing this challenge must be developed |
| Measures to control usage | Sound operating procedures and awareness campaigns |
| Re-activate asset maintenance within funding constraints | Draft asset management plan |
| Over dependence on external contractor | Build internal capacity |

Table 56: Electricity Challenges

c) Electricity Service Delivery Levels

The table below depicts the Municipality's performance in the current financial year against the previous financial year. It must be noted that the farms and Eskom-supplied areas are included in the Census statistics depicted below. Please note that the increase in units serviced is allocated to the new housing development in Prince Albert.

| Households | | |
|---|------------------------------------|------------------------------------|
| Description | 2018/19 | 2019/20 |
| | Actual as Serviced by municipality | Actual as Serviced by municipality |
| Electricity (at least min.service level) | 246 | 267 |
| Electricity - prepaid (min.service level) | 1879 | 2326 |
| Minimum Service Level and Above sub-total | 2125 | 2579 |
| Minimum Service Level and Above Percentage | 100 | 100 |
| Electricity (< min.service level) | 0 | 0 |
| Electricity - prepaid (< min. service level) | 0 | 0 |

| Households | | |
|---|------------------------------------|------------------------------------|
| Description | 2018/19 | 2019/20 |
| | Actual as Serviced by municipality | Actual as Serviced by municipality |
| Other energy sources | 0 | 0 |
| Below Minimum Service Level sub-total | 0 | 0 |
| Below Minimum Service Level Percentage | 0 | 0 |
| Total number of households | 2125 | 2579 |

Table 57: Electricity Service Levels

Service Delivery Indicators

Energy provision is progressively seen as a basic human right. The table below depicts the municipality's performance against the service delivery indicators for electricity provision.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|------|---|---|-------|---------------------------|---------------------------------|--------|---|-----------------|
| | | | | | Target | Actual | R | |
| TL12 | Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | # of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | All | 2 578 | 2 578 | 2 579 | | Target reached |
| TL13 | Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network | No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network | All | 1 092 | 1 100 | 1 178 | | .Target reached |
| TL30 | Limit electricity losses to not more than 15% {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated} × 100} | % Electricity losses achieved (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100 | All | 11.9% | 15% | 12.9% | | Target Reached |

Table 58: Electricity KPI's

d) **Employees: Electricity**

| Job Level | 2015/16 | 2017/18 | 2018/19 | 2019/2020 | | | |
|--------------|-----------|-----------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
| | Employees | Employees | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No | No. | No. | No. | No. | % |
| 0 – 3 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4 – 6 | 2 | 2 | 0 | 0 | 0 | 0 | |
| 7 – 9 | 1 | 1 | 1 | 1 | 1 | 1 | |
| 10 – 12 | 1 | 1 | 0 | 0 | 0 | 0 | |
| 13 – 15 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total | 4 | 4 | 1 | 1 | 1 | 1 | |

Table 59: Employees: Electricity services

| Capital Expenditure 2019/2020: Electricity Services | | | | | |
|---|--------------|--------------|-------------|------------|--------------|
| R' 000 | | | | | |
| Capital Projects | Budget | 2019/2020 | | | |
| | | Adjustment | Actual | Variance | Total |
| | | Budget | Expenditure | from | Project |
| | | | | original | Value |
| Increase in Capacity demand & other | 1 100 | 4 227 | 924 | 78% | 4 227 |
| Total | 1 100 | 4 227 | 924 | 78% | 4 227 |

Capital Expenditure 2019/20: Electricity Provision

3.4 Waste management

Introduction to Waste Management

Waste is collected on a weekly basis and each service point is supplied with black bags by the municipality. In order to better manage distribution households are encouraged to collect the bags at the Technical offices. Prince Albert has four waste removal vehicles: a UD compactor truck for daily collection of refuse, a Kia 2.7l small truck equipped, a 2.7l Kia small truck equipped for garden refuse and a Tractor for the removal of domestic waste in Leeu-Gamka. The waste collection in Klaarstroom and Prince Albert Road is managed from Prince Albert. The service delivery in Leeu Gamka is severely hampered by the frequent break-down of the tractor. Though repaired quickly, this has a disruptive influence on the system.

There are five existing mini-transfer stations for garden waste disposal in the North End of Prince Albert. These facilities are not designed nor intended for household waste. Unfortunately, they are being used as general waste depots as opposed to garden waste depots. The residents of North End do not have large gardens and thus generate insignificant volumes of garden refuse. The Municipality uses the CWP program as well as other EPWP programmes to manage the mini-transfer stations. Illegal dumping still proves to be a challenge in some of the areas. Residents are encouraged through the ward committee system to report such transgressions.

All landfill sites in the municipal area are licensed. Inspections undertaken by the Western Cape Government: Environmental Affairs and Development Planning during the year in respect of the landfill site in Prince Albert indicated that no ethane gas was detected. The Municipality struggles to control access to the landfill sites. An action plan to address non-compliance was presented to the DEADP for the Prince Albert landfill site. The airspace of all landfill sites is reaching critical status as Prince Albert only had one to three months left at year end and Leeu Gamka two years. The Municipality thus embarked on a reshaping and compacting process of the landfill site in Prince Albert that enabled the extension of the Prince Albert landfill sites' lifespan with another two to three years. Engagement with the relevant department resulted in remedial action to be implemented which will result in the life span to be extended with five years. It is imperative that sufficient cash backed budgetary provision be made for the rehabilitation of our landfill sites.

One of the biggest challenges facing the landfill sites are windblown litter. The Department of Environmental Affairs and Development Planning issued a directive that no reclamation may be done at the landfill site in Prince Albert. A Material Recovery Facility is investigated.

The Municipality did embark on a shared service initiative to investigate the possible establishment of a regional landfill site in Leeu Gamka, but thus far this project have borne no success.

Highlights: Waste Management

The table below depicts the highlights of the waste management service for the reporting year. The co-operation and support of the private sector should be applauded, but recycling should be revisited in the next financial year to ensure that it becomes cost-effective, yet within the supplied license conditions of the waste disposal facility.

| Highlights | Description |
|---|---|
| Compactor truck | A compactor truck was purchased and is utilised in waste removal |
| Regional landfill site investigation | A regional landfill site investigation is underway for establishing a regional site in Leeu Gamka, but with very little progress made |
| Reshaping and compacting of Prince Albert landfill site | At least two to three years were added to the landfill site's lifespan |

Table 60: Waste Management Highlights

Challenges: Waste Management

The challenges pertaining waste management for the 2019/20 financial year is depicted below with transport and recycling as matters that must be addressed with urgency.

| Description | Actions to address |
|---|--|
| Lack of cash backed budgetary provision for landfill rehabilitation | Make cash backed budgetary provision for landfill rehabilitation |
| Recycling | There is currently no municipal recycling programme. Partnerships must be investigated to promote and re-institute a full recycling program. |
| Gate control and numerous entry points | Fencing of premises to deter uncontrolled access; appoint permanent staff to undertake access control |
| Illegal dumping | Enforce fine system for illegal dumping and littering |
| Litigation | Litigation was instituted against the Municipality – the Municipality is contesting the matter |
| Windblown litter | Establish a Material Recovery Facility |

Table 61: Waste Management Challenges

Waste Management Service Delivery Levels

The table below depicts the municipality's performance against the service delivery indicators for waste management provision in comparison with the previous financial year. Please note that the increase in units serviced is allocated to the new housing development in Prince Albert.

| Description | 2017/18 | Census 2011 | 2019/20 |
|--|---------|-------------|-----------------------|
| | Actual | Actual | Actual as serviced by |
| | No | No. | No. |
| Removed at least once a week | 2726 | 1 989 | 2737 |
| Minimum Service Level and Above sub-total | 2726 | 1 989 | 2737 |
| Minimum Service Level and Above percentage | 100% | 100% | 100% |
| Removed less frequently than once a week | 0 | 0 | 0 |
| Using communal refuse dump | 0 | 0 | 0 |
| Using own refuse dump | 0 | 0 | 0 |

| Description | 2017/18 | Census 2011 | 2019/20 |
|--|-------------|-------------|-----------------------|
| | Actual | Actual | Actual as serviced by |
| | No | No. | No. |
| Other rubbish disposal | 0 | 0 | 0 |
| No rubbish disposal | 0 | 0 | 0 |
| Below Minimum Service Level sub-total | 0 | 0 | 0 |
| Below Minimum Service Level percentage | 0 | 0 | 0 |
| Total number of households | 2726 | 1989 | 2737 |

Table 62: Waste Management Service Delivery Levels

Service Delivery Indicators

The service delivery indicators below reflect the performance of the solid waste management for the 2019/20 financial year. The recycling unit was destroyed in a fire and must be restored.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|------|--|--|-------|---------------------------|---------------------------------|--------|---|---|
| | | | | | Target | Actual | R | |
| TL14 | Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area | Number of households for which refuse is removed at least once a week | All | 2 737 | 2 737 | 2 728 | | Data verification process indicated 9 houses less than target set. All houses provided with service |
| TL15 | Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders | No of indigent account holders receiving free basic refuse removal monthly | All | 1092 | 1 100 | 1 188 | | Target reached |

Employees: Waste Management

The table below reflects the staff component for solid waste management in the reporting year, compared to 2019/20. It must be noted that staff perform dual functions and thus the staffing table below cannot be read in isolation.

| Job Level | 2018/19 | 2019/20 |
|-----------|---------|---------|
|-----------|---------|---------|

| | Employees | Posts | Employees | Vacancies (fulltime equivalent) | Vacancies (as a % of total posts) |
|--------------|-----------|----------|-----------|---------------------------------|-----------------------------------|
| | | No. | No. | No. | % |
| 0 – 3 | 3 | 7 | 3 | 4 | |
| 4 – 6 | 2 | 2 | 2 | 0 | |
| 7 – 9 | 0 | 0 | 0 | 0 | |
| 10 – 12 | 0 | 0 | 0 | 0 | |
| 13 – 15 | 0 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | 0 | |
| Total | 5 | 9 | 5 | 4 | |

Table 64: Employees: Waste Management Services

Capital: Solid Waste Management

The table below indicates the capital expenditure on roads.

| Capital Expenditure 2019/20: Waste Management | | | | | |
|---|----------|------------|-------------|-----------|------------|
| R'000 | | | | | |
| Capital Projects | 2019/20 | | | | |
| | Budget | Adjustment | Actual | Variance | Total |
| | | Budget | Expenditure | from | Project |
| | | | | original | Value |
| | | | budget | | |
| Rehabilitation of Landfill Site | – | 631 | 41 | 6% | 631 |
| Total | – | 631 | 41 | 6% | 631 |

3.5 Housing

Prince Albert Municipality supports the following objectives in respect of housing

- Promotion of equal access to housing for Prince Albert residents
- Transparency
- Prevention of unfair discrimination
- Promotion of fair administrative justice
- Apply the principle of "first come first serve" subjected to approved framework
- Proper recording of all housing applicants

Council follows the following working procedure in respect of the allocation of housing.

Prince Albert Municipality has a housing waiting list in excess of 1132 persons awaiting assistance in terms of government housing subsidies. The housing waiting list is updated annually during community outreaches that includes radio talks, visits to farms and Thusong

Outreaches. Applicants also have the opportunity to apply continuously without the year and may also update their submitted details on a continuous basis.

The applicants' details are captured on the Western Cape Housing Database.

To ensure that the most marginalised of the community are protected, Council did not appoint a Housing Committee for the project, but rather resolved to implement the guidelines of the Western Cape Department of Human Settlement's Circular No 10 of 2015.

According to Circular 10 the following principles is agreed upon:

- (a) Age-based prioritisation will take place with preference given to household heads that are 40 years or older based on the registration date order, from the earliest date of registration to the most recent, except in cases where:
 - (i) A household is selected via the quota for households affected by permanent disability, in which case age-base prioritisation must strictly not be applied;
 - (ii) A household is selected via the approved Military Veteran's database in which case age-based prioritisation will not be applied.
- (b) Where no household with the beneficiary older than 40 years exist on the waiting list for that specific catchment area, the Municipality will accommodate applicants from the 35-39-year age group in preference that the oldest person will be helped first.
- (c) Should the 35-39 age group be exhausted on the waiting list, the municipality may select beneficiaries from the 30 to 34-year-old cohort, and so on until all available opportunities have been filled.
- (d) All applicants must reside in the municipal jurisdiction for at least five years and must be registered on the database for at least three years.

The above procedure was agreed upon by Council to protect the most vulnerable within our communities.

In Prince Albert municipal area people earning less than R3 500 per month per household can qualify for a normal housing subsidy, while GAP housing applicants can qualify if they earn between R3 500 and R15 000 per month.

The housing waiting list for the whole of Prince Albert Municipality's jurisdiction reflect 1 102 applicants. This decrease in the waiting list can be attributed to the fact that the municipality cleaned their housing waiting list and build 243 houses in Prince Albert.

The title deed restitution programme commenced in the reporting year and resulted in all but one household in the new West End development received their title deeds. Community outreach was held in Leeu-amka and Klaarstroom where more than 200 historic title deeds were handed over. The fact that the SDF review has not yet been completed by the Provincial Government held back the review of the Integrated Human Settlement plan. The draft SDF has been approved by Council in June 2019, with a two month comment period. The SDF review was undertaken by the Western Cape Government's Planning Department and they indicated that the review will be extended into 2021 to provide for a capital framework as prescribed by legislation. With completion of this review process the IHSP will be review.

Informal Settlements

Prince Albert Municipality have two Informal Settlements defined as above and a short overview of said settlements are as follows:

Klaarstroom

The Klaarstroom Informal Settlement is the biggest in the municipal area with 52 structures as on 30 June 2020 with an average 4-5 residents per structure. Residents have access to two communal taps and water at these taps adhered to the bacteriological standards of SANS 241. Residents shared three flush toilets amongst themselves. The municipality received a R209 900 grant to introduce relief measures in the fight of the COVID 19 Pandemic. These funds were successfully utilised to provide each informal structure with an individual standpipe. This was part of the municipality's approach to formalise the informal settlement. Some of the structures use solar panels for energy, but most use wood. Storm water ditches and intakes are present with adequate drainage. No health nuisances were reported by the Environmental Health Officer of the Central Karoo District. The Klaarstroom informal Settlement grew substantially due to the Covid-19 pandemic where people were moved out of backyards in the community and into the Transit Informal area. There are at present not sufficient ablution facilities at this Informal settlement.

Prince Albert

Prince Albert Informal Settlement exist of two informal structures. These structures were moved to Tortelduif Street and supplied with a tap and toilet facilities. The Municipality have a waiting list of 132 residents to procure informal corrugated iron structures. The Municipality is engaging with the Western Cape: Department of Human Settlements to develop such structures and have identified Tortelduif Street and the outer boundary of North End for this development.

There is a need for guidance at both existing settlements on premises hygiene, food safety, communicable diseases, indoor air quality, water safety and savings as well as sanitation.

The Western Cape Government: Human Settlements indicated in June 2019 that the following housing pipeline for Prince Albert municipal area is supported. The municipality established additional basic services in the Tortelduif informal settlement.

| 3 YEAR DELIVERY PLAN | | 2019/2020 | | | 2020/2021 | | | 2021/2022 | | |
|-------------------------------|-----------|----------------|--------------|----------------|----------------|--------------|----------------|----------------|--------------|----------------|
| Post-GAAC 1 February 2019 | PROGRAMME | | | | | | | | | |
| 2019/20 - 2021/22 HSDG | | | | | | | | | | |
| Average Site Cost (R'000) | 60 | SITES SERVICED | HOUSES BUILT | FUNDING R '000 | SITES SERVICED | HOUSES BUILT | FUNDING R '000 | SITES SERVICED | HOUSES BUILT | FUNDING R '000 |
| Average Unit cost (R'000) | 130 | | | | | | | | | |
| CENTRAL KAROO DISTRICT | | | | | | | | | | |
| Prince Albert | | 0 | 0 | 1 000 | 0 | 0 | 2 000 | 208 | 100 | 25 480 |
| Prince Albert (451) (ph1 243) | | | | | | | | | | |
| Prince Albert (451) (ph2 208) | | | | | 1 000 | 2 000 | | 208 | 100 | 25 480 |

Table 65: Housing Pipeline

The Housing Database has been cleaned and the housing officials trained in the improved use of the housing data base. Letters were issued to those that are included on the housing waiting list but have previously owned property or a portion of property as well as previous beneficiaries. Continuous data cleansing has been done through community outreaches.

Highlights: Housing

The following highlights in respect of the housing division are reflected below.

| Highlights | Description |
|---|--|
| Updating of housing waiting list | Housing waiting list was updated in all towns with newest information |
| Data cleansing | Housing waiting list was cleansed and have no duplications |
| Title deed restitution programme | Municipality supported community to raise awareness on documentation required for title deed transfers |
| Basic services improvement in informal Settlement (Tortelduif) | Municipal funds were used. |
| Basic services improvement in informal Settlement (Klaarstroom) | External Funds were used. COVID 19 Grant |

Table 66: Housing Highlights

Challenges: Housing

The following challenges in respect of housing during the reporting year are:

| Description | Actions to address |
|---|---|
| R 21 million still needed for the Transnet bulk infrastructure and upgrade of Transnet houses | Apply to province for more funding. |
| Housing application for people below 35 years and people not qualifying for subsidies | Funding applications to Province |
| Need for middle class housing is sharply increasing | Apply for CRU funding instead of GAP funding |
| Toilets outside houses | Municipality to prepare business plan and secure funding |
| Need for toilets at Klaarstroom Informal Transit Area | Implementation of capital projected budgeted for in 2020/21 |
| Title Deed restitution | Residents to clarify beneficiary clarifications in cases where people passed away with out a will |

Table 67: Housing Challenges

The table below reflects the number of households without access to basic housing in relation to households reflected on the municipal billing system. Please note that the increase in formal households is allocated to the new housing development in Prince Albert.

| Year end | Number of households with access to basic housing | | |
|---|---|----------------------------------|---|
| | *Total households (including formal and informal settlements) | Households in formal settlements | Percentage of HHs in formal settlements |
| 2016/17 | 2 554 | 2456 | 98 |
| 2017/18 | 2878 | 2809 | 98 |
| 2018/19 | 2884 | 2820 | 98 |
| 2019/20 | 2911 | 2825 | 98 |
| *Number of household where the municipality is responsible for basic services (financial stats) | | | |

Table 68: Households with access to basic housing

The following table shows the decrease in the number of people on the housing waiting list. There are currently approximately 1132 housing units on the waiting list. The decrease is due to the housing development in Prince Albert during the reporting year.

| Financial year | Number of housing units on waiting list | % Housing waiting list increase/(decrease) |
|----------------|---|--|
| 2016/17 | 1367 | 0% |
| 2017/18 | 1102 | (19.39%) |
| 2018/19 | 1132 | 2.65% |
| 2019/20 | 1272 | 11% |

Table 69: Housing waiting list

The increase in the housing waiting list was due to the awareness campaigns and outreaches to update the housing waiting list in all the areas within Prince Albert. A summary of housing expenditure is tabled below.

| Financial year | Allocation | Amount spent | % spent | Number of houses built | Number of sites serviced |
|----------------|------------|--------------|---------|------------------------|--------------------------|
| | R'000 | R'000 | | | |
| 2013/14 | 1 885 | 8 689 | 0 | 30 | 262 |
| 2014/15 | 22 352 | 22 170 | 99% | 222 | 0 |
| 2015/16 | 676 | 0 | 0% | 0 | 0 |
| 2016/17 | 14 203 | 11 339 | 80% | 0 | 0 |
| 2017/18 | 12 646 | 12 346 | 100% | 243 | 243 |
| 2018/19 | 12 090 | 5 405 | 44.71% | 0 | 100 |
| 2019/20 | - | - | - | - | - |

Table 70: Housing Funding spend

3.6 Free Basic Services and Indigent Support

Introduction

A debtor is considered indigent if the total monthly household income is equal to two times the amount of state funded social pensions or less (currently R 3 500 per month). All indigent households individually receive 6 kl water and 50Kwh electricity free each month. Furthermore, an indigent debtor also receives a subsidy on refuse removal and sewerage, rates and the availability charge in respect of water.

All indigents have to renew their applications annually in order to qualify for the benefits. The Municipality continuously promoted the registration of indigent households to support vulnerable households.

The table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than R3 700 per month will receive the free basic services as prescribed by national policy.

The Municipality, under the championship of Executive Mayor, G Lottering, embarked on a door-to-door awareness campaign where possible participants of the indigent subsidy scheme was encouraged to apply and to pay outstanding debt. No debt was written off during the reporting years other than debt of the deceased.

The table below indicates that 38.29 % of the total number of households received free basic services in 2013/14 financial year whilst it increased to 29.63 % in the 2014/15 financial year; 37.50% in the 2015/16 financial year and 34.14% in the 2016/17 financial year. 31.79% of households received indigent support during the 2019/20 financial year.

| Financial year | Number of households | | | | | | | | |
|----------------|----------------------|------------------------|--------|------------------|------|-----------------------|-------|---------------------------|--------|
| | Total no of HH | Free Basic Electricity | | Free Basic Water | | Free Basic Sanitation | | Free Basic Refuse Removal | |
| | | No. Access | % | No. Access | % | No. Access | % | No. Access | % |
| 2016/17 | 2 554 | 872 | 34.14% | 2554 | 100% | 872 | 34.14 | 872 | 34.14% |
| 2017/18 | 2809 | 893 | 31.79 | 2487 | 100% | 893 | 31.79 | 893 | 31.79 |
| 2018/19 | 2820 | 1092 | 100% | 1092 | 100% | 1092 | 100% | 1092 | 100% |
| 2019/20 | 2820 | 1178 | 100% | 1188 | 100% | 1188 | 100% | 1188 | 100% |

Table 71: Free basic services to indigent households

| Free Basic Electricity | | | | | | | | | |
|------------------------|---------------------|-------------------|-------|-------------------------|-------------------|-------|------------------------------------|-------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | | Indigent Households in Eskom areas | | |
| | No. of HH | Unit per HH (kwh) | Value | No. of HH | Unit per HH (kwh) | Value | No. of HH | Unit per HH (kwh) | Value |
| | | | R'000 | | | R'000 | | | R'000 |
| 2016/17 | 607 | 50 | 322 | 1 478 | 0 | 0 | 265 | 50 | 140 |
| 2017/18 | 629 | 50 | 374 | 1916 | 0 | 0 | 264 | 50 | 157 |
| 2018/19 | 629 | 50 | 374 | 1916 | 0 | 0 | 264 | 50 | 157 |
| 2019/20 | 877 | 50 | 381 | 1916 | 0 | 0 | 301 | 50 | 164 |

Table 72: Free basic electricity services to indigent households

| Water | | | | | | |
|----------------|---------------------|------------------|-------|-------------------------|------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | |
| | No. of HH | Unit per HH (kl) | Value | No. of HH | Unit per HH (kl) | Value |
| | | | R'000 | | | R'000 |
| 2016/17 | 872 | 6 kl | 383 | 1 492 | 6 kl | 656 |
| 2017/18 | 893 | 6kl | 391 | 1594 | 6kl | 698 |
| 2018/19 | 1092 | 6kl | 478 | 1792 | 6kl | 856 |
| 2019/20 | 1188 | 6kl | 485 | 1799 | 3kl | 864 |

Table 73: Free basic Water services to indigent households

| Sanitation | | | | | | |
|----------------|---------------------|----------------|-------|-------------------------|-----------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | |
| | No. of HH | R value per HH | Value | No. of HH | Unit per HH per month | Value |
| | | | R'000 | | | R'000 |
| 2016/17 | 872 | 110.93 | 993 | 1539 | 0 | 0 |
| 2017/18 | 893 | 119.74 | 1048 | 1788 | 0 | 0 |

| | | | | | | |
|---------|------|--------|------|------|---|---|
| 2018/19 | 1092 | 192.24 | 1205 | 1989 | 0 | 0 |
| 2019/20 | 1188 | 211.33 | 1335 | 1998 | 0 | 0 |

Table 74: Free basic sanitation services to indigent households

| Refuse Removal | | | | | | |
|----------------|---------------------|-------------------------|-------|-------------------------|-----------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | |
| | No. of HH | Service per HH per week | Value | No. of HH | Unit per HH per month | Value |
| | | | R'000 | | | R'000 |
| 2016/17 | 872 | 67.83 | 570 | 1 608 | 0 | 0 |
| 2017/18 | 893 | 73.22 | 645 | 1833 | 0 | 0 |
| 2018/19 | 1092 | 84.33 | 824 | 1989 | 0 | 0 |
| 2019/20 | 1188 | 92.2 | 946 | 2009 | 0 | 0 |

Table 75: Free basic Refuse Removal services to indigent households per type of service

The following table indicates the cost to the Municipality to provide free basic services. The cost of these free services is covered by an Equitable Share Grant received from the national government.

Table 76: Financial Performance 2019/20: Cost to Municipality of Free Basic Services Delivered

| Financial Performance 2018/19: Cost to Municipality of Free Basic Services Delivered | | | | | |
|--|--------------|--------------|--------------|--------------|-------------|
| Services Delivered | 2018/2019 | 2019/20 | | | |
| | Actual | Budget | Adjustment | Actual | Variance to |
| | | | Budget | | Budget |
| R'000 | | | | | |
| Water | 1 088 | 1 465 | 1 465 | 1 297 | 11% |
| Waste Water (Sanitation) | 1 048 | 1 377 | 1 377 | 1 398 | -2% |
| Electricity | 531 | 600 | 600 | 656 | -9% |
| Waste Management (Solid Waste) | 645 | 903 | 903 | 855 | 5% |
| Total | 3 313 | 4 345 | 4 345 | 4 206 | 1% |

Table 76: Financial Performance 2018/19: Cost to Municipality of Free Basic Services Delivered

Service delivery indicators

The following table shows the municipality's performance against the set targets in respect of indigent support for the 2019/20 financial year. The targets in the table below not reached can be contributed to the fact that the KPI's are application based. The Municipality launched several awareness campaigns and outreaches to reach the targets.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | |
|------|---|--|-------|---------------------------|---------------------------------|--------|---|
| | | | | | Target | Actual | R |
| TL13 | Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network | No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network | All | 1 092 | 110 | 1 178 | |
| TL15 | Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders | No of indigent account holders receiving free basic refuse removal monthly | All | 1 092 | 1100 | 1 188 | |
| TL17 | Provide 6kl free basic water to registered indigent account holders per month | No of registered indigent account holders receiving 6kl of free water | All | 1 092 | 1100 | 1 188 | |
| TL19 | Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements. | All | 1 092 | 1100 | 1 188 | |

Table 77: Indigent support performance

Component B: Roads

This component includes: roads; transport; and storm water.

3.7 Roads

Introduction to Roads

The primary road system in the Prince Albert municipal area consists of national and provincial roads. The N1 runs on a northeast-south-westerly axis and carries approximately 3012 vehicles per day. The N12 runs on a north-south axis through Klaarstroom and connects to Oudtshoorn, George, the Southern Cape region and the N2. The N12 carries approximately 780 vehicles per day. Although a national route, it is a provincial road maintained by Province.

All of the towns within the municipal boundary are accessible either by road or by railway. Leeu-Gamka and Welgemoed are primarily accessible by the national railway and the N1 (connecting to the R353) passing through their jurisdictions. Prince Albert and Klaarstroom have no access to railway transportation. The main town of Prince Albert can only be accessed by main roads, e.g. the R328 (46 km from the N1) and R353 (40 km from the N1) and several

secondary roads. The town of Klaarstroom can be reached by making use of the N12, R407 and other secondary roads. Secondary roads provide access to the other rural areas within the municipal area. These roads are mostly gravel roads.

Other provincial roads in our area include the:

- R407 that runs on an east-west axis from Willowmore, through Klaarstroom, on to Prince Albert and in a north-westerly direction to Prince Albert Road, where it connects to the N1. This road is paved all the way from Klaarstroom to Prince Albert Road.
- R328 from Oudtshoorn, a gravel road that runs over the Swartberg Pass, connecting with the R407 at Prince Albert.
- R353, a gravel road that runs from Prince Albert northwards to the N1, close to Leeu-Gamka.

The total roads in municipality amount to 1 741.2 kilometres of roads. The total amount of roads comprises of 257.6 (14%) kilometres of surfaced roads and 1 483.6 (85.2%) kilometres of gravel roads. Roads within the municipal urban edges amount to 41.69 kilometres (Klaarstroom, Leeu Gamka, Prince Albert Road and Prince Albert).

The Swartberg Pass connecting Prince Albert with Oudtshoorn is seen as a provincial heritage site. The Swartberg Pass' repairs commenced during June 2017 and though the work was estimated to take 18 months, the work was completed sooner and the Pass was re-opened in April 2018, exactly one year after it was damaged. There is a need to upgrade the Swartberg Pass on the side of Oudtshoorn.

The maintenance of the roads within the municipal area remains a challenge with a limited operational budget. The neglect of several years has since culminated in a situation that requires more maintenance and capital expenditure than the limited budget of Prince Albert Municipality can afford. Roads was upgraded in North-End Prince Albert and the main road in Prince Albert was also upgraded under a provincial contract, providing welcome work opportunities within the municipal communities. The provincial road between Prince Albert and Prince Albert Road were also upgraded.

a) Highlights: Roads

The following highlights in respect of the roads division are reflected for the 2019/20 financial year.

| Highlights | Description |
|---|--|
| Training sessions with personnel to effectively repair potholes | Potholes repairs and effective use of equipment. |
| Speed calming measures | Speed humps erected within communities |

Table 78: Roads Highlights

b) Challenges: Roads

The following challenges in respect of the roads division are provided in respect of the reporting financial year.

| Description | Actions to address |
|---|---|
| Pothole repairs | Material and Equipment must be budgeted. A comprehensive pavement management system must be developed to systematically improve road surfaces for long term sustainability. |
| Maintenance on gravel roads | Resources and capacity must be budgeted |
| Pavements in main road. Roots of trees lifting pavement making it dangerous | Pavements in main road to be upgraded. |
| No alternative drive through town than main road | Source funding to upgrade Mark street and/or De Beer Street. Long term solution. |
| Storm water channels old and do not cater to the need of the growing town | MIG application to be drafted for funding for upgrade of stormwater system |

Table 79: Roads Challenges

No gravel roads were upgraded to tar within the area during the reporting year, with 20.7 km's of tar road maintained during said period. The municipality recognises the challenges to maintain the road infrastructure and requested external funding to assist the Municipality in this respect.

| Tarred Road Infrastructure: Kilometres | | | | | |
|--|--------------------|---------------|------------------------------|-------------------------------|----------------------|
| Year | Total tarred roads | New tar roads | Existing tar roads re-tarred | Existing tar roads re-sheeted | Tar roads maintained |
| 2016/17 | 20.7 | 0 | 0 | 0 | 20.7 |
| 2017/18 | 20.7 | 3 | 0 | 0 | 23.7 |
| 2018/19 | 23.7 | 0 | 0 | 0 | 23.7 |
| 2019/20 | 23.7 | 0 | 0 | 0 | 23.7 |

Table 80: Tarred road infrastructure

Service Delivery Indicators

A survey was done internally by the Department on pot holes and the need for road repair. Much has been done on the operational side to decrease the potholes within the municipal area, but as the roads are old and there is little funding to do major repairs and rebuild, maintenance remains a challenge.

Financial performance on roads

The table below indicates the capital expenditure on roads.

| Capital Expenditure 2019/20: Roads | |
|------------------------------------|---------|
| R'000 | |
| Capital Projects | 2019/20 |
| | |

| | Budget | Adjustment | Actual | Variance | Total |
|--|----------|--------------|-------------|------------|--------------|
| | | Budget | Expenditure | from | Project |
| | | | | original | Value |
| | | | | budget | |
| CRR: Opgradering van straat in Kweekvallei | – | 472 | 454 | 96% | 472 |
| CRR: Gereedskap en toerusting vir Tegnies | – | 440 | 326 | 0% | 440 |
| CRR: Vervang heining (Grens aan Frikkie Bothma en Kerkstr.) | – | 85 | – | 0% | 85 |
| P/A Randstene te Middelweg | – | 300 | – | 0% | 300 |
| MIG - L/G Nuwe Sypaadjies | – | 1 547 | 90 | 6% | 1 547 |
| MIG - P/A Nuwe Sypaadjies | – | 1 547 | 90 | 6% | 1 547 |
| Total | – | 4 392 | 960 | 18% | 4 392 |

c) Employees: Roads

The table below reflects the staffing component of the Roads department of the 2019/20 financial year as compared to previous years. Again, it must be noted that staff perform dual functions and are not allocated to the Roads division specifically.

| Job Level | 2018/19 | | 2019/20 | | |
|--------------|-----------|----------|-----------|----------------------------------|-----------------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No | No. | No. | No. | % |
| 0 – 3 | 4 | 4 | 4 | 4 | |
| 4 – 6 | 2 | 3 | 2 | 2 | |
| 7 – 9 | 0 | 0 | 0 | 0 | |
| 10 – 12 | 0 | 0 | 0 | 0 | |
| 13 – 15 | 0 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | 0 | |
| Total | 7 | 7 | 7 | 7 | |

Table 82: Employees: Roads

Component C: Planning and Local Economic Development

3.8 Planning

Introduction to Planning

Spatial Planning and Land Use saw significant changes due to the development of the Land Use Planning Act and the Spatial Planning Land Use Act. These legislative changes required the Municipality to draft a by law on land use planning. Legislative disputes on a national and provincial level resulted in a lengthy consultation process that in the end saw Council adopting a Planning By-Law in June 2015. Prince Albert Municipality was promulgated as SPLUMA compliant in March 2016 and the Planning By-Law came into effect from 1 March 2016.

Council resolved to review the Spatial Development Framework of 2014 and advertised the process and received inputs. Council however resolved to adopt the 2014 SDF with the Integrated Development Plan and to continue the process to develop a town farm policy for incorporation in the proposed amended SDF. The Western Cape Department of Environmental Affairs: Planning is assisting the Municipality with drafting a reviewed Spatial Development Plan. The development of an Integrated Human Settlement Plan was approved by Council in June 2018. The review was not completed in the reporting year with the draft only table to council in June 2019. Thus the review of the IHSM could not be reviewed as it is linked to the SDF.

Council opted to have their own Tribunal and not share the costs with other Municipalities as the transport costs would be too high due to the distances to be travelled. The Land Use Tribunal was promulgated to include the following persons: Anneleen Vorster, Ashley America, Codi Vele, George van der Westhuizen, Elma Vreken and Dalene Carstens. Ms. Vreken and Ms Carstens are staff members appointed by the Provincial government to serve on the tribunal of Prince Albert.

Much has been done to compile a land use register since 1985 to lay the preparation of a new zoning map as part of the SDF review. Much progress has been made with the detection of Illegal land use in collaboration with the local tourism bureau. The operators of illegal land use activities have for the most of it, applied to rectify the matters.

Highlights: Planning

The following highlights in respect of the planning division for the 2019/20 financial year are reported below.

| Highlights | Description |
|---|--|
| Planning By Law enforcement | Collaboration with Tourism office to identify and enforce compliance on illegal land use activities |
| Strengthening the institutional knowledge on land use | New procedures and control measures were instituted to ensure compliance and shared with the public at community meetings and on radio |
| MISA student appointed | MISA student appointed as town planner |
| Improved building control | Building Inspections done as per legislation |

Table 85: Planning Highlights

a) Challenges: Planning

The table beneath reflect the challenges in respect of Planning for the 2019/20 financial year.

| Description | Actions to address |
|--|--|
| Zoning scheme outdated | Zoning register to be drafted |
| Zoning scheme by law to be drafted | A new zoning scheme by law must be drafted with the assistance of Province |
| Providing approval within 120 days | Most applications considered within allotted time frame |
| Building control capacity | Building control capacity to be increased with training and mentorship |
| No registered town planner on organogram | MISA town planner intern allocated to Prince Albert. |
| Legal cost | A legal specialist to be appointed to handle litigation |

Table 86: Planning Challenges

Service Delivery Indicators

The table below reflects the planning division’s performance in respect of the 2019/20 financial year. The challenges in approving planning applications within the 120-timeframe has been previously explained elsewhere in the report.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | |
|-----|--|--|-------|---------------------------|---------------------------------|--------|---|
| | | | | | Target | Actual | R |
| T31 | Preparation of the final IDP review for submission to Council to ensure compliance with legislation by 31 May annually | Final IDP review completed to submit to Council by 30 May 2020 | All | 1 | 1 | 1 | |

Table 87: Planning indicators

b) Service Statistics: Land Use Development

The enforcement of land use saw a significant improvement in the reporting year. The turn-around time of 120 days is not feasible and it was especially difficult to enforce land use principles pertaining house shops. Council approved a deviation option for the parking requirements for business operations whereby an annual fee can be paid in lieu of supplying parking on premises.

A Misa town planner intern was assigned to Prince Albert to bolster capacity in the land use division. The possibility of appointing a registered town planner for the Central Karoo is currently being investigated to bolster capacity in this division.

The enforcement of building control was severely lacking in previous years. The enforcement of building control requirements has not shown significant improvement in the reporting financial year.

Service delivery indicators

The table below reflects the planning division's performance in respect of the 2019/20 financial year. The draft review of the SDF was adopted in June 2019. The final SDF will be tabled to Council with the 2020/21 amended IDP in May 2021.

3.9 Local Economic Development

The purpose of Local Economic Development (LED) is to improve the vibrancy and sustainability of local economies, which will ultimately lead to better living conditions for the majority of the population. LED is not about direct projects with the poor, but more about recognising the scale of this impact by business on poverty levels, and making this even greater. Working directly with the poor is also important but is called Social development, not to be confused with Economic Development.

The role of the Municipality is to facilitate economic development by creating a conducive environment for business development and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy. Government can obviously not plan or implement LED effectively if the private sector, who is the key driver of a local economy, is not included in such development processes.

Economic activity within municipal boundaries is important as it shows the extent of human development and living standards of communities. Although municipalities have no power to increase or decrease taxes in order to stimulate economic activity, there are few levers that local government authorities have control over to contribute to economic performance, including, among others, procurement of goods and services, job creation through expanded public works programmes as well as creating an enabling environment for small businesses.

The ability of households to pay for services such as water, electricity, sanitation, and refuse removal depends on income generated from economic activities. A slowdown in economic activity may result in job losses and inability of households to pay for services leading to reduced municipal revenues. Data on macroeconomic performance, especially the information on sectoral growth and employment, is useful for municipalities' revenue and expenditure projections.

In the Prince Albert municipal area, the agriculture, forestry and fishing sector make up almost 20.0 per cent of the GDP, making this area heavily reliant on this sector and thus very vulnerable to any changes, on a national and global scale, that impact this sector, including the drought, rising fuel, maize and feed prices, changes in consumer demand as well as local

pests, diseases and predation prevalent in livestock. The other main economic sectors include the wholesale, catering and accommodation sector and the general government sector.

SMME Development

The municipality commences and adopted two projects with a primary focus on small enterprise development. These projects are Klaarstroom Poort Pourri and the Leeu Gamka N1 Truck Overnight Facility and Restaurant Business Opportunity. These two projects entails the upgrading of existing dilapidated municipal buildings that will be made available through a competitive process to previous disadvantage individuals to do business. The upgrading of these buildings was funded by the municipality and commenced in the 2019/2020 financial year.

| Prince Albert GDP performance per sector, 2005 – 2016 | | | | | | | | | | |
|--|-------------------------|-----------------|-------------|-------------|---------------------|------------|------------|------------|------------|-------------|
| Sector | Contribution to GDP (%) | R million value | Trend | | Real GDP growth (%) | | | | | |
| | 2015 | 2015 | 2005 - 2015 | 2010 - 2015 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016e |
| Primary Sector | 19.9 | 83.2 | 3.2 | 1.4 | 1.2 | 2.3 | 3.3 | 9.2 | -2.7 | -9.0 |
| Agriculture, forestry and fishing | 19.9 | 83.2 | 3.2 | 1.4 | 1.2 | 2.3 | 3.3 | 9.2 | -2.7 | -9.0 |
| Mining and quarrying | 0.0 | - | - | - | - | - | - | - | - | - |
| Secondary Sector | 13.8 | 57.7 | 3.7 | 2.0 | -1.6 | 0.0 | 2.4 | 6.5 | 0.0 | 1.5 |
| Manufacturing | 3.1 | 13.0 | 1.6 | 3.1 | -0.5 | 1.5 | -2.6 | 5.4 | 3.4 | -1.5 |
| Electricity, gas and water | 2.3 | 9.8 | 3.7 | 3.5 | 4.9 | 2.9 | 1.8 | 3.1 | 4.0 | -4.1 |
| Construction | 8.3 | 34.9 | 4.9 | 1.3 | -3.4 | -1.4 | 4.7 | 7.7 | -2.3 | 4.1 |
| Tertiary Sector | 66.4 | 277.7 | 4.7 | 4.2 | 6.2 | 5.0 | 4.9 | 2.7 | 2.8 | 2.0 |
| Wholesale and retail trade, catering and accommodation | 14.9 | 62.3 | 2.7 | 2.9 | 4.2 | 3.8 | 2.0 | 1.1 | 1.0 | 1.4 |
| Transport, storage and communication | 8.7 | 36.3 | 3.8 | 2.9 | 4.4 | 3.1 | 3.8 | 3.2 | 1.3 | 1.5 |
| Finance, insurance, real estate and business services | 8.5 | 35.5 | 6.9 | 5.0 | 6.5 | 6.2 | 3.7 | 4.5 | 6.4 | 4.1 |
| General government | 21.5 | 90.0 | 5.4 | 5.0 | 7.6 | 5.0 | 6.2 | 4.5 | 2.2 | 2.8 |
| Community, social and personal services | 12.8 | 53.7 | 5.5 | 4.9 | 7.8 | 7.0 | 7.9 | -0.1 | 4.1 | 0.0 |
| Total Prince Albert | 100 | 418.5 | 4.1 | 3.2 | 4.1 | 3.8 | 4.3 | 4.6 | 1.1 | -0.7 |

Source: Quantec Research, 2017 (e denotes estimate)

In 2016, it is estimated that the Prince Albert municipal area's economy contracted by 0.7 per cent; this is the first time the local economy of Prince Albert has contracted over the past decade. This is as a result of the contraction of the agriculture, forestry and fishing (9.0 per cent), the electricity, gas and water (4.1 per cent) and the manufacturing (1.5 per cent) sectors.

Over the past two years, the primary and secondary sectors have performed poorly. On the contrary, the tertiary sector has managed to expand at above average rates.

With regard to local economic development, the Department of Economic Affairs and Tourism assisted the Municipality in developing a PACA LED strategy which was included in the IDP as possible areas for development. This strategy was enhanced by the Municipality's participation in the Small-Town Regeneration Programme. SALGA's Small Towns Regeneration (STR) Programme was launched in 2013. Through road shows and workshops in each province the conceptual approach of the programme highlighting the importance and role of small towns in SA's space economy was facilitated. As a result, various municipalities opted to participate in the programme particularly in the North West, Mpumalanga, KZN, Eastern Cape, Western Cape and the Northern Cape. SALGA subsequently hosted its inaugural national Small Towns Regeneration Conference in October 2015 (Mangaung, Free State) which focused on the challenges and opportunities agriculture, tourism, transport and logistics and mining towns. Subsequent to the conference, the Central Karoo District Municipality requested SALGA to host an exploratory dialogue on issues common to the Karoo towns and municipalities within the District. It was soon realised that many of the neighbouring municipalities and towns in the Karoo are faced with common threats and opportunities and would therefore benefit from exploring these issues collectively. For this reason, the invitation to dialogue was extended to all municipalities neighbouring Central Karoo, spanning four provinces.

A number of stakeholders have programmes that support small town development, local economic development and rural development. It is important for small town development, regeneration and rural planning to operate under a truly domestically driven development vision and coordinated strategies for working towards the vision.

The collaboration between key stakeholders to support Municipalities in the Karoo to make an impact on the sustainable livelihoods of people should be the focus for development planning. Successful implementation of development plans depends on common ownership of the problems and proposed solutions by the people who will be affected. This common ownership may arise from a consensus about the goals and the necessary actions, or from a negotiated compromise between groups with different goals. The common ownership can be achieved through the various approaches, methodology and tools from the respective stakeholders supporting local economic development.

Large parts of the Karoo have seen a growth in value-added activities including game farming. Food production and processing for the local and export market has also been growing. The economy of a large part of the Karoo depends on sheep farming, while the Karakul pelt industry is important in the Gordonia region. But the agricultural sector is small compared with the mining especially diamond mining and now the newly Renewable Energy Independent Power Producer projects. The potential of mining uranium with a recoverable

amount of approximately 31 000 tons. Mining companies are in the process of conducting EIA's in the Eastern Cape and Western Cape areas for uranium mining.

At present the companies exploring Shale Gas development in the Karoo have withdrawn their initiatives.

The role of Local Government in these catalytic projects to ensure sustainable, accountable governance for not only current generations, but future generations.

The Municipality procured funding for the establishment of an agro processing plant in Prince Albert and is currently in the EIA phase. The sites have been fenced.

Key to the Municipality's local economic support is preference provided to local suppliers and labour-intensive job creation through the Expanded Public Works Program as well as the Community Workers Program.

Local economic initiatives were funded through operational budgets and emphasised the necessity to structure operational actions and processes in such a way that it supports local economic development. The most notable of these actions are the labour-intensive employment projects such as EPWP and CWP, the procurement process that provides support to local suppliers and ensuring that services are affordable, sustainable and of a good quality.

Broadband

Broadband penetration offers immense economic benefits by fostering competition, encouraging innovation, developing human capital and by building infrastructure. Improved connectivity will attract new business and investments, reduce the cost of doing business and will offer small, medium and micro enterprises access to new markets.

The World Bank found that for every 10 per cent increase in broadband penetration in developing countries, there is an increase of 1.38 per cent in GDP growth. Municipal broadband initiatives (internet services provided by a municipality) also offer great potential for enhanced economic growth and development, provided they address the key pillars of access, readiness (skills) and usage (stimulating demand for the Internet).

Improved internet penetration and accessibility also offers direct benefits for local government entities to improve the efficiency and effectiveness of public services. These benefits include the roll-out of e-services that will allow for the online payment of municipal accounts, motor vehicle registrations, animal registrations, reporting of infrastructure defects, free indigent services applications, career applications as well as tender applications. Online feedback mechanisms via social media will also support the facilitation of public participation during the annual reporting process and will offer constituents a platform to express public satisfaction.

Greater connectivity will also allow public servants remote access to information such as previous traffic infringements, building plan applications and outstanding accounts, for example.

In the Central Karoo, 24.51 per cent of households had access to the internet in 2011. In comparison, 27.87 per cent of households in Prince Albert have access to the internet - the highest penetration rate in the District. This high rate bodes well for enhanced economic growth by improving access, readiness and usage of the Internet.

In order to improve access and stimulate usage of the Internet, the Western Cape Broadband Initiative will be implementing Wi-Fi hotspots at a Provincial government building in every ward across the Province. These hotspots will allow limited free access (250 Mb per month) to any citizen, as well as allow all gov.za websites to be accessed free of charge. Wi-Fi hotspots will be installed in 15 wards across the Central Karoo. These includes the already installed hotspots in each of the 3 of the 4 wards in the Prince Albert Municipality, namely the Access Centre in Prince Albert, the access centres in Leeu Gamka and Klaarstroom. A further hotspot will be connected in ward 2 at the Thusong Centre in future. The original planning was to complete this project within three years, commencing in 2017, but this project has been delayed without a specific date for completion.

The Western Cape Government is planning to provide Point of Presence sites in each of the main towns of the Central Karoo, where the Municipality will then have the opportunity to connect one main site per municipal area, to receive 10 MB per second downloads.

a) Highlights: LED

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

| Highlights | Description |
|---|---|
| Community gardens and subsistence farming on Treintjiesrivier and commonage | Small subsistence farming by several emerging businesses on commonage and Treintjiesrivier |
| Access Centre | Operation of 5 Access Centres in Prince Albert. |
| EPWP workers employed | 178 employment opportunities were established via the EPWP program, while Council facilitated additional labour job opportunities during the establishment of the parks project mentioned above |
| Upgrading of potential economic hubs | Upgrade of Klaarstroom Poort Pourrie and N1 house in Leeu Gamka for possible LED projects |
| Capacitating SMME's | Workshop held with emerging contractors and SMME's on municipal procurement |

Table 91: LED highlights

b) Challenges: LED

The following challenges with regard to the promotion of local economic development are:

| Description | Actions to address challenges |
|--|---|
| Funding to facilitate projects | Compile business cases to submit for external funding |
| Funding for Environmental Impact Assessment before AGRI Parks project implementation | EIA funding procured through Dept Of Rural Development |
| Improve management of Treintjiesrivier | Engagements with stakeholders and drafting of management plan; verification of contracts. Improve control and oversight on farm |
| No functioning business chamber | Ad hoc engagements with SMME's and SBI |
| No dedicated personnel | Source funding to appoint dedicated personnel. |

Table 92: Challenges LED

c) LED Strategy

The Municipality previously entered into an agreement with the University of Stellenbosch to do a socio-economic assessment of existing structures and programmes within the Municipal area and to identify opportunities to provide forward growth within the community. The contract was however terminated by request of the university.

A key concept throughout this process is partnership: partnerships within the municipality, as well as with others outside the municipal building, with whom these endeavours can be undertaken. The mapping exercise lead to several exploratory engagements with the public on possible future partnerships in local economic and social development. These projects are ongoing.

The Municipality is also leading the Agri Parks initiatives in the Central Karoo and is awaiting specialist environmental studies before the final application and public participation processes to establish an apricot plantation in Prince Albert. The Agri-parks initiative has stalled due to a lack of funding to finance the specialist environmental studies. Urgent clarification must be provided by the National and provincial department in this regard as no progress have been made on Agri Parks during the reporting year.

With the Covid-19 pandemic the focus of Municipality's are moving to an economic recovery plan for the region as the pandemic resulted in significant job losses and a significant economic loss to the tourism driven economy of our municipal area.

Service Delivery Indicators

The performance for economic development in the reporting financial year is reflected below.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|-----|-----|---------------------|-------|---------------------------|---------------------------------|--------|---|----------|
| | | | | | Target | Actual | R | |
| | | | | | | | | |

| | | | | | | | |
|------|---|--|-----|-----|-----|-----|---|
| TL32 | Implementation of the Local Economic Development Strategy | Number of LED interventions/ activities / programmes implemented | All | 4 | 4 | 3 | Due to Covid-19 lockdown no further interventions was implemented from March 2020 |
| TL25 | The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period. | Number of people temporary appointed to be in the EPWP programs | All | 174 | 150 | 178 | The Municipality overperformed. The Municipality availed additional funding in the adjustment budget to support this KPI. |

Table 93: LED performance

In the table below the Expanded Public Works participants are reflected in respect of the 2018/19 financial year, compared to the 2019/20 financial year. The Municipality availed additional funding to support this KPI during the adjustment period.

Expanded Public Works Programme (EPWP)

| Job creation through EPWP projects | | |
|------------------------------------|---|------------------------------------|
| Details | EPWP Projects | Jobs created through EPWP projects |
| | | # of Work Opportunities Created |
| 2018/19 | Infrastructure repair & Maintenance (Prince Albert, Klarstroom & Leeu Gamka) Roads & Stormwater Manitenance (Prince Albert, Klarstroom & Leeu Gamka) Parks & Town Beautification (Prince Albert, Klarstroom & Leeu Gamka) Waste Collection – Prince Albert Facility Maintenance – Prince Albert | 203 |
| 2019/20 | Infrastructure repair & Maintenance (Prince Albert, Klarstroom & Leeu Gamka) Roads & Stormwater Manitenance (Prince Albert, Klarstroom & Leeu Gamka) Parks & Town Beautification (Prince Albert, Klarstroom & Leeu Gamka) Waste Collection – Prince Albert Facility Maintenance – Prince Albert | 178 |

Table 94: Job creation through EPWP* projects

Component D: Community and Social Services

3.11 Libraries

Introduction

Libraries are a provincial function and the municipality is performing the function on an agency basis. The function is fully funded by province. The libraries are functioning very well and enjoyed an annual circulation 57 768 which is lower than last year's 75 386. The internet access within libraries provides valuable support to persons without these facilities and it is the learners of our local school that are the primary users of these facilities. Internet users averaged 11 per day. Approximately 18 school outreaches were averaged per month. Outreaches were undertaken to the disabled, the aged, schools, etc. National library week 2019 was celebrated and with the support of the Friends of the Library a morning tea event was held for all readers over 60 years. The library won the 2016 provincial award for the best small municipality in the Western Cape and maintained a high service standard. The Municipality were also once again, very actively involved with the planning and organising of the Reading Festival (Leesfees) held in Prince Albert.

The satellite library at the Thusong Centre in Prince Albert established during October 2014 to be nearer to the community of North-End continued its good performance during the reporting year.

a) Highlights: Libraries

The following highlights in respect of the reporting year can be seen below.

| Highlights | Description |
|---|--|
| Library Week 2020 | Morning tea for users over 60 years |
| Library outreach. | Visits to crèches, Tea parties for readers, Visits to Old age care centre, visit the old age home weekly |
| Agreement with UNISA | An agreement was reached with UNISA to accommodate students and UNISA libraries. |
| Workstations for students to do research | All three libraries provide access to computers |
| Thusong mini library in Prince Albert have high circulation | Circulation numbers at Thusong Centre is high |

Table 95: Libraries Highlights

b) Challenges: Libraries

The following challenges in respect of libraries remained during the reporting year.

| Description | Actions to address |
|--|--|
| Library in Prince Albert is far from the previously disadvantaged community. | Consider moving library to Thusong Centre for greater community access |

c) Service statistics for Libraries

The following statistics in respect of the libraries are reflected below

| Type of service | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|--|-----------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| Library members | 3 572 | 3 933 | 4 050 | 5 080 | 3 000 |
| Books circulated | 2 8317 | 76 892 | 84 508 | 75 386 | 57 768 |
| Exhibitions held | 24 | 20 year | 24 per year | 24 per year | 24 |
| Internet users | average of 20 per day | Average of 20 per day | Average of 20 per day | Average of 12 per day | Average of 11 per day |
| New library service points or Wheelie Wagons | 1 | 0 | 0 | 0 | 0 |
| Children programmes | 4/month | 2 per month | 2 per month | 2 per month | 2 per month |
| Visits by school groups | Average 12/month | Average of 12 per month | Average 12 per month | Average 15 per month | Average 18 per month |
| Book group meetings for adults | 2/year | 4 per year | 4 per year | 4 per year | 4 per year |
| Primary and Secondary | 12/year | 12 per year | 12 per year | 12 per year | 12 per year |

Table 97: Service statistics for Libraries

d) Employees: Libraries

The library employee establishment is indicated below in respect of the reporting year.

| Job Level | 2018/19 | 2019/20 | | |
|--------------|-----------|-----------|----------------------------------|-----------------------------------|
| | Employees | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | | | No. | No. |
| 0 – 3 | 3 | 3 | 0 | - |
| 4 – 6 | 4 | 4 | 0 | - |
| 7 – 9 | 0 | 0 | 0 | - |
| 10 – 12 | 1 | 1 | 0 | - |
| 13 – 15 | 0 | 0 | 0 | - |
| 16 – 18 | 0 | 0 | 0 | - |
| 19 – 20 | 0 | 0 | 0 | - |
| Total | 8 | 8 | 0 | - |

Table 98: Employees: Libraries

Table 98: Employees: Libraries

3.12 Cemeteries

Introduction

We have five cemeteries in the municipal area Prince Albert two (2), Leeu-Gamka two (2) and one (1) at Klaarstroom. There is sufficient space in all cemeteries at present but new cemeteries are needed. An electronic burial register has been compiled to address the risks of double burials.

a) Highlights: Cemeteries

| Highlights | Description |
|-----------------------------------|---|
| EPWP programme | Clean all cemeteries including privately owned and historical heritage sites. |
| Ablution facilities at cemeteries | Ablution facilities at cemeteries repaired |

Table 99: Cemeteries Highlights

b) Challenges: Cemeteries

The following challenges in respect of cemeteries were identified.

| Description | Actions to address |
|---|--|
| Cemetery required for Klaarstroom, Leeu Gamka and Prince Albert | Available land to be identified and zoned accordingly |
| Prince Albert Road in need of Cemetery | No land available – share site in Prince Albert and Leeu Gamka |
| Vandalism | Ablution facilities vandalised at all cemeteries |
| Cemetery in North-End, Prince Albert is almost full | The cemetery in South End, Prince Albert will have to be used. |

Table 100: Cemeteries Challenges

c) Employees: Cemeteries

The table below indicate the staffing component for cemeteries during the reporting year. It must be noted that staff perform dual functions and the staffing numbers cannot be seen in isolation.

| Job Level | 2018/19 | 2019/20 | | | |
|-----------|-----------|---------|-----------|----------------------------------|-----------------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 – 3 | 0 | 6 | 0 | 2 | |
| 4 – 6 | 2 | 3 | 2 | 2 | 33% |
| 7 – 9 | 0 | 0 | 0 | 0 | |

| | | | | | |
|--------------|----------|-----------|----------|----------|------------|
| 10 – 12 | 1 | 1 | 1 | 0 | |
| 13 – 15 | 0 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | 0 | |
| Total | 6 | 10 | 6 | 4 | 66% |

Table 101: Employees: Cemeteries

Component E: Environmental Protection

3.14 Air Quality Control

The Air Quality Management Plan for Prince Albert Municipality has been developed to comply with the National Environmental Management: Air Quality Act 39 of 2004 (AQA) that requires Municipalities to introduce Air Quality Management Plans (AQMP) that set out what will be done to achieve the prescribed air quality standards.

As detailed in the AQA a local municipality has two primary statutory obligations with which it must comply and these obligations are: -

- designate an Air Quality Officer (AQO)
- incorporate an Air Quality Management Plan in its IDP

At Prince Albert Municipality the Manager: Corporate and Community Services is responsible for air quality management. The national Department of Environmental Affairs has placed a graduate in Prince Albert Municipality for a period of three years to assist with environmental and air quality in the municipal area. Training needs to be provided to said official to ensure that Air Quality Management enjoys serious priority in the operations and integrated planning of the Municipality. No Air Quality Management Committee was established in the municipal area. As there is limited capacity within the Municipality it is suggested that a regional Air Quality Management Forum must be established to ensure peer-learning and the sharing of best practices.

The Municipality drafted their Air Quality Management Plan in late 2014 and it was reviewed in May 2018. Noise control is one of the more predominant complaints received by Prince Albert Municipality.

At present there is no funding set aside to undertake and implement Air Quality Management and it is suggested that a Shared Service option be investigated.

Highlights: Air Quality Management

| Highlights | Description |
|------------------|---------------------------|
| Air Quality Plan | Plan reviewed in May 2019 |

| | |
|-----------------------------|--|
| Noise control | Noise control is undertaken on an ad hoc basis |
| Air Quality Control Officer | Manager: Corporate and Community Services appointed |
| Environmental Intern | Environmental intern has been appointed for three years by National Department of Environmental affairs. |

Table 102: Cemeteries Highlights

Challenges: Air Quality Control

The following challenges in respect of cemeteries were identified.

| Description | Actions to address |
|--|--|
| Air Quality Management awareness | Awareness must be raised |
| Capacity and budget constraints | There is extremely limited capacity and budget available |
| Alignment with regional air quality plan and by-laws | Regional Air Quality Forum to be established |

Table 103: Air Quality Control Challenges

Component F: Health

Local municipalities no longer provide health services such as clinics and ambulance services, health inspection services and abattoirs.

Component G: Security and Safety

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

3.15 Law Enforcement

Law enforcement is currently performed by one permanent traffic officers who also operate the DTLC and are supported by one Clerk of the Court. The traffic officers is currently acting as the Management Representative. The other traffic officer position is vacant and has been advertised, the selection process will be concluded in the 2020/21 financial year.

There are three law enforcement officers appointed in a temporary basis. One of the officers is being utilised as a cashier at the DLTC and the remaining two

| Details | 2018/19 | 2019/20 |
|---|---------|---------|
| Animals impounded | 0 | 0 |
| Number of by-law infringements attended | 5 | 8 |
| Number of officers in the field on an average day | 2 | 2 |
| Number of officers on duty on an average day | 4 | 4 |

3.15.2 Traffic Services

Two law enforcement officials tended to Traffic Services, with the one Clerk of the Court providing back-office assistance. One of the traffic officers have been declared medical incompetent. The position has been advertised but no successful candidates were found. The position was re-advertised and an appointment is hoped to be made, soonest.

GRAP principles require all traffic fines issued to be calculated as income, while the norm income collected in local government (for traffic fines) reflects only 20%. The income from fine collection for the reporting year was R172,210.00.

a) Highlights: Traffic Services

The following highlight in respect of Traffic Services can be noted during the reporting year.

| Highlights | Description |
|---|--|
| Co-operation with provincial traffic | The co-operation between the Municipality's traffic and provincial officers improved |
| Regular scheduled meetings between role players | Regular scheduled meetings between SAPS, Provincial and municipal traffic as well as prosecutor to address challenges |
| Road Incident Management Steering Committee | Prince Albert forms part of the Road Incident Management Steering Committee where Mr A Meintjies represents the Municipality |

Table 105: Traffic Services Highlights

b) Challenges: Traffic Services

The following challenges in respect of traffic services must be noted during the reporting year.

| Challenges | Actions to overcome |
|---|---|
| Collect outstanding fines | Cost of issue of Warrant of Arrest is high |
| Lack of official transport | Private transport increase expenditure – need to purchase official traffic vehicle. A municipal vehicle for traffic has now been purchased. |
| Poor relationship with courts | The relationship with the judicial sector remains a challenge |
| Hawks investigation and litigation completed | Officer found not guilty – officer to be retrained |
| Securing law enforcement on 80 zone in Leeu Gamka | Submission to Dept Roads and National Prosecuting Authority; outcome awaited |
| One of the traffic officers has been placed on sick leave until December 2019 | The position has been advertised on a temporary basis |

Table 106: Traffic Services Challenges

c) Performance Service statistics for Traffic Services

The following performance service statistics for traffic services are reflected below in respect of the reporting year.

| Details | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|---|---------------|------------|---------------|---------------|
| Motor vehicle licenses processed | R1 3749 36.75 | R1 584 505 | R1 663 410.90 | R1 663 729.90 |
| Learner driver licenses processed | 257 | 248 | 103 | 192 |
| Driver licenses processed | 260 | 267 | 234 | 223 |
| Driver licenses issued | 204 | 231 | 294 | 522 |
| Fines issued for traffic offenses | 12 192 100 | R7 236 350 | R6 732 600 | R4 145 900 |
| R-value of fines collected | 1 620 310 | R751 030 | R3 168 463.66 | R312 860 |
| Roadblocks held | 18 | 14 | 7 | 4 |
| Complaints attended to by Traffic Officers | 6 | 4 | 10 | 24 |
| Awareness initiatives on public safety | 2 | 2 | 1 | 0 |
| Number of road traffic accidents during the year | 27 | 24 | 21 | 2 |
| Number of officers in the field on an average day | 1 | 1 | 2 | 3 |
| Number of officers on duty on an average day | 1 | 2 | 4 | 4 |

Table 107: Additional performance Service Statistics for Traffic Services

d) Employees: Traffic Services

The table below indicates the traffic service staff establishment for the reporting year, in comparison with 2019/20

| Job Level | 2018/19 | 2019/20 | | | |
|-----------|-----------|---------|-----------|----------------------------------|-----------------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No | No. | No. | No. | % |
| 0 – 3 | 0 | 0 | 0 | 0 | |
| 4 – 6 | 1 | 2 | 1 | 1 | |
| 7 – 9 | 0 | 0 | 0 | 0 | |
| 10 – 12 | 2 | 2 | 1 | 1 | |

| Job Level | 2018/19 | 2019/20 | | | |
|--------------|-----------|----------|-----------|----------------------------------|-----------------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No | No. | No. | No. | % |
| 13 – 15 | 0 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | 0 | |
| Total | 3 | 4 | 2 | 2 | |

Table 108: Employees: Traffic Services

3.16 Fire Services and Disaster Management

In terms of Schedule 4 Part B of the Constitution, Fire Fighting Services is a municipal function. The Prince Albert Municipality does not have a formal, full-time Fire Services Unit. The Fire Fighting function is coordinated by the Fire Officer in the Municipality who is also responsible for occupational health and safety. Eight officials, at the level of labourers, previously received training in the basics of Fire Fighting and provides additional capacity when needed. They perform dual functions and are not specifically allocated to fire services. Protective clothing and sufficient equipment remain a challenge for these officials. Fire Services are delivered by means of a vehicle with 1 000 litre water tank and a fire- fighting truck. Several training exercises in collaboration with Breede-Valley Municipality and the Provincial Government were undertaken where the local firefighting officials received training.

The Municipality extinguished 48 fires in the municipal area during the year.

The Municipality also prioritised a Shared Service for a centralised call centre for emergency services that will be situated in Beaufort West. This is a project that will come into effect only after subsidisation from Provincial government. The Municipality will enjoy Hazmatt support from the Central Karoo District Municipality and is engaging with role players on the future deployment of Work on Fire teams within the municipal area to strengthen capacity.

The Municipality reviewed their Disaster Management Plan in May 2019.

Highlights: Fire Services and Disaster Management

| Highlights | Description |
|--------------------------------------|---|
| Staff exhibits a good working ethic. | Fire fighters have a good sense of cooperation and team work. |
| Disaster Management Plan reviewed | Disaster Management Plan reviewed – awareness raised on fire requirements |
| Staff training | Staff training was undertaken on the correct application of equipment and the correct protocol to be followed |

Table 109: Fire Services and Disaster Management Highlights

a) Challenges: Fire Services and Disaster Management

The challenges in respect of Fire and Disaster Management Services for the reporting financial year are reflected below.

| Challenges | Actions to overcome |
|---|--|
| Lack of capacity | Staff need to be trained, while equipment need to be upgraded |
| Procure funding from SANRAL for services rendered | Engagements needed to get SANRAL to reimburse municipality for services rendered on N1 |
| Need for fire-fighting protective clothing and training | Staff do not have sufficient protective clothing and training |
| Fire-fighting capacity in Klaarstroom and Leeu Gamka must be improved | Funding application to Provincial Disaster Management Centre |
| Veld fires | An integrated approach towards veld fires (C-function) must be developed |

Table 110: Fire Services and Disaster Management Challenges

b) Service statistics for Fire Services

The following service statistics for fire services are provided in the table below in respect of fire services.

| Details | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|---|--------------|--------------|--------------|--------------|
| Operational call-outs | 43 | 48 | 45 | 33 |
| Reservists and volunteers trained | 0 | 0 | 0 | 0 |
| Awareness initiatives on fire safety | 0 | 0 | 2 | 1 |
| Total fires attended in the year | 34 | 48 | 45 | 30 |
| Total of other incidents attended in the year | 0 | 0 | 0 | 0 |
| Average turnout time - urban areas | Not measured | Not measured | Not measured | Not measured |
| Average turnout time - rural areas | Not measured | Not measured | Not measured | Not measured |
| Fire fighters in post at year end | 1 full time | 1 full time | 1 Full time | 1 Full time |
| Total fire appliances at year end | 2 | 2 | 2 | 3 |
| Average number of appliances off the road during the year | 0 | 0 | 0 | 0 |

Table 111: Fire Services and Disaster Management Data

c) Employees: Fire Services and Disaster Management

The following staff establishment in respect of fire and disaster management for the reporting financial year is reflected below.

| Job Level | 2018/19 | 2019/20 | | | |
|--------------|-----------|----------|-----------|----------------------------------|-----------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total) |
| | No | No. | No. | No. | % |
| 0 – 3 | 0 | 0 | 0 | 0 | |
| 4 – 6 | 0 | 0 | 0 | 0 | |
| 7 – 9 | 2 | 2 | 1 | 1 | |
| 10 – 12 | 0 | 0 | 0 | 0 | |
| 13 – 15 | 0 | 0 | 0 | 0 | |
| 16 – 18 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 0 | 0 | 0 | 0 | |
| Total | 2 | 2 | 1 | 1 | |

Table 112: Employees: Fire services and Disaster Management

Capital Expenditure

The table below indicates the capital expenditure on disaster management.

| Capital Expenditure 2019/20 Disaster Management | | | | | |
|---|--------------------|--------------------|--------------------|-------------------------------|---------------------|
| R'000 | | | | | |
| Capital Projects | 2019/20 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Fire Services Capacity Grant | R830 000.00 | R830 000.00 | R935 909.10 | 0 | R935 909.10 |
| Total | R830 000.00 | R830 000.00 | R935 909.10 | 0 | R935 909.10 |

Table 83: Capital Expenditure 2019/20: Disaster Management

Component H: Sport and Recreation

Introduction

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

3.17 Sport and Recreation

We have four (4) sports grounds consisting of 3 combined rugby and soccer fields, one (1) soccer field in Prince Albert and 3 netball fields as well as one swimming pool. Severe challenges are experienced with over-utilisation of the existing facilities. In Klaarstroom vandalism and a lack of water to irrigate sport fields contributed to below-standard sporting facilities. During the reporting year, the Municipality planted grass and secured water to the Klaarstroom sport fields. Lighting on the field was erected in Klaarstroom and Leeu Gamka to allow for activities during the evening. Shaded pavilions remain a priority. In Prince Albert the Sydwell Williams field are not used due to the sub-standard condition of the field. During the latter part of the reporting year, Sydwell Williams has been used as an exercise field. The Central Karoo District became independent from Boland and South Western District. Sport councils for all towns within the Central Karoo were elected.

Seven public parks were maintained.

Prince Albert Municipality adopted a Sport Plan for the development of a sport precinct in Prince Albert. An application for funding was submitted after the approval of said sport plan. Though a ring-fenced grant of R11.5 million was allocated to Prince Albert and a subsequent tender was set out for the upgrade and extension of sport facilities in Prince Albert, this project could not be implemented as the tenders received were in excess of nearly R8 million compared to available budget. As no municipal funding from ratepayers' coffers were available to make good on the shortfall for the project, the project could not be implemented. The plan will now be redesigned and re-submitted for new funding.

a) Highlights: Sport and Recreation

| Highlights | Descriptions |
|--|---|
| Swimming pool | Swimming pool operated with life guards |
| Fencing at sport fields | The fences around the sport fields were improved |
| First phase of new park in Klaarstroom | New park and ablution were established in Klaarstroom |

Table 113: Sport and Recreation highlights

b) Challenges: Sport and Recreation

Challenges in respect of sport and recreation for the reporting year are reflected below:

| Challenges | Actions to overcome |
|--|--|
| Insufficient equipment and maintenance budget to maintain facilities | Equipment must be maintained via maintenance plan and control measures implemented |

| | |
|--|---|
| Funding for sporting codes and facilities needed | Funding proposals for external funding prepared |
| Leeu Gamka sportfield wall collapse | Partial wall build in Leeu Gamak around sport fields, collapsed |
| Insufficient funding for sport facility project in Prince Albert | New application prepared and submitted to Department |
| Security at facilities | Security at facilities must be improved to protect assets – especially in Klaarstroom – community asked to report vandalism |
| Overuse of facilities | Due to a lack of suitable facilities, some of the fields are overused – lighting needed |

Table 114: Sport and Recreation Challenges

c) Service statistics for Sport and Recreation

The following statistics in respect of Sport and Recreation for the reporting financial year are reflected below.

| Type of Service | 2018/19 | 2019/20 |
|---|---------|---------|
| Community Parks | | |
| Number of parks with play park equipment | 7 | 7 |
| Number of wards with community parks | 4 | 4 |
| Sport fields | | |
| Number of wards with sport fields | 4 | 4 |
| Number of sport associations utilizing sport fields | 3 | 3 |

Table 115: Additional performance information for Sport and Recreation

Component I: Corporate Policy Offices and Other Services

Introduction

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

3.18 Executive and Council

Executive and Council

The Council of Prince Albert Municipality strives to ensure effective cooperation between Council, Administration and the broader Community.

The core business in terms of basic service delivery remains crucial and therefore public participation is encouraged. The municipality have an active ward committee system, a representative IDP Forum for consultation on the budget and IDP. This public participation is supported by sectorial engagements with e.g. the Prince Albert Ratepayers, the Prince Albert Cultural Foundation, the Council of Stakeholders in Leeu-Gamka, sporting codes, etc. The municipality established youth committees within the respective towns and build these structures to provide the youth with a voice in local government matters.

Policies, by-laws and planning matters are published and public comment invited and incorporated. The public are encouraged to attend ward and council meetings.

Councillors and officials know that all actions need to be in a disciplined manner. We are a transparent and accountable Municipality and have since inception established a good working relationship with Provincial and National Government.

Council has elevated the Oversight Committee to a MPAC and provided training sessions to the members of said committee in an effort to improve oversight.

a) Highlights: Executive and Council

The following highlights for the Executive and Council for the reporting financial year can be found below.

| Highlights | Description |
|----------------------|--|
| Good cooperation | Meeting per schedule - excellent attendance record |
| Transparency | Council meetings are open |
| Accountability | Reporting on time |
| Networking | Excellent working relationship with Province and National |
| Stability | No disruption of meetings |
| Public participation | Regular feedback meetings to Community. Ward based. Monthly ward committee engagements. Radio sessions |
| Communication | Paperless Council engagements, through the use of electronic equipment, thus savings as well as easily maintained interaction between Councillors and Administration |

Table 117: Executive and Council Highlights

b) Challenges: Executive and Council

| Description | Actions to address |
|---|--|
| High cost of meetings, due to distances and high accommodation | Video Conferencing, in order to curb on expenditure due for substance and travel allowances |
| Roving Council meetings to include other parts of the community | Raise funds to acquire recording and sound equipment to facilitate better public participation and take the Council to the |

Table 118: Executive and Council challenges

3.19 Financial Services

The Prince Albert Municipality strive to obtain a clean audit, for this reason compliance to the Municipal Finance Management Act and regulations are key in our endeavours to ensure cost-effective and efficient service delivery in the interest of our communities. Reporting to National and Provincial Treasury is adhered to by means of monthly Section 71-reports, the mid-year Section 72 report, the Section 46 report, etc.

One of the biggest operations of the financial year were changing the accounting system from ABAKUS to VESTA and ensuring MSCOA compliance. Several obstacles remain with this project, but it is closely monitored with the assistance of National and Provincial Treasury.

a) Highlights: Financial Services

The following highlights in respect of the reporting year for the financial department are reflected below:

| Highlights | Description |
|---|--|
| Cash Surplus | Cash available exceed the cash commitments |
| Unqualified Audit opinion without findings | Unqualified (clean) audit status |
| In house compilation of Annual Financial Statements | In house staff prepared AFS with external review |

Table 119: Financial Services Highlights

b) Challenges: Financial Services

The following challenges in respect of the reporting year for the financial department are reflected below.

| Description | Actions to address |
|-----------------|---|
| Grant Dependent | We need funding from National and Provincial Government to comply to legislative requirements |

| | |
|--|--|
| MSCOA compliance | Changing from the ABAKUS financial system to the VISTA financial system to ensure MSCOA compliance |
| Expand income base | Verify income sources to ensure all services are correctly levied |
| Low payment percentage in Klaarstroom and Leeu-Gamka | Continue with debtor payment awareness programs, and petition SALGA and COGTA to salvage the Eskom delivery area dilemma |
| High risk of irregularities due to lack of separation of duties as a result of limited number of staff | Development of SOP's; review of organogram |

Table 120: Financial Services Challenges

c) Debt recovery statistics

The debt recovery remains an area the efforts of concern. The Municipality will continue their efforts to strengthen debt collection. Effective debt collection is hampered by the fact that Klaarstroom, Leeu Gamka and Prince Albert Road are within the Eskom service area and the Municipality cannot block or disconnect electricity services in cases of non-payment. The Municipality should seriously consider pre-paid water units to support effective credit control in these areas.

d) Employees: Financial Services

The financial service department's staff establishment for 2018/19 and 2019/20 financial year is depicted on the next page. The municipality has one of the smallest finance departments in the country and do not have the prescribed Budget Office. The Municipality built on its efforts of the previous year to draft their annual financial statements in house with an oversight done by the Internal Auditors, Mubesko and the Audit Committee.

| Job Level | 2018/19 | 2019/20 | | | |
|-----------|-----------|---------|-----------|----------------------------------|-----------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total) |
| | No | No. | No. | No. | % |
| 0 – 3 | 0 | 0 | 0 | 0 | |
| 4 – 6 | 4 | 5 | 4 | 1 | 20% |
| 7 – 9 | 1 | 3 | 3 | 0 | |
| 10 – 12 | 0 | 0 | 0 | 0 | |
| 13 – 15 | 1 | 0 | 1 | 0 | |

| Job Level | 2018/19 | 2019/20 | | | |
|-----------|-----------|---------|-----------|----------------------------------|-----------------------------|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total) |
| | No | No. | No. | No. | % |
| 16 – 18 | 0 | 0 | 0 | 0 | |
| 19 – 20 | 1 | 1 | 1 | 0 | |
| Total | 7 | 9 | 9 | 1 | 16.66% |

Table 122: Employees: Financial services

Service Delivery Indicators

The following table portrays the service delivery indicators.

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|------|--|--|-------|---------------------------|---------------------------------|--------|---|---|
| | | | | | Target | Actual | R | |
| TL12 | Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | # of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | All | 2 578 | 2 578 | 2 579 | | Target reached |
| TL13 | Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network | No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network | All | 1 092 | 1 100 | 1 178 | | Target reached |
| TL14 | Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area | Number of households for which refuse is removed at least once a week | All | 2 737 | 2 737 | 2 728 | | Data verification process indicated 9 houses less than target set. All houses provided with service |
| TL15 | Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders | No of indigent account holders receiving free basic refuse removal | All | 1 092 | 1 100 | 1 188 | | Target reached |

| Ref | KPI | Unit of Measurement | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|------|---|--|-------|---------------------------|---------------------------------|--------|---|--|
| | | | | | Target | Actual | R | |
| | | monthly | | | | | | |
| TL16 | Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network. | Number of formal residential properties that meet agreed service standards for piped water | All | 2 820 | 2 820 | 2 569 | | This KPI could not be reached as it is dependent on new houses being built in the municipal area and being connected to the water network. All houses are connected to piped water however |
| TL17 | Provide 6kl free basic water to registered indigent account holders per month | No of registered indigent account holders receiving 6kl of free water | All | 1 092 | 1 100 | 1 188 | | Target reached |
| TL18 | Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | Number of Households receiving sanitation services | All | 2 701 | 2 701 | 2 548 | | This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future. |
| TL19 | Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements. | All | 1 092 | 1 100 | 1 188 | | Target achieved |

Table 123: Financial performance

3.20 Human Resource Services

The Human Resource Department have only two dedicated staff members of which one is a contract worker. The Skills Development Facilitator performs dual functions within the corporate service division. The Municipality undertook a HR profiling audit to determine the challenges within the HR division.

Highlights: Human Resources

The following highlights in respect of the HR division for the reporting financial year is portrayed below:

| Highlights | Description |
|--|--|
| Review of organogram | Organogram reviewed in January 2020 |
| EPWP contracts concluded for 178 persons | Contract administration in respect of EPWP workers successfully undertaken |
| Improved oversight on over time | Stronger control measures implemented |
| 8 Officials appointed | 8 Appointments made |
| Full functioning of LLF | LLF meetings every 2 months |

Table 124: Human Resources Highlights

a) Challenges: Human Resources

The following challenges in respect of HR management as it pertains the reporting year are indicated below.

| Description | Actions to address |
|---|---|
| HR policies are out-dated. | Policies reviewed – to be tabled at LLF |
| High vacancy rate is 23.76 % | Vacancy rate needs to be addressed within financial constraints |
| Individual performance agreements to be concluded | PMS agreements to be cascaded to lower levels |

Table 125: Human Resources Challenges

Service Delivery Indicators

The table below reflects the performance of the HR department for the reporting year.

| Ref | KPI | Unit Measurement | of | Wards | Previous Year Performance | Overall Performance for 2019/20 | | | Comments |
|-----|-----|------------------|----|-------|---------------------------|---------------------------------|--------|---|----------|
| | | | | | | Target | Actual | R | |
| | | | | | | | | | |

| | | | | | | | | |
|------|---|---|-----|-----|------|-------|--|--|
| TL10 | The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100) | % of training budget spent as at 30 June 2020 | All | 24% | 100% | 28.5% | | The Covid-19 pandemic also had a negative impact on the spending of the training budget as all training was cancelled. |
| TL11 | The number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data | Number of people employed (appointed) | All | 1 | 3 | 2 | | This target is dependent on vacancies. |

Table 126: Service delivery indicators: Human Resources

Component J: Miscellaneous Municipal Farm

The farm Treintjiesriver (portion 1 of the farm Damascus no.153 in the Prince Albert area) was purchased in 2005. The farm is situated 6 kilometres west of Prince Albert and has a harsher climatic aspect than properties situated on the east, where river systems are stronger. It is located on the edge of the mountain range and thus includes mountain land as well as 'karoo plains'. The size of the farm is 5580 hectares and includes the following resources, according to the valuation report at the time of purchase:

Summary of Agricultural Assets

| Type of asset Extent | Extent (ha) | Valuators estimated |
|--------------------------------|-------------|---------------------|
| Irrigated land (lucerne) | 7.0 | 280 000 |
| Irrigated land (cash crops) | 1.5 | 52 500 |
| Dry with potential to irrigate | 11.5 | 57 500 |
| Grazing | 5 560.3 | 3 058 000 |
| Total land value | | 3 448 000 |
| Accommodation | | 867 000 |
| Other buildings | | 336 480 |
| Dams | | 362 000 |
| Total value | | 5 013 980 |

Table 128: Treintjiesrivier use

New lease agreements were concluded with the emerging farmers on Treintjiesrivier and the commonage. Workshops were held with the emerging farmers of Prince Albert, Klaarstroom and Leeu Gamka to identify assistance required and future objectives. The Municipality provided support to the emerging farmers on the procurement of additional live stock; emergency drought relief and obtaining identifying marks on live stock. The South African

Police assisted the Municipality and farmers with the counting of live stock and advised on legal compliance in respect of live stock theft and movements. Two ladies from Treintjiesrivier won the best agricultural garden award in the Western Cape for their garden on Treintjiesrivier. Uncontrolled access and theft remains a big challenge for emerging farmers.

Component K: Organisational Performance Scorecard

Organisational Performance Management and Top-Level SDBIP Report

The performance system followed for 2019/20

The performance management system that was implemented and followed for the 2019/20 financial year is described below:

a) Approval of the Top Level SDBIP 2019/20

The SDBIP for 2019/20 were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on 28 June 2019.

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

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

The MFMA Circular No.13 prescribes that:

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

b) Adoption of a Performance Management Framework

The municipality's reviewed performance management framework was adopted by Council on 29 June 2015 and was reviewed on 10 April 2018.

The IDP and the budget

The 2019/20 IDP was approved together with the 2019/20 budget by Council on 30 May 2019. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

c) Performance Agreements

All MSA Section 57/56 Performance Agreements was signed with respective employees

d) Audit Committee

Two Audit Committee members has been re-appointed for a further period of five years. An additional committee member was appointed late in the financial year after the resignation of the third member of the Audit Committee. This committee acts as both the audit and performance audit committee.

Municipal Public Accounts Committee (MPAC)

This committee has been established and training was provided. Councillor Mark Steyn was appointed as Chairperson of the MPAC.

e) Quarterly Performance Reporting to Council

Reporting on the Top-Level SDBIP for 2019/20 has been submitted to Council in terms of Section 52 (d) of The Local Government: Municipal Finance Management Act, No 56 of 2003, but not always within the prescribed time-frame due to capacity constraints.

f) Annual Reporting to Council

The annual report has been submitted to council as per the legislative prescripts and requirements. The final annual and oversight report was adopted by Council on 22 January 2019

The municipal scorecard (Top Layer SDBIP)

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

Top Layer KPI's were aligned with the IDP Implementation Map (iMAP) that was prepared based on the following:

- Key performance indicators (KPI's) for the programmes / activities identified to address the strategic objectives as documented in the IDP.
- KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders.

KPI's were developed for each department. Each KPI have clear monthly targets and are assigned to the person responsible for the KPI's.

Actual performance

Actual performance is updated in a Portfolio of Evidence and audited by the Internal Auditors.

3.21 Performance against the National Key Performance Indicators

The following tables indicate the Municipality's performance in terms of the National Key Performance Indicators prescribed in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the Municipal Systems Act, 2000 (Act 32 of 2000- as amended) These Key Performance Indicators are linked to the National Key Performance Areas.

3.21.1 Municipal Transformation and Institutional Development

In the table below the nationally prescribed performance indicator in respect of Transformation and Institutional Development is reflected.

| Ref no. | Key Performance Indicator (KPI) | Municipal Achievement 2018/19 | Municipal Achievement 2019/20 | Comments |
|---------|---|-------------------------------|-------------------------------|---|
| TL10 | The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100) | 24% | 28.5% | The target could not be reached as training was postponed due to covid-19. |
| TL11 | The number of people from employment equity target groups employed in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data | 2 | 2 | Target was not reached – this is vacancy based and subject to applications. |

Table 129: Municipal transformation and institutional development performance

3.21.2 Basic Service Delivery

In the table below the nationally prescribed performance indicator in respect of Basic Service Delivery is reflected.

| Ref no. | Key Performance Indicator (KPI) | Municipal Achievement 2018/19 | Municipal Achievement 2019/20 | Comments |
|---------|---------------------------------|-------------------------------|-------------------------------|----------|
|---------|---------------------------------|-------------------------------|-------------------------------|----------|

| | | | | |
|------|---|-------|-------|---|
| TL12 | Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | 2 578 | 2 579 | Target reached |
| TL14 | Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area | 2 737 | 2 728 | Data verification process indicated 9 houses less than target set. All houses provided with service |
| TL16 | Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network. | 2 820 | 2 569 | This target was not achieved as it is dependent on new houses being build and connected to the water network. All houses connected to network |
| TL18 | Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | 2 701 | 2 548 | This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future. |
| TL26 | Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klarstroom. | 87.3% | 88.0% | Target reached |
| TL27 | Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klarstroom) | 76.4% | 79.9% | We have capacity constraints as we have no dedicated staff appointed at the WWTW. |
| TL28 | Develop the Water Service Development Plan and submit to council for approval by the end of June 2019 | 0 | 0 | This target could not be reached due to capacity constraints. There was also no budget allocated to develop this plan. |

| | | | | |
|------|---|---------|--------|---|
| TL29 | Limit water losses to not more than 15% $\{(Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified - Number\ of\ Kiloliters\ Water\ Sold) / Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified \times 100\}$ | 25.08% | 24.98% | Water losses increased with approximately 10%. This was due to drought conditions that resulted in less water use by consumers and more burst pipes due to pressure management. |
| TL30 | Limit electricity losses to not more than 15% $\{(Number\ of\ Electricity\ Units\ Purchased\ and/or\ Generated - Number\ of\ Electricity\ Units\ Sold) / Number\ of\ Electricity\ Units\ Purchased\ and/or\ Generated\} \times 100\}$ | 11.9% | 12.9% | This target was reached due to meter auditing and monitoring. |
| TL33 | Implementation of programs and initiatives held in terms of social welfare as per project plan signed off by MM | NEW KPI | 4 | Target met |
| TL34 | The number of DRAP meetings attended for the 2019/20 financial year, which is coordinated by the Central Karoo District Municipality | NEW KPI | 3 | KPI could not be met due to Covid-19. In future zoom meetings need to be explored. |

Table 130: Basic Service Delivery Performance

3.2.1.3 Local Economic Development

In the table below the nationally prescribed performance indicator in respect of Local Economic Development is reflected.

| Ref no. | Key Performance Indicator (KPI) | Municipal Achievement 2018/19 | Municipal Achievement 2019/20 | Comment |
|---------|---|-------------------------------|-------------------------------|--|
| TL25 | The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period. | 203 | 178 | The Municipality over performed on this KPI as the Municipality allocated additional funding at the adjustment budget. |

| | | | | |
|------|---|---|---|---|
| TL32 | Implementation of the Local Economic Development Strategy | 4 | 3 | Due to Covid-19 not all LED initiatives could be completed. |
|------|---|---|---|---|

Table 131: Temporary jobs created

3.21.3 Municipal Financial Viability and Management

In the table below the nationally prescribed performance indicator in respect of Municipal Financial Viability and Management is reflected.

| Ref no. | Key Performance Indicator (KPI) | Municipal Achievement 2018/19 | Municipal Achievement 2019/20 | Comments |
|---------|---|-------------------------------|-------------------------------|--|
| TL1 | Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August | 1 | 1 | Draft performance report submitted within timeframe. |
| TL3 | The % of the Municipality's capital budget spent on capital projects identified in the IDP, measured as the Total actual Year to Date (YTD) Capital Expenditure/ Total Approved Annual or Adjusted Capital Budget x 100 | 74.7% | 40.2% | Capital expenditure monitored through budget control. Due to capacity constraints not all projects allocated in the adjustment budget could be completed. The Covid-19 lockdown also had a major impact on projects being completed before end of June 2020. |
| TL5 | The main budget is approved by Council by end of May 2020 | 1 | 1 | The main budget was approved by the end of May 2020. |
| TL8 | The adjustment budget is approved by Council by end of February 2020 | 1 | 1 | The adjustment budget was approved by the end of February 2020 |
| TL20 | Maintain a Year to Date (YTD) debtor's payment percentage of 85%, excluding traffic services | 86.45% | 76.5% | The debtor's payment percentage could not be reached. As the payment % drastically drop during the Covid-19 lockdown period March – June 2020. |
| TL21 | Maintain a financially unqualified audit opinion for the 2018/19 financial year | 1 | 1 | KPI was met, PAMUN received an unqualified audit opinion without matter. |
| TL22 | Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue- | 767.7 | 368 | The situation decreased due to Covid-19 |

| Ref no. | Key Performance Indicator (KPI) | Municipal Achievement 2018/19 | Municipal Achievement 2019/20 | Comments |
|---------|---|-------------------------------|-------------------------------|---|
| | operating grants received)/debt service payments due within the year) | | | |
| TL23 | Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) | 11% | 17% | Target was met adequately, but outstanding debtors remains a challenge. |
| TL24 | Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) | 5.0 | 9.2 | The Municipality improved its financial position due to cost containment initiatives. |
| TL4 | Risk based audit plan approved by Audit Committee for 2019/20 | 1 | 0 | The risk-based audit plan was only approved in March 2020 and not in February 2020 as set out in the KPI. |

Table 132: Financial Viability Indicators

3.21.4 Good Governance and Public Participation

In the table below the nationally prescribed performance indicator in respect of Good Governance and Public Participation is reflected.

| Ref no. | Key Performance Indicator (KPI) | Municipal Achievement 2018/19 | Municipal Achievement 2019/20 | Comments |
|---------|--|-------------------------------|-------------------------------|--|
| TL2 | Submit the Mid- Year Performance Report in terms of sec72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary | 1 | 1 | The mid-year report was submitted before the legislative timeframe. |
| TL4 | Risk based audit plan approved by Audit Committee for 2019/20 | 1 | 0 | The risk-based audit plan was only approved in March 2020 and not in February 2020 as set out in the KPI. |
| TL6 | Effective functioning of Council meetings | 5 | 3 | KPI was not met due to one General Council meeting that could not be convened, but special council meetings were however convened. |
| TL7 | Effective functioning of Councils committee system | 4 | 4 | Committee meetings were held regularly. |

| | | | | |
|------|--|---|---|--|
| TL9 | The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved | 1 | 1 | The TL SDBIP as approved within the allowed timeframe. |
| TL31 | Preparation of the final IDP review for submission to council to ensure compliance with legislation by 31 May annually | 1 | 1 | The final IDP was approved by 31 May. |

Table 133: Capital budget expenditure according to IDP

3.22 Overall performance per Municipal KPA

The following table illustrates the Municipality's overall performance per Municipal Key Performance Area.

3.22.1 Basic service delivery & infrastructure development

| Ref | IDP Ref | KPI | Unit of Measurement | Previous Year Performance | Annual Target | Period-To-Date as at June 2020 | | |
|------|---------|--|--|---------------------------|---------------|--------------------------------|--------|---|
| | | | | | | Target | Actual | R |
| TL12 | | Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | # of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | 2 578 | 2 258 | 2 578 | 2 579 | |
| TL13 | | Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network | No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network | 1 092 | 1 100 | 1 100 | 1 178 | |
| TL14 | | Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area | Number of households for which refuse is removed at least once a week | 2 726 | 2 737 | 2 737 | 2 728 | |

| | | | | | | | | |
|------|--|---|--|--------|-------|-------|--------|--|
| TL15 | | Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders | No of indigent account holders receiving free basic refuse removal monthly | 1 100 | 1 100 | 1 100 | 1 188 | |
| TL16 | | Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network. | Number of formal residential properties that meet agreed service standards for piped water | 2 820 | 2 820 | 2 820 | 2 569 | |
| TL17 | | Provide 6kl free basic water to registered indigent account holders per month | No of registered indigent account holders receiving 6kl of free water | 1 092 | 1 100 | 1 100 | 1 188 | |
| TL18 | | Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | Number of Households receiving sanitation services | 2 701 | 2 701 | 2 701 | 2 548 | |
| TL19 | | Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements. | 1 092 | 1 100 | 1 100 | 1 188 | |
| TL26 | | Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klarstroom | % of test results complying with SANS 241 | 87.3% | 80% | 80% | 88.0% | |
| TL27 | | Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klarstroom) | % of Lab Results comply with SANS Irrigation standards. | 76.4% | 90% | 90% | 79.9% | |
| TL28 | | Develop the Water Service Development Plan and submit to Council for approval by the end of June 2020 | Reviewed Plan approved by council by end of June | 0 | 1 | 1 | 0 | |
| TL29 | | Limit water losses to not more than 15% {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100} | % Water losses achieved (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100) | 25.08% | 15% | 15% | 24.98% | |

| | | | | | | | | |
|------|--|--|---|---------|-----|-----|-------|--|
| TL30 | | Limit electricity losses to not more than 15% {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100}} | % Electricity losses achieved (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100 | 11.9% | 15% | 15% | 12.9% | |
| TL33 | | Implementation of programs and awareness initiatives held in terms of social welfare as per project plan signed off by MM | Number of awareness initiatives and programs launched within community | NEW KPI | 4 | 4 | 4 | |
| TL34 | | The number of DRAP meetings attended for the 2019/20 financial year | Number of meetings attended by Municipal Manager | NEW KPI | 4 | 4 | 3 | |

Table 134: Municipal performance according to Key Performance Indicators

3.22.2 Economic Development

| Ref | Pre-determined Objectives | KPI | Unit of Measurement | Previous Year Performance | Annual Target | Period-to-Date as at June 2020 | | |
|------|---|---|--|---------------------------|---------------|--------------------------------|--------|---|
| | | | | | | Target | Actual | R |
| TL25 | To develop and grow LED and particularly SMME opportunities | The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programs for the period. | Number of people temporary appointed to be in the EPWP programs | 203 | 150 | 150 | 178 | |
| TL32 | To develop and grow LED and particularly SMME opportunities | Implementation of the Local Economic Development Strategy | Number of LED interventions/ activities / programmes implemented | 4 | 4 | 4 | 3 | |

Table 135: Municipal performance according to Economic Development Key Performance Indicators

3.22.3 Financial sustainability & development

| Ref | Pre-determined Objectives | KPI | Unit of Measurement | Previous Year Performance | Annual Target | Period-to-Date as at June 2019 | | |
|------|---|---|---|---------------------------|---------------|--------------------------------|--------|---|
| | | | | | | Target | Actual | R |
| TL1 | To promote a culture of good governance | Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August | Draft annual performance report submitted by 30 August annually | 1 | 1 | 1 | 1 | |
| TL3 | To deliver services in terms of agreed service levels | The % of the Municipality's capital budget spent on capital projects identified in the IDP, measured as the Total actual Year to Date (YTD) Capital Expenditure/ Total Approved Annual or Adjusted Capital Budget x 100 | The percentage (%) of a municipality's Annual or Adjusted capital budget spent on capital projects identified in the IDP for the 2019/20 financial year | 62.3% | 90% | 90% | 40.2% | |
| TL5 | To promote a culture of good governance | The main budget is approved by Council by end of May 2020 | Approval of Main Budget before the end of May annually | 1 | 1 | 1 | 1 | |
| TL8 | To promote a culture of good governance | The adjustment budget is approved by Council by end of February 2020 | Approval of Adjustments Budget before the end of February 2020 | 1 | 1 | 1 | 1 | |
| TL20 | To implement mechanisms to improve debt collection | Maintain a Year to Date (YTD) debtors payment percentage of 85% excluding traffic services | Payment percentage (%) of debtors over 12 months rolling period | 86% | 85% | 85% | 76.5% | |

| | | | | | | | | |
|------|--|--|---|-------|-------|-------|-----|--|
| TL21 | To promote a culture of good governance | Maintain a financially unqualified audit opinion for the 2018/19 financial year | Financial statements considered free from material misstatements as per Auditor General report | 1 | 1 | 1 | 1 | |
| TL22 | To implement mechanisms to improve debt collection | 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) | ((Total operating revenue-operating grants received)/debt service payments due within the year) | 767.6 | 767.6 | 767.6 | 368 | |
| TL23 | To improve financial reporting | Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) | (Total outstanding service debtors/ revenue received for services)X100 | 11% | 11% | 11% | 17% | |
| TL24 | To improve financial reporting | Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) | ((Available cash+ investments)/ Monthly fixed operating expenditure) | 5.0 | 5.0 | 5.0 | 9.2 | |

Table 136: Municipal performance according to financial sustainability and development Key Performance Indicators

3.22.4 Good governance and public participation

| Ref | IDP Ref | Pre-determined Objectives | KPI | Unit of Measurement | Previous Year Performance | Annual Target | Period-to-Date as at June 2020 | | |
|-----|---------|---|---|--|---------------------------|---------------|--------------------------------|--------|---|
| | | | | | | | Target | Actual | R |
| TL2 | | To promote a culture of good governance | Submit the Mid-Year Performance Report in terms of Section 72 of the MFMA to council to monitor the overall municipal performance and decide on | Mid-year report submitted to council and treasury by end of January annually | 1 | 1 | 1 | 1 | |

| | | | | | | | | | | |
|------|--|---|--|--|---|---|---|---|--|--|
| | | | corrective measures if necessary | | | | | | | |
| TL4 | | To promote a culture of good governance | Risk based audit plan approved by Audit Committee for 2019/20 by February | Risk based audit plan approved by February 2020 | 1 | 1 | 1 | 0 | | |
| TL6 | | To promote a culture of good governance | Ensure that all Council meet once every quarter | Number of ordinary council meetings | 5 | 4 | 4 | 3 | | |
| TL7 | | To promote a culture of good governance | Ensure that all Council's section 80 committees meet once every quarter | Number of Council sec 80 committee meetings | 5 | 4 | 4 | 4 | | |
| TL9 | | To improve financial reporting | The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved | Top Layer SDBIP approved by the Mayor within 28 days after the main budget has been approved | 1 | 1 | 1 | 1 | | |
| TL31 | | To promote a culture of good governance | Preparation of the final IDP review for submission to Council to ensure compliance with legislation by 31 May annually | Final IDP review completed to submit to Council by 30 May 2019 | 1 | 1 | 1 | 1 | | |

Table 137: Municipal performance according to Good Governance and Public Participation Key Performance Indicators

3.22.5 Institutional development & transformation

| Ref | KPI | Unit of Measurement | Previous Year Performance | Annual Target | Period-to-Date as at June 2020 | | |
|-----|-----|---------------------|---------------------------|---------------|--------------------------------|--------|---|
| | | | | | Target | Actual | R |
| | | | | | | | |

| | | | | | | | |
|------|---|---|-------|------|------|-------|--|
| TL10 | The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100) | % of training budget spent as at 30 June 2020 | 24.0% | 100% | 100% | 28.5% | |
| TL11 | The number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data | Number of people employed (appointed) | 2 | 3 | 3 | 2 | |

Table 138: Municipal performance according to Institutional Development and Transformation Key Performance Indicators

3.23 Top-Layer Service Delivery and Budget Implementation (SDBIP) Scorecard: 2019/20 per Strategic Objectives

The following tables reflect the Municipality's performance for 2019/20 according to the Municipality's Strategic Objectives:

a) **To commit to continues improvement of human skills and resources to deliver effective services**

| Ref | KPI | Unit of Measurement | Previous Year performance | Year-to-date as at June 2020 | | | | |
|------|---|---|---------------------------|------------------------------|--------|---|--|---|
| | | | | Target | Actual | R | Performance Comment | Corrective Measure |
| TL10 | The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100) | % of training budget spent as at 30 June 2020 | 99% | 100% | 28.5% | | Target not reached due to Covid-19 | Training needs to be scheduled according to WSP. |
| TL11 | The number of people from employment equity target groups employed (appointed) in the three highest levels of | Number of people employed (appointed) | 2 | 3 | 2 | | The target is dependent on vacancies and available | Council will try to attract suitable candidates which |

| | | | | | | | | |
|--|---|--|--|--|--|--|--------|--------------------------|
| | management in compliance with Prince Albert Census Demographic statistical data | | | | | | skills | meet the equity targets. |
|--|---|--|--|--|--|--|--------|--------------------------|

b) To enhance participatory democracy

| Ref | KPI | Unit of Measurement | Previous year performance | Year-To-Date as at June 2020 | | | | |
|-----|--|--|---------------------------|------------------------------|--------|---|---|--|
| | | | | Target | Actual | R | Performance Comment | Corrective Measures |
| TL2 | Submit the Mid-Year Performance Report in terms of Section 72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary | Mid-year report submitted to council and treasury by 25th January annually | 1 | 1 | 1 | | Mid-Year report was submitted by legislative time | None needed |
| TL4 | Risk based audit plan approved by Audit Committee for 2019/20 by February | Risk based audit plan approved by February 2020 | All | 1 | 0 | | Plan was Approved, but only in June 2020. | Ensure that meetings take place as scheduled and that items are approved as per planning schedule. |
| TL6 | Effective functioning of Council meetings | Number of Council general meetings | All | 4 | 3 | | Due to Covid-19 the planned General Council meetings could not take place | Ensure that necessary logistical preparations and measurements is in place for Council meetings to continue. |
| TL7 | Effective functioning of Councils committee system | Number of Council Section 80 committee meetings per operational area meet once every quarter | All | 4 | 4 | | Council committee meetings held regularly. | None needed |
| TL9 | The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved | Top Layer SDBIP approved by the Mayor within 28 Days | All | 1 | 1 | | SDBIP approved within timeframe | None needed |

| | | | | | | | | |
|------|--|--|---|---|---|--|----------------------|-------------|
| | | after approval of Main Budget | | | | | | |
| TL31 | Preparation of the final IDP review for submission to Council to ensure compliance with legislation by 31 May annually | Final IDP review completed to submit to Council by 30 May 2020 | 1 | 1 | 1 | | Approved in May 2020 | None needed |

c) To promote the general standards of living

| Ref | IDP Ref | KPI | Unit of Measurement | Previous year | Year-to-Date as at June 2020 | | | | |
|------|---------|---|--|---------------|------------------------------|--------|---|---------------------|--|
| | | | | | Target | Actual | R | Performance Comment | Corrective Measures |
| TL33 | | Implementation of programs and awareness initiatives held in terms of social welfare as per project plan signed off by MM | Number of awareness initiatives and programs launched within community | NEW KPI | 4 | 4 | | Target met | Strive to fulfill obligations within available capacity. |

d) To maintain financial viability and sustainability through prudent expenditure and sound financial management systems

| Ref | KPI | Unit of Measurement | Wards | Previous year | Year-to-Date as at June 2020 | | | | |
|-----|---|---|-------|---------------|------------------------------|--------|---|--|--|
| | | | | | Target | Actual | R | Performance Comment | Corrective Measures |
| TL1 | Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August | Draft annual performance report submitted by 31 August annually | All | 1 | 1 | 1 | | Target reached | None |
| TL3 | The % of the Municipality's capital budget spent on capital projects identified in | The percentage (%) of a municipality's Annual or Adjusted capital budget spent on capital projects identified in the IDP for the 2019/20 financial year | All | 62.3% | 100% | 40.2% | | Target not reached due to capacity constraints | Commence earlier with capital projects |

| | | | | | | | | | |
|------|--|--|-----|-------|-----|-------|--|---|---|
| | the IDP, measured as the Total actual Year to Date (YTD) Capital Expenditure/ Total Approved Annual or Adjusted Capital Budget x 100 | | | | | | | | |
| TL5 | The main budget is approved by Council by end of May 2020 | Approval of Main Budget before the end of May annually | All | 1 | 1 | 1 | | | None needed |
| TL8 | The adjustment budget is approved by Council by end of February 2020 | Approval of Adjustments Budget before the end of February 2020 | All | 1 | 1 | 1 | | Adjustment budget approved by Council by February 2020 | None needed |
| TL20 | Maintain a Year to Date (YTD) debtors payment percentage of 85% excluding traffic services | Payment percentage (%) of debtors over 12 months rolling period | All | 86.4% | 85% | 76.5% | | Debt collection needs to be improved in outer towns. The impact of Covid-19 saw a drop in debt collection | More debt Awareness campaigns needs to be embarked on and ensure that Councils debt collection policy is implemented. |
| TL21 | Maintain a financially unqualified audit opinion for the 2018/19 financial year | Financial statements considered free from material misstatements as per Auditor General report | All | 1 | 1 | 1 | | Unqualified obtained (clean audit) | |

| | | | | | | | | | |
|------|--|---|-----|-------|-------|-----|--|---|---|
| TL22 | Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-grants received)/debt service payments due within the year) | ((Total operating revenue-operating grants received)/debt service payments due within the year) | All | 767.7 | 767.7 | 368 | | The situation worsened due to the impact of Covid-19 | More debt Awareness campaigns needs to be embarked on and ensure that Councils debt collection policy is implemented. |
| TL23 | Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) | (Total outstanding service debtors/ revenue received for services)X100 | All | 11% | 11% | 17% | | Achieved | None needed |
| TL24 | Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) | ((Available cash+ investments)/ Monthly fixed operating expenditure) | All | 5.0 | 5.0 | 9.2 | | Municipality has sufficient cash to cover expenditure | None needed |

e) To promote sustainable integrated development through social and spatial integration that eradicates the apartheid legacy

| Ref | KPI | Unit of Measurement | Wards | Previous Year | Year-to-Date as at June 2020 | | | | |
|------|--|--------------------------------|-------|---------------|------------------------------|--------|---|-----------------------------|------------------------------|
| | | | | | Target | Actual | R | Performance Comment | Corrective Measures |
| TL34 | The number of DRAP meetings attended for | Number of meetings attended by | All | New KPI | 4 | 3 | | Not all meetings could take | Virtual meetings needs to be |

| | | | | | | | | | |
|--|---|-------------------|--|--|--|--|--|---|------------|
| | the 2019/20 financial year, which is coordinated by the Central Karoo District Municipality | Municipal Manager | | | | | | place as planned, due to Covid-19 pandemic. | scheduled, |
|--|---|-------------------|--|--|--|--|--|---|------------|

f) To provide quality affordable and sustainable services on an equitable basis

| Ref | KPI | Unit of Measurement | Previous performance | Year-to-Date as at June 2020 | | | | |
|------|--|--|----------------------|------------------------------|--------|---|---|---|
| | | | | Target | Actual | R | Performance Comment | Corrective Measures |
| TL12 | Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | # of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) | 2 578 | 2 578 | 2 579 | | All connections made, target to be adjusted in new SDBIP | None needed |
| TL13 | Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network | No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network | 1 092 | 1 100 | 1 178 | | Target to be adjusted in new SDBIP | None needed |
| TL14 | Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area | Number of account holders for which refuse is removed at least once a week | 2 737 | 2 737 | 2 728 | | All households receive service – target to be adjusted in new SDBIP | Data verification process indicated 9 houses less than target set. All houses provided with service |
| TL15 | Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders | No of indigent account holders receiving free basic refuse removal monthly | 1 092 | 1 100 | 1 188 | | All connections made, target to be adjusted in new SDBIP | |

| | | | | | | | | |
|------|---|--|-------|-------|-------|--|---|---|
| TL16 | Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network. | Number of formal residential properties that meet agreed service standards for piped water | 2 820 | 2 820 | 2 569 | | All households receive service – target to be adjusted in new SDBIP | This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future. |
| TL17 | Provide 6kl free basic water to registered indigent account holders per month | No of registered indigent account holders receiving 6kl of free water | 1 092 | 1 100 | 1 188 | | Target reached | Target to be adjusted in new SDBIP |
| TL18 | Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | No of residential properties which are billed for sewerage in accordance to the financial system. | 2 701 | 2 701 | 2 548 | | All households receive service – target to be adjusted in new SDBIP | This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future. |
| TL19 | Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). | No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements. | 1 092 | 1 100 | 1 188 | | Target to be adjusted in new SDBIP | Target to be adjusted in new SDBIP |
| TL26 | Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klaarstroom | % of Lab Results complying with SANS 241. | 87.3% | 80% | 88.0% | | Lab Results for drinking water adhere to standards | Water process controllers appointed and in training |

| | | | | | | | | |
|------|--|---|--------|-----|--------|--|--|---|
| TL27 | Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom | % of Lab Results complying with SANS Irrigation standards. | 76.4% | 90% | 79.9% | | Target not reached due to capacity constraints | Water process controllers appointed and in training, SOP's to be developed |
| TL28 | Develop a Water Service Development Plan and submit to council for approval by the end of June 2020 | Plan approved by council | 0 | 1 | 0 | | No funding available | Agreement reached with DBSA to develop WSP. |
| TL29 | Limit water losses to not more than 15% {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100}} | % Water losses achieved (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100) | 25.08% | 15% | 24.98% | | Target not reached due to drought conditions with limited use during drought and more burst pipes due to pressure control. | Implement meters at sport fields and install more valves to improve water loss control. |
| TL30 | Limit electricity losses to not more than 15% {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100}} | % electricity losses achieved (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100 | 11.9% | 15% | 12.9% | | Target exceeded | None needed |

g) To stimulate, strengthen and improve the economy for sustainable growth

| Ref | KPI | Unit of Measurement | Wards | Previous performance | Year-to-Date as at June 2020 | | | | |
|------|---|--|-------|----------------------|------------------------------|--------|---|---|--|
| | | | | | Target | Actual | R | Performance Comment | Corrective Measures |
| TL32 | Implementation of the Local Economic Development Strategy | Number of LED interventions/ activities / programmes implemented | | 4 | 4 | 3 | | Due to Covid-19 pandemic not all LED initiatives could be completed | Some LED initiatives should be done virtually. |

| | | | | | | | | | |
|------|---|---|-----|-----|-----|-----|--|--|-------------|
| TL25 | The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period. | Number of people temporary appointed to be in the EPWP programs | All | 203 | 150 | 178 | | Target exceeded due to additional funding made available during the adjustment budget. | None needed |
|------|---|---|-----|-----|-----|-----|--|--|-------------|

3.24 Service Providers Strategic Performance

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

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

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

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

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

The purpose of this section is to provide information related to the performance of external service providers. Only services rendered for an amount more than R200 000 are listed.

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

a) Office of the Municipal Manager

| Description of services rendered | Term of contract | Performance areas | Performance rating | Performance comment | Corrective measures |
|----------------------------------|------------------|---|--------------------|---------------------|---------------------|
| Roy Steele & Associates | Once off | Recruitment of Selection of Senior Manager Operations | Good | n/a | n/a |

Table 143: Service Providers Performance – Office of the Municipal Manager

b) Financial Services

| Description of services rendered | Term of contract | Performance areas | Performance rating | Performance comment | Corrective measures |
|----------------------------------|------------------|--------------------------------------|--------------------|---------------------------|---------------------|
| Mubesco | 2 years | Review of AFS | Excellent Service | Excellent Service | n/a |
| Syntell | 3 years | Licence Fees for prepaid Electricity | Good service | Good Service | |
| Ubertech | 3 years | IT Support | Excellent Service | Excellent Service | n/a |
| Lateral Unison | 3Years | Short term insurance | Excellent Service | High rate, limited market | |

Table 144: Service Providers Performance – Financial Services

c) Infrastructure Services -

Service delivery is key and 70% of the budget are spend by the technical department.

| Description of services rendered | Term of contract | Performance Areas | Performance Rating | Performance Comment | Corrective measures |
|----------------------------------|------------------|---|--------------------|---------------------|---------------------|
| Jan Nel Elektries | 3 Year | Electricity Contractor | Excellent Services | Excellent response | n/a |
| National Garage | When needed | Fuel | Excellent Service | Excellent service | |
| Klein Karoo Kooperasie | When needed | Supply & delivery of material & equipment | Excellent Services | Excellent service | n/a |
| Cash Build | When needed | Supply & delivery of material & equipment | Excellent Services | Excellent services | n/a |

Table 145: Service Providers Performance – Infrastructure Services

d) Corporate & Community Services

| Description of services rendered | Term of contract | Performance Areas | Performance Rating | Performance Comment | Corrective measures |
|----------------------------------|------------------|-------------------|--------------------|---------------------|---------------------|
|----------------------------------|------------------|-------------------|--------------------|---------------------|---------------------|

| | | | | | |
|-----------------|----------|--|------|-----|-----|
| Bidvest Waltons | One year | Supply and delivery of stationary and ink cartridges | Good | n/a | n/a |
|-----------------|----------|--|------|-----|-----|

Table 146: Service Provider Performance – Strategic & Community Services

Chapter 4

Organisational Development Performance

Component A: Introduction to the Municipal Personnel

Introduction

The Prince Albert Municipality currently employs 56 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the Municipality's objectives. Tables below includes 56 permanent employees, 16 contract workers, 3 financial interns and 2 water meter readers.

4.1 Employee Totals, Turnover and Vacancies

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

| Occupational Levels | Male | | | | Female | | | | Total |
|--|------|---|---|---|--------|---|---|---|-------|
| | A | C | I | W | A | C | I | W | |
| Top Management | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 2 |
| Senior management | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Professionally qualified and experienced specialists and mid- management | 0 | 2 | 0 | 1 | 0 | 0 | 0 | 0 | 3 |

| | | | | | | | | | |
|---|----------|-----------|----------|----------|----------|-----------|----------|----------|-----------|
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 0 | 23 | 0 | 0 | | 20 | | 2 | 45 |
| Semi-skilled and discretionary decision making | 0 | 5 | 0 | 1 | 0 | 0 | 0 | 0 | 6 |
| Unskilled and defined decision making | 0 | 14 | 0 | 1 | 0 | 5 | 0 | 0 | 20 |
| Total permanent | 0 | 33 | 0 | 2 | 0 | 20 | 0 | 1 | 56 |
| Non- permanent employees | 0 | 12 | 0 | 2 | 0 | 5 | 0 | 2 | 21 |
| Grand total | 0 | 45 | 0 | 4 | 0 | 25 | 0 | 3 | 77 |

Table: Occupational levels:

The table below reflects permanent staff. It must be noted that staff employed on contract include two persons from the target groups on the three highest levels of management, comprising of five staff members.

The following table categorizes the number of employees by race within the different departments:

| Department | Male | | | | Female | | | | Total |
|-----------------------------------|----------|-----------|----------|----------|----------|-----------|----------|----------|-----------|
| | A | C | I | W | A | C | I | W | |
| Office of the Municipal Manager | 0 | 2 | 0 | 0 | 0 | 1 | 0 | 1 | 4 |
| Strategic Services | 0 | 13 | 0 | 0 | 0 | 15 | 0 | 2 | 30 |
| Technical and Electrical Services | 0 | 25 | 0 | 2 | 0 | 2 | 0 | 0 | 29 |
| Financial Services | 0 | 5 | 0 | 2 | 0 | 8 | 0 | 0 | 15 |
| Total permanent | 0 | 33 | 0 | 2 | 0 | 20 | 0 | 1 | 56 |
| Non- permanent | 0 | 12 | 0 | 2 | 0 | 5 | 0 | 2 | 21 |
| Grand total | 0 | 45 | 0 | 4 | 0 | 25 | 0 | 3 | 77 |

Department - Race

| KPA & Indicators | Municipal Achievement | Municipal Achievement |
|--|-----------------------|-----------------------|
| | 2018/19 | 2019/20 |
| The number of people from employment equity target groups permanently employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | 2 | 2 |
| The percentage of a municipality's budget actually spent on implementing its workplace skills plan | 24% | 28.8% |

National KPIs– Municipal Transformation and Organisational Development

4.2.1 Employment Equity

The Employment Equity Act (1998) Chapter 3, Section 15 (1) confirms affirmative action as measures designed to ensure that suitable qualified people from designated groups enjoys equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. An Employment Equity Plan was drafted in the reporting year and submitted to the Department of Labour. The Department was also approached for assistance in implementing the policy.

The table below indicates the number of employees by race within the specific occupational categories:

| Occupational Categories | Male | | | | Female | | | | Total |
|--|----------|-----------|----------|----------|----------|-----------|----------|----------|-----------|
| | A | C | I | W | A | C | I | W | |
| Legislators, senior officials and managers | 0 | 1 | 0 | 2 | 0 | 0 | 0 | 1 | 4 |
| Professionals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Technicians and associate professionals | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Clerks | 0 | 22 | 0 | 0 | 0 | 20 | 0 | 2 | 44 |
| Service and sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | 0 | 5 | 0 | 1 | 0 | 0 | 0 | 0 | 6 |
| Elementary occupations | 0 | 15 | 0 | 1 | 0 | 5 | 0 | 0 | 21 |
| Total permanent | 0 | 33 | 0 | 2 | 0 | 20 | 0 | 1 | 56 |
| Non-permanent | 0 | 12 | 0 | 2 | 0 | 5 | 0 | 2 | 21 |
| Grand total | 0 | 45 | 0 | 4 | 0 | 25 | 0 | 3 | 77 |

Occupational Categories

The following table categorizes the number of employees by race within the different departments:

| Department | Male | | | | Female | | | | Total |
|-----------------------------------|------|----|---|---|--------|----|---|---|-------|
| | A | C | I | W | A | C | I | W | |
| Office of the Municipal Manager | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 1 | 3 |
| Strategic Services | 0 | 12 | 0 | 0 | 0 | 15 | 0 | 2 | 29 |
| Technical and Electrical Services | 0 | 26 | 0 | 2 | 0 | 2 | 0 | 0 | 30 |
| Financial Services | 0 | 5 | 0 | 2 | 0 | 8 | 0 | 0 | 15 |
| Total permanent | 0 | 33 | 0 | 2 | 0 | 20 | 0 | 1 | 56 |

| | | | | | | | | | |
|--------------------|----------|-----------|----------|----------|----------|-----------|----------|----------|-----------|
| Non- permanent | 0 | 12 | 0 | 2 | 0 | 5 | 0 | 2 | 21 |
| Grand total | 0 | 45 | 0 | 4 | 0 | 25 | 0 | 3 | 77 |

Department - Race

4.2.2 Vacancy Rate

The approved organogram for the municipality reflected 105 posts for the 2019/20 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 29 Posts were vacant at the end of 2019/20, resulting in a vacancy rate of 23.76%.

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

| Per Task Level | | |
|---------------------------------------|-----------|-----------|
| Task level | Filled | Vacant |
| MM & MSA section 57 & 56 | 2 | 0 |
| Middle management (T14-T19) | 3 | 0 |
| Admin Officers (T4-T13) | 38 | 13 |
| General Workers (T3) | 29 | 11 |
| Grant remuneration outside TASK level | 5 | 0 |
| Total | 77 | 24 |
| Per Functional Level | | |
| Functional area | Filled | Vacant |
| Office of the Municipal Manager | 4 | 0 |
| Corporate & Community Services | 29 | 6 |
| Technical and Electrical Services | 28 | 15 |
| Financial Services | 11 | 3 |
| Appointments from Grants | 5 | 0 |
| Total | 77 | 24 |

Vacancy rate per post and functional level

4.2.3 Turnover rate

Small, rural municipalities find it difficult to attract and retain skilled staff as they cannot compete with bigger municipalities in terms of salary, skills transfer and opportunities. This results in a high turn-over of staff. A high turnover rate for staff member's impacts negatively on a municipality as it may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate is estimated at 11.69% and is mainly due to retirement and financial interns that resign after they are trained to seek opportunities

elsewhere. This high turnover rate show case the need for staff retention and the challenges faced by isolated rural municipalities.

The table below indicates the turn-over rate over the last two years:

| Financial year | Total no appointments at the end of each Financial Year | New appointments | No Terminations during the year | Turn-over Rate |
|----------------|---|------------------|---------------------------------|----------------|
| 2014/15 | 68 | 5 | 3 | 11.76 |
| 2015/2016 | 63 | 5 | 10 | 23.80 |
| 2016/17 | 72 | 22 | 12 | 16.66 |
| 2017/18 | 75 | 14 | 11 | 14.66 |
| 2018/19 | 76 | 8 | 13 | 17.91 |
| 2019/20 | 77 | 16 | 9 | 11.69 |

Table 154: Turnover Rate

Component B: Managing the Municipal Workforce

Introduction

The municipal workforce forms the foundation of service delivery and the effective management of the municipal workforce will be paramount.

4.2 HR Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and an equitable, fair and open approach to the managing of staff.

The table below reflects the HR policies and plans that are in operation within the Municipality and that must be annually reviewed.

| Approved policies | |
|--------------------------------|------------------------|
| Name of policy | Date approved/ revised |
| Employment Policy | 2003 |
| Internal Conditions of Service | 2003 |
| Sexual harassment | 2019 |
| Subsistence and Travelling | May 2017 |
| Training & Development | 2014 |
| Language | 2015 |

| | |
|--|-----------|
| Support Staff | 2007 |
| Cell Phone | 2018 |
| Induction Training and Staff Orientation | 2007 |
| Internal control: Salaries and grants | 2007 |
| Study | 2014 |
| IT | 2007 |
| HIV/AIDS | 2007 |
| Induction programme | 2008 |
| Recruitment and Selection | 2018 |
| Employment Equity | 2018 |
| Incapacity / Ill-Health | 2012 |
| Substance Abuse | 2018 |
| Smoking Policy | 2018 |
| Overtime | June 2017 |
| Retirement Planning | 2012 |
| Unauthorized Absence | 2012 |
| Uniform Protective Clothing | 2018 |
| Employment on 5/8 basis | 2012 |
| Policy on imprisoned employees | 2012 |
| Scarce skills policy | 2012 |
| Extended medical aid contribution policy | June 2017 |

Table 155: HR policies and plans

As indicated above most of the HR policies are out-dated and must be reviewed within the next financial year to ensure that they are relevant and address the needs of management and the staff component.

4.3 Injuries, Sickness and Suspensions

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease. Occupational injury will influence the loss of man hours and therefore financial and productivity performance. The Municipality appointed Workplace Safety Representatives within the municipality for the respective departments as required by legislation. These employees are:

- Marchel April
- Christiaan Minnaar
- Henry Lekay
- Merwyn Maans
- Danvor Sarelse
- Jafftha de Wee
- Burnet May

SALGA was requested to provide training to the officials in respect of workplace safety. Workplace health and safety training took place during the reporting year and awareness around occupational health and safety has improved among the work force. Four workplace injuries were reported during 2019/20, of which one is an EPWP worker.

Sick Leave

Sick leave has a direct impact on the productivity of a municipality and therefore it must be closely monitored to ensure that no abuse takes place. Sick leave records are maintained by the Human Resource department and management closely monitors this.

The total number of employees that have taken sick leave during the 2019/20 showed a significant increase and the majority of sick leave taken was due to an official suffering serious illness.

The table below indicates the total number sick leave days taken within the different departments:

| Department | 2018/19 | 2019/20 |
|-----------------------------------|------------|------------|
| Office of the Municipal Manager | 30 | 7 |
| Strategic Services and Corporate | 151 | 118 |
| Technical and Electrical Services | 175 | 86 |
| Financial Services | 54 | 99 |
| Total | 410 | 310 |

Table 156: Sick Leave

Component C: Capacitating the Municipal Workforce

4.4 Skills Development and Training

Section 68(1) of the Local Government: Municipal Systems Act, 2000 (MSA) states that a 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 manner. 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).

MFMA Competency Levels Training

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013, employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

The table below provides details of the financial competency development progress as on 30 June 2019.

| Description | Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | Competency assessments completed (Regulation 14(4)(b) and (d)) | Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)) | Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
|-------------------------------|--|--|--|--|
| Financial Officials | | | | |
| Accounting officer | 0 | 0 | 0 | 0 |
| Chief financial officer | 1 | 1 | 1 | 1 |
| Senior managers | 0 | 0 | 0 | 0 |
| Any other financial officials | 7 | 3 busy with MMC | 0 | 0 |

| Supply Chain Management Officials | | | | |
|---|-----------|--------------------------------|----------|----------|
| Heads of supply chain management units | 0 | 0 | 0 | 0 |
| Supply chain management senior managers | 2 | 1 Busy with Minimum Competency | 0 | 0 |
| TOTAL | 11 | 4 | 2 | 2 |

Table 157: Budget allocated and spent for skills development

Component D: Managing the Municipal Workforce Expenditure

Introduction

Section 66 of the Local Government: Municipal Systems Act, 2000 states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.5 Employee Expenditure

The percentage personnel expenditure in relation to the total operational expenditure of a municipality is essential in the budgeting process as it reflects affordability. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years as a percentage of the total operating expenditure. Prince Albert Municipality is well within the national norm of between 35 to 40% as reflected below.

| Financial year | Total Expenditure | Total Operating | Percentage |
|----------------|-----------------------|-----------------|------------|
| | salary and allowances | Expenditure | |
| | R'000 | R'000 | |
| 2016/2017 | 14 766 | 63 572 | 23,23% |
| 2017/2018 | 19 429 | 67 478 | 28,79% |
| 2018/2019 | 20 038 | 66 374 | 30,19% |
| 2019/20 | 23 312 | 73 288 | 31.80% |

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

| Financial year | 2018/19 | 2019/20 | | |
|--|---------|---------|-----------------|-----------------|
| | | Actual | Original Budget | Adjusted Budget |
| Description | R,000 | R,000 | R,000 | R,000 |
| Councillors (Political Office Bearers plus Other) | | | | |
| Basic Salary & Wages | 2 084 | 2 775 | 2 775 | 2 189 |
| Pension & Medical Aid Contributions | | - | - | |
| Motor vehicle allowance | 533 | - | - | 533 |

| | | | | |
|--|---------------|---------------|---------------|---------------|
| Cell phone allowances | 311 | 311 | 311 | 311 |
| Housing allowances | | - | - | - |
| Other benefits or allowances | | - | - | - |
| In-kind benefits | | - | - | - |
| Sub Total | 2 928 | 3 086 | 3 086 | 3 033 |
| % increase/ (decrease) | 0,14% | 5,11% | 0,00% | -1,74% |
| Senior Managers of the Municipality | | | | |
| Basic Salary & Wages | 2 166 | 2 477 | 2 269 | 1 759 |
| Pension and Medical Aid Contributions | 293 | 133 | 133 | 296 |
| Motor vehicle allowance | 270 | 301 | 301 | 222 |
| Cell phone allowance | 42 | 60 | 60 | 76 |
| Housing allowance | 18 | 18 | 18 | 8 |
| Performance Bonus | - | - | 8 | - |
| Other benefits or allowances | - | 36 | 226 | - |
| Sub Total | 2 790 | 3 026 | 3 016 | 2 361 |
| % increase/ (decrease) | -2,32% | 8% | 0% | -28% |
| Other Municipal Staff | | | | |
| Basic Salary & Wages | 11 879 | 13 609 | 13 817 | 13 612 |
| Pension and Medical Aid Contributions | 1 837 | 2 538 | 2 538 | 1 946 |
| Motor vehicle allowance | 872 | 1 057 | 1 057 | 893 |
| Cell phone allowance | (42) | (60) | (60) | (76) |
| Housing allowance | 97 | 100 | 100 | 101 |
| Overtime | 634 | 843 | 843 | 817 |
| Performance Bonus | - | - | (8) | - |
| Other benefits or allowances | 1 363 | 824 | 634 | 384 |
| Sub Total | 16 640 | 18 909 | 18 919 | 17 677 |
| % increase | -6,31% | 12% | 0% | -7% |
| Total Municipality | 22 357 | 25 021 | 25 021 | 23 071 |
| % increase/ (decrease) | -4,54% | 11% | 0% | -8% |
| | | | | |
| Table 160: Personnel Expenditure | | | | |

CHAPTER 5: FINANCIAL PERFORMANCE

This chapter provides details regarding the financial performance of the municipality for the 2019/20 financial year.

Component A: Statements of Financial Performance

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality. The 2019/20 audited Annual Financial Statements are attached as Annexure B.

5.1 Financial Summary

The table below indicates the summary of the financial performance for the 2019/20 financial year:

| Description | 2018/19 | 2019/20 | | | 2019/20 Variance | |
|--|--------------------------|-----------------|-----------------|-----------------|------------------|--------------------|
| | Actual (Audited Outcome) | Original Budget | Adjusted Budget | Actual | Original Budget | Adjustments Budget |
| | R'000 | | | | % | |
| Financial Performance | | | | | | |
| Property rates | 4 076 | 4 698 | 4 698 | 3 980 | -15% | -15% |
| Revenue cost of free services provided: Property rates | (631) | (672) | (672) | (361) | -46% | -46% |
| Service charges | 27 365 | 31 185 | 30 098 | 29 920 | -4% | -1% |
| Revenue cost of free services provided: Service charges | (4 220) | (4 642) | (5 116) | (4 790) | 3% | -6% |
| Investment revenue | 2 835 | 2 560 | 3 612 | 3 359 | 31% | -7% |
| Transfers recognised - operational | 25 475 | 28 271 | 30 980 | 27 576 | -2% | -11% |
| Other own revenue | 21 484 | 8 763 | 8 770 | 8 349 | -5% | -5% |
| Total Revenue (excluding capital transfers and contributions) | 76 384 | 70 163 | 72 370 | 68 032 | -3% | -6% |
| Employee costs | 20 088 | 24 600 | 25 068 | 22 481 | -9% | -10% |
| Remuneration of councillors | 3 033 | 3 197 | 3 197 | 3 127 | -2% | -2% |
| Depreciation & asset impairment | 5 249 | 3 340 | 3 340 | 4 618 | 38% | 38% |
| Finance charges | 1 799 | 1 190 | 1 545 | 1 314 | 10% | -15% |
| Materials and bulk purchases | 10 393 | 12 124 | 12 124 | 11 377 | -6% | -6% |
| Repairs and Maintenance | 1 545 | 1 878 | 1 905 | 1 846 | -2% | -3% |
| Other expenditure | 25 116 | 24 663 | 26 109 | 24 465 | -1% | -6% |
| Total Expenditure | 67 223 | 70 992 | 73 288 | 69 229 | -2% | -6% |
| Surplus/(Deficit) | 9 161 | (829) | (918) | (1 196) | 44% | 30% |
| Transfers recognised - capital | 8 942 | 21 077 | 30 466 | 12 723 | -40% | -58% |
| Surplus/(Deficit) after capital transfers & contributions | 219 | (21 907) | (31 384) | (13 919) | -36% | -56% |

| | | | | | | |
|---|----------------|----------------|----------------|----------------|-------------|-------------|
| | | | | | | |
| | | | | | | |
| Transfers recognised - capital | 8 942 | 21 077 | 30 466 | 12 723 | -40% | -58% |
| Total sources of capital funds | 8 942 | 21 077 | 30 466 | 12 723 | -40% | -58% |
| | | | | | | |
| Total current assets | 37 369 | 35 999 | 20 351 | 56 902 | 58% | 180% |
| Total non-current assets | 158 393 | 175 563 | 208 342 | 167 103 | -5% | -20% |
| Total current liabilities | 11 025 | 6 087 | 6 087 | 29 094 | 378% | 378% |
| Total non-current liabilities | 27 402 | 27 154 | 27 154 | 26 049 | -4% | -4% |
| | | | | | | |
| Net cash from (used) financing | | | | | | |
| Cash/cash equivalents at the year end | 157 335 | 178 322 | 195 452 | 168 862 | -5% | -14% |
| | | | | | | |
| Cash and investments available | 33 084 | 23 729 | 8 081 | 51 982 | 119% | 543% |
| Application of cash and investments | | | | | | |
| Balance - surplus (shortfall) | | | | | | |
| Asset management | | | | | | |
| Asset register summary (WDV) | 148 753 | 175 563 | 208 160 | 156 855 | -11% | -25% |
| Depreciation & amortisation | 5 249 | 3 340 | 3 340 | 4 618 | 38% | 38% |
| Renewal of Existing Assets | - | - | - | - | 0% | 0% |
| Repairs and Maintenance | 1 545 | 1 878 | 1 905 | 1 846 | -2% | -3% |
| Free services | | | | | | |
| Cost of Free Basic Services provided | 4 851 | 5 314 | 5 788 | 5 152 | -3% | -11% |
| Households below minimum service level | | | | | | |
| Water: | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanitation/sewerage: | 0 | 0 | 0 | 0 | 0 | 0 |
| Energy: | 0 | 0 | 0 | 0 | 0 | 0 |
| Refuse: | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | |
| Financial Performance 2019/20 | | | | | | |

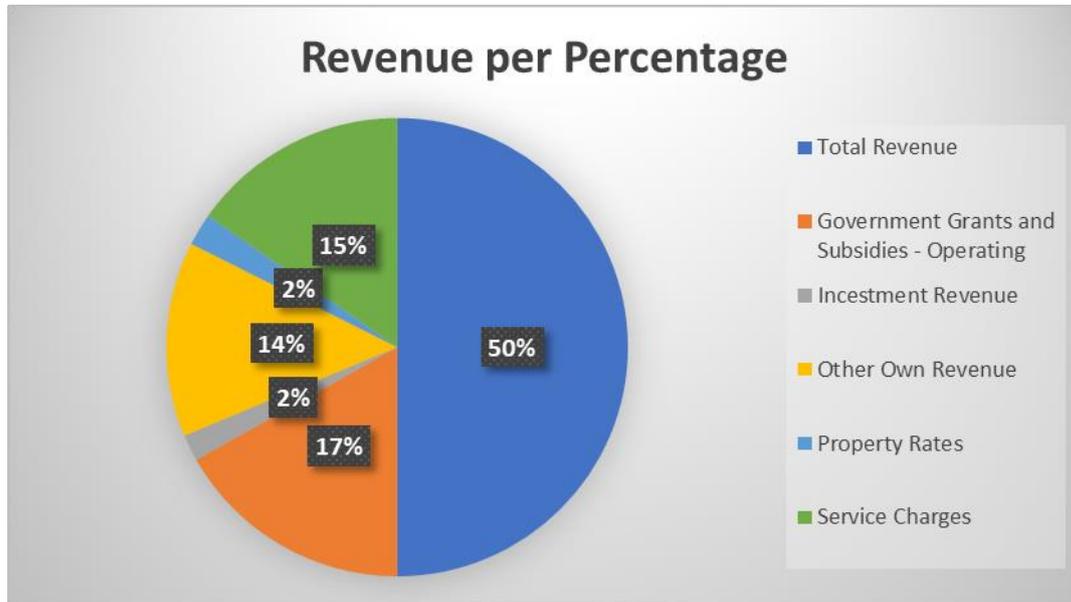
The table below shows a summary of performance against budgets:

| Financial Year | Revenue | | | | Operating expenditure | | | |
|----------------|---------|--------|----------|------|-----------------------|--------|----------|------|
| | Budget | Actual | Diff. | % | Budget | Actual | Diff. | % |
| | (R'000) | | | | (R'000) | | | |
| 2015/16 | 86 419 | 72 120 | (14 299) | -20% | 59 527 | 50 635 | (8 892) | -18% |
| 2016/17 | 87 726 | 72 120 | (15 606) | -22% | 68 165 | 63 572 | (4 593) | -7% |
| 2017/18 | 82 191 | 76 471 | (5 719) | -7% | 71 161 | 67 478 | (3 683) | -5% |
| 2018/19 | 94 454 | 74 597 | (19 857) | -27% | 79 919 | 66 374 | (13 545) | -20% |
| 2019/20 | 72 370 | 68 032 | (4 338) | -6% | 73 288 | 69 229 | (4 060) | -6% |

Performance against budgets

The following graph indicates the various types of revenue items in the municipal budget for 2019/20

Revenue per percentage



Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2019/20

5.1.1 Revenue collection by Vote

The table below indicates the Revenue collection performance by Vote:

| Vote Description | 2018/19 | 2019/20 | | | 2019/20 Variance | |
|--------------------------------|---------|-----------------|-----------------|--------|------------------|--------------------|
| | Actual | Original Budget | Adjusted Budget | Actual | Original Budget | Adjustments Budget |
| | R'000 | | | | % | |
| 1.1 - MUNICIPAL MANAGER | 20 022 | 22 870 | 23 877 | 22 716 | -1% | -5% |
| 1.2 - COUNCIL GENERAL EXPENSES | 42 | 23 | 23 | 32 | 40% | 40% |
| 2.1 - FINANCIAL SERVICES | 18 874 | 10 900 | 12 159 | 8 325 | -24% | -32% |
| 2.2 - PROPERTY RATES | 3 431 | 3 936 | 3 936 | 3 619 | -8% | -8% |
| 3.1 - IDP | - | - | - | - | #DIV/0! | #DIV/0! |
| 3.2 - STRATEGIC SERVICES | 59 | 74 | 148 | 89 | 20% | -40% |
| 3.3 - CORPORATE SERVICES | 525 | 807 | 1 563 | 1 142 | 0% | 0% |
| 4.1 - CEMETRIES | 11 | 10 | 10 | 23 | 130% | 130% |
| 4.10 - SOCIAL SERVICES | - | - | - | - | 0% | 0% |

| | | | | | | |
|-------------------------------------|---------------|---------------|----------------|---------------|---------|---------|
| 4.2 - LIBRARY | 1 568 | 1 667 | 1 667 | 1 778 | 0% | 0% |
| 4.3 - DISASTER MANAGEMENT | 34 | 845 | 845 | 830 | 0% | 0% |
| 4.4 - COMMUNITY HALLS | 331 | 300 | 300 | 102 | -66% | -66% |
| 4.5 - GALLERY | - | - | - | - | #DIV/0! | #DIV/0! |
| 4.5 - TRAFFIC CONTROL | 6 684 | 3 285 | 3 285 | 4 223 | 0% | 0% |
| 4.6 - HOUSING | - | 1 000 | 1 872 | - | -100% | -100% |
| 4.7 - SPORT AND RECREATION | 21 | 22 | 22 | 13 | -39% | -39% |
| 4.8 - TOURISM | - | - | - | - | 0% | 0% |
| 4.9 - COMMUNITY DEVELOPMENT WORKERS | - | - | - | - | 0% | 0% |
| 5.1 - ELECTRICITY SERVICES | 14 199 | 16 669 | 15 088 | 14 871 | 0% | 0% |
| 5.2 - WATER SERVICES | 12 357 | 22 272 | 31 411 | 15 260 | -31% | -51% |
| 5.3 - SEWERAGE | 3 385 | 3 417 | 3 537 | 3 445 | 1% | -3% |
| 5.4 - REFUSE | 1 666 | 1 832 | 1 782 | 2 126 | 0% | 0% |
| 5.5 - PUBLIC WORKS | 2 115 | 1 311 | 1 311 | 2 160 | 65% | 65% |
| | | | | | | |
| Total Revenue by Vote | 85 326 | 91 240 | 102 836 | 80 755 | | |

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3. It should also be noted that the Equitable share was originally budgeted between the services revenue, but had to be taken out due to mSCOA and displayed under Council General expenses, 1.2, from now onwards.

5.1.2 Revenue collection by Source

The table below indicates the revenue collection performance by source for the 2019/20 financial year:

| Description | 2018/19 | 2019/20 | | | 2019/20 Variance | |
|---|---------|-----------------|-----------------|---------|------------------|--------------------|
| | Actual | Original Budget | Adjusted Budget | Actual | Original Budget | Adjustments Budget |
| | R'000 | | | | % | |
| Property rates | 4 076 | 4 608 | 4 608 | 3 980 | -14% | -14% |
| Property rates - penalties & collection charges | (645) | (672) | (672) | (361) | -46% | -46% |
| Service Charges - electricity revenue | 14 855 | 17 169 | 15 895 | 15 717 | -8% | -1% |
| Service Charges - water revenue | 5 316 | 5 578 | 5 578 | 5 536 | -1% | -1% |
| Service Charges - sanitation revenue | 4 684 | 4 835 | 5 022 | 5 060 | 5% | 1% |
| Service Charges - refuse revenue | 2 509 | 2 692 | 2 692 | 2 715 | 1% | 1% |
| Less: Subsidy to Indigent Households | (4 206) | (4 642) | (5 116) | (4 790) | 3% | -6% |
| Public contributions | - | - | - | - | #DIV/0! | #DIV/0! |
| Rentals of facilities and equipment | 500 | 486 | 486 | 489 | 1% | 1% |
| Interest earned - external investments | 2 835 | 2 560 | 3 612 | 3 359 | 31% | -7% |
| Interest earned - outstanding debtors | 836 | 1 000 | 1 000 | 892 | -11% | -11% |
| Contributed assets | 9 574 | - | - | - | 0% | 0% |
| Fines | 6 406 | 3 089 | 3 089 | 3 936 | 27% | 27% |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|------------|------------|
| Licences and permits | 58 | – | – | 73 | #DIV/0! | #DIV/0! |
| Agency services | 224 | 200 | 200 | 218 | 9% | 9% |
| Service in Kind | 3 331 | 2 500 | 2 500 | 3 371 | 35% | 35% |
| Transfers recognised - operational | 25 475 | 28 271 | 30 980 | 27 576 | -2% | -11% |
| Other revenue | 496 | 2 390 | 2 397 | 36 | -98% | -98% |
| Gains on disposal of PPE | – | – | – | – | 0% | 0% |
| Actuarial Gains | 59 | 100 | 100 | 225 | 0% | 0% |
| Total Revenue (excluding capital transfers and contributions) | 76 384 | 70 163 | 72 370 | 68 032 | -3% | -6% |
| Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4. | | | | | | |

5.1.3 Operational Services Performance

The table below indicates the Operational services performance for the 2019/20 financial year:

| Operational Services Performance | | | | | | |
|------------------------------------|---------------|-----------------|-----------------|---------------|------------------|--------------------|
| Description | 2018/19 | 2019/20 | | | 2019/20 Variance | |
| | Actual | Original Budget | Adjusted Budget | Actual | Original Budget | Adjustments Budget |
| | R'000 | | | | % | |
| Operating Cost | | | | | | |
| Water | 4 353 | 4 804 | 4 679 | 4 556 | -5% | -3% |
| Waste Water (Sanitation) | 2 851 | 3 376 | 3 111 | 3 592 | 6% | 15% |
| Electricity | 11 795 | 13 982 | 14 070 | 13 620 | -3% | -3% |
| Waste Management | 5 020 | 3 910 | 4 176 | 3 560 | -9% | -15% |
| Component A: sub-total | 24 018 | 26 072 | 26 035 | 25 328 | -3% | -3% |
| Roads | 6 891 | 6 183 | 6 897 | 7 772 | 26% | 13% |
| Component B: sub-total | 6 891 | 6 183 | 6 897 | 7 772 | 26% | 13% |
| Planning | 606 | 743 | 871 | 682 | -8% | -22% |
| Housing | – | 1 000 | 1 872 | – | -100% | -100% |
| Component C: sub-total | 606 | 1 743 | 2 743 | 682 | -61% | -75% |
| Community & Social Services | 2 605 | 3 076 | 3 049 | 3 117 | 1% | 2% |
| Executive and Council | 6 220 | 7 832 | 8 500 | 7 595 | -3% | -11% |
| Finance and Administration | 12 275 | 13 060 | 12 739 | 12 526 | -4% | -2% |
| Security and Safety | 8 099 | 5 036 | 3 885 | 5 454 | 8% | 40% |
| Sport and Recreation | 1 016 | 1 215 | 1 216 | 1 057 | -13% | -13% |
| Corporate Policy Offices and Other | 5 293 | 6 576 | 8 024 | 5 499 | -16% | -31% |
| Tourism | 200 | 200 | 200 | 200 | 0% | 0% |
| Component D: sub-total | 35 708 | 36 994 | 37 612 | 35 447 | -27% | -14% |
| Total Expenditure | 67 223 | 70 992 | 73 288 | 69 229 | -2% | -6% |

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

5.2 Financial Performance per Municipal Function

5.2.1 Water Services

| Description | 2018/19 | 2019/20 | | | |
|---|---------|-----------------|-------------------|--------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 4 597 | 7 185 | 13 229 | 11 404 | -14% |
| Expenditure: | | | | | |
| Employees | 992 | 1 588 | 1 385 | 972 | -30% |
| Repairs and Maintenance | 289 | 288 | 296 | 450 | 52% |
| Depreciation | 800 | 720 | 720 | 890 | 24% |
| Other | 2 271 | 2 208 | 2 278 | 2 244 | 0% |
| Total Operational Expenditure | 4 353 | 4 804 | 4 679 | 4 556 | -3% |
| Net Operational (Service) | 245 | 2 381 | 8 550 | 6 848 | -20% |
| Variances are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

5.2.2 Waste Water (Sanitation)

| Description | 2018/19 | 2019/20 | | | |
|--------------------------------------|---------|-----------------|-------------------|--------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 3 385 | 3 417 | 3 537 | 3 445 | -3% |
| Expenditure: | | | | | |
| Employees | 704 | 1 050 | 834 | 733 | -12% |
| Repairs and Maintenance | 175 | 162 | 162 | 145 | -10% |
| Depreciation | 797 | 770 | 770 | 773 | 0% |
| Other | 1 174 | 1 394 | 1 344 | 1 940 | 44% |
| Total Operational Expenditure | 2 851 | 3 376 | 3 111 | 3 592 | 15% |
| Net Operational (Service) | 534 | 41 | 426 | (147) | -134% |
| Expenditure | | | | | |

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.2.3 Electricity

| Description | 2018/19 | 2019/20 | | | |
|--|---------|-----------------|-------------------|--------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | |
| Total Operational Revenue | 14 199 | 16 669 | 15 088 | 14 871 | -1% |
| Expenditure: | | | | | |
| Employees | 108 | 342 | 343 | 278 | -19% |
| Bulk purchases | 10 393 | 12 124 | 12 124 | 11 377 | -6% |
| Repairs and Maintenance | 56 | 369 | 369 | 223 | -40% |
| Depreciation | 249 | 182 | 182 | 256 | 41% |
| Other | 988 | 965 | 1 052 | 1 487 | 0% |
| Total Operational Expenditure | 11 795 | 13 982 | 14 070 | 13 620 | -3% |
| Net Operational (Service) Expenditure | 2 404 | 2 687 | 1 018 | 1 250 | 23% |

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Financial Performance: Electricity

5.2.4 Waste Management

| Description | 2018/19 | 2019/20 | | | |
|--------------------------------------|---------|-----------------|-------------------|---------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | |
| Total Operational Revenue | 1 666 | 1 832 | 1 782 | 2 126 | 19% |
| Expenditure: | | | | | |
| Employees | 807 | 1 102 | 1 013 | 904 | -11% |
| Repairs and Maintenance | 98 | 125 | 95 | 89 | -6% |
| Depreciation | 1 873 | 395 | 395 | 671 | 70% |
| Landfill site charges | 1 190 | 1 000 | 1 355 | 674 | -50% |
| Other | 1 053 | 1 288 | 1 318 | 1 222 | 0% |
| Total Operational Expenditure | 5 020 | 3 910 | 4 176 | 3 560 | -15% |
| Net Operational (Service) | (3 354) | (2 078) | (2 394) | (1 434) | -40% |

Variations are calculated by dividing the difference between the actual and original budget by the actual.

5.2.5 Roads and storm water

| Description | 2018/19 | 2019/20 | | | |
|--|---------|-----------------|-------------------|---------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 1 073 | 81 | 81 | 980 | 1110% |
| Expenditure: | | | | | |
| Employees | 3 490 | 3 656 | 4 330 | 4 034 | -7% |
| Repairs and Maintenance | 665 | 610 | 674 | 645 | -4% |
| Depreciation | 864 | 797 | 797 | 1 349 | 69% |
| Other | 1 873 | 1 121 | 1 097 | 1 743 | 0% |
| Total Operational Expenditure | 6 891 | 6 183 | 6 897 | 7 772 | 13% |
| Net Operational (Service) | (5 818) | (6 102) | (6 816) | (6 792) | 0% |
| Variations are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

Financial Performance: Roads and storm water

5.2.6 Security and Safety

| Description | 2018/19 | 2019/20 | | | |
|--|---------|-----------------|-------------------|--------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 6 718 | 4 130 | 4 130 | 5 053 | 22% |
| Expenditure: | | | | | |
| Employees | 1 398 | 1 764 | 1 721 | 1 180 | -31% |
| Repairs and Maintenance | – | – | – | – | #DIV/0! |
| Depreciation | 233 | 75 | 75 | 252 | 237% |
| Other | 6 467 | 3 197 | 2 089 | 4 022 | 92% |
| Total Operational Expenditure | 8 099 | 5 036 | 3 885 | 5 454 | 40% |
| Net Operational (Service) | (1 380) | (906) | 245 | (401) | -264% |
| Variations are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

Financial Performance: Security and Safety

5.2.7 Sport and Recreation

| Description | 2018/19 | 2019/20 | | | |
|---|--------------|-----------------|-------------------|----------------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | |
| Total Operational Revenue | 21 | 22 | 22 | 13 | -39% |
| Expenditure: | | | | | |
| Employees | 769 | 942 | 920 | 779 | -15% |
| Repairs and Maintenance | 134 | 145 | 145 | 130 | -10% |
| Depreciation | – | – | – | – | 0% |
| Other | 113 | 129 | 151 | 147 | 0% |
| Total Operational Expenditure | 1 016 | 1 215 | 1 216 | 1 057 | -13% |
| Net Operational (Service) | (995) | (1 193) | (1 194) | (1 043) | -13% |
| Variances are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

Financial Performance: Sport and Recreation

5.2.8 Executive and council

| Description | 2018/19 | 2019/20 | | | |
|---|---------------|-----------------|-------------------|---------------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | |
| Total Operational Revenue | 20 065 | 22 893 | 23 900 | 22 748 | -5% |
| Employees | 1 319 | 2 328 | 2 323 | 1 939 | -17% |
| Councillor Remuneration | 3 033 | 3 197 | 3 197 | 3 127 | -2% |
| Depreciation | 45 | 42 | 42 | 55 | 32% |
| Other | 1 822 | 2 264 | 2 938 | 2 473 | -16% |
| Total Operational Expenditure | 6 220 | 7 832 | 8 500 | 7 595 | -11% |
| Net Operational (Service) | 13 845 | 15 060 | 15 400 | 15 153 | -2% |
| Variances are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

Financial Performance: Executive and council

5.2.9 Financial Services

| Description | 2018/19 | 2019/20 | | | |
|---|---------|-----------------|-------------------|--------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 31 107 | 31 154 | 35 508 | 16 981 | -52% |
| Expenditure: | | | | | |
| Employees | 4 245 | 4 665 | 4 676 | 4 604 | -2% |
| Repairs and Maintenance | 12 | 64 | 64 | 64 | 0% |
| Depreciation | 250 | 230 | 230 | 221 | -4% |
| Finance charges | 609 | 190 | 190 | 640 | 237% |
| Other | 7 160 | 7 911 | 7 579 | 6 996 | 0% |
| Total Operational Expenditure | 12 275 | 13 060 | 12 739 | 12 526 | -2% |
| Net Operational (Service) | 18 831 | 18 094 | 22 769 | 4 455 | -80% |
| Variances are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

Financial Performance: Financial Services

5.2.10 Planning & Development (IDP)

| Description | 2018/19 | 2019/20 | | | |
|---|---------|-----------------|-------------------|--------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 59 | 74 | 148 | 89 | -40% |
| Expenditure: | | | | | |
| Employees | 317 | 376 | 504 | 473 | -6% |
| Repairs and Maintenance | 66 | - | - | - | #DIV/0! |
| Depreciation | - | - | - | - | 0% |
| Other | 223 | 366 | 367 | 209 | -43% |
| Total Operational Expenditure | 606 | 743 | 871 | 682 | -22% |
| Net Operational (Service) | (546) | (669) | (723) | (593) | -18% |
| Variances are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

5.2.11 Corporate Services

| Description | 2018/19 | 2019/20 | | | |
|---|---------|-----------------|-------------------|---------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 525 | 807 | 1 563 | 1 142 | -27% |
| Expenditure: | | | | | |
| Employees | 3 562 | 4 077 | 4 328 | 3 928 | -9% |
| Repairs and Maintenance | 3 | 20 | 20 | 20 | 0% |
| Depreciation | 59 | 62 | 62 | 22 | -64% |
| Other | 1 669 | 2 417 | 3 613 | 1 529 | -58% |
| Total Operational Expenditure | 5 293 | 6 576 | 8 024 | 5 499 | -31% |
| Net Operational (Service) | (4 768) | (5 769) | (6 461) | (4 357) | -33% |
| Variances are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

5.2.12 Community Services

| Description | 2018/19 | 2019/20 | | | |
|---|---------|-----------------|-------------------|---------|--------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| | R'000 | | | | % |
| Total Operational Revenue | 1 910 | 1 977 | 1 977 | 1 903 | -4% |
| Expenditure: | | | | | |
| Employees | 2 376 | 2 710 | 2 690 | 2 657 | -1% |
| Repairs and Maintenance | 46 | 95 | 80 | 80 | -1% |
| Depreciation | 80 | 67 | 67 | 128 | 91% |
| Other | 103 | 203 | 211 | 253 | 20% |
| Total Operational Expenditure | 2 605 | 3 076 | 3 049 | 3 117 | 2% |
| Net Operational (Service) | (695) | (1 099) | (1 072) | (1 214) | 13% |
| Variances are calculated by dividing the difference between the actual and original budget by the actual. | | | | | |

Financial Performance: Community Services

5.2.13 Operating Transfers and Grants

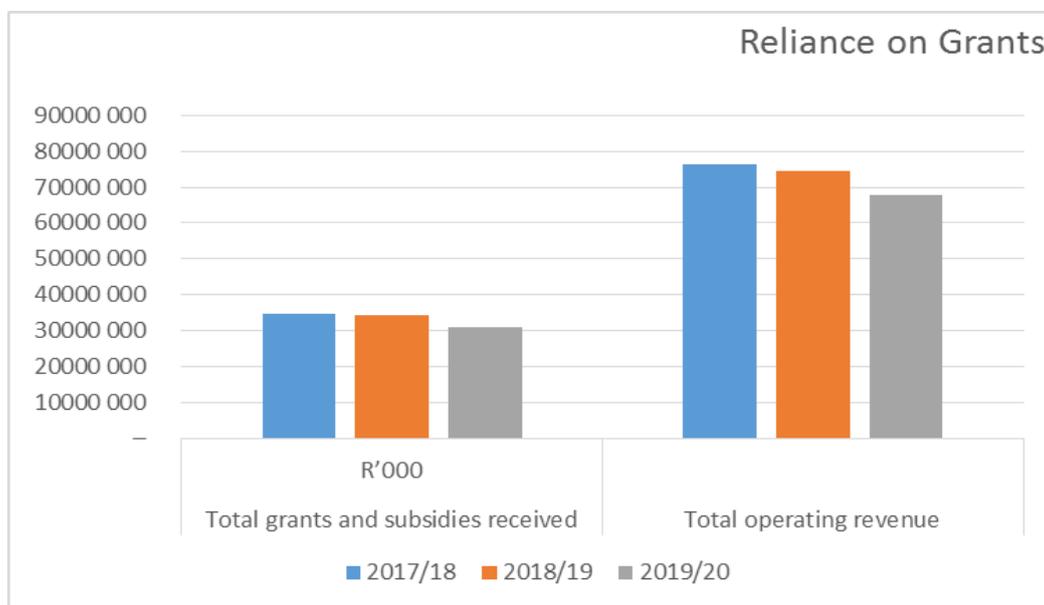
| Description | 2018/19 | 2019/20 | | | 2019/20 Variance | |
|---|---------------|---------------|--------------------|---------------|------------------|--------------------|
| | Actual | Budget | Adjustments Budget | Actual | Original Budget | Adjustments Budget |
| | R'000 | | | | % | |
| Operating Transfers and Grants | | | | | | |
| National Government: | 22 434 | 24 650 | 24 650 | 24 650 | | |
| Equitable Share | 19 317 | 21 355 | 21 355 | 21 355 | 0% | 0% |
| Local Government Financial Management Grant | 1 700 | 1 700 | 1 700 | 1 700 | 0% | 0% |
| Municipal Infrastructure Grant | 375 | 415 | 415 | 415 | 0% | 0% |
| EPWP | 1 042 | 1 180 | 1 180 | 1 180 | 0% | 0% |
| Integrated National Electrification Program | – | – | – | – | 0% | 0% |
| COVID 19 Pandemic | – | – | 400 | – | 0% | -100% |
| | | | | | | |
| Provincial Government: | 17 038 | 4 498 | 7 634 | 6 084 | | |
| WC Financial Management Improvement Grant | 1 510 | – | 1 134 | 1 134 | #DIV/0! | 0% |
| Regional Socio Economy Programme | – | 1 000 | 1 500 | 1 500 | 50% | 0% |
| CDW | 74 | 74 | 148 | 148 | 100% | 0% |
| Financial Capacity - Capacity building | 360 | 380 | 740 | 740 | 95% | 0% |
| Financial Capacity - AFS | 84 | – | – | – | #DIV/0! | #DIV/0! |
| Financial Capacity - Internship | 72 | – | 96 | 96 | #DIV/0! | 0% |
| Housing Beneficiaries | 12 462 | 1 000 | 1 872 | 372 | -63% | -80% |
| Western cape suction grant | 99 | – | – | – | #DIV/0! | #DIV/0! |
| Western cape Capacity - Salary grant | – | – | 100 | 100 | #DIV/0! | 0% |
| Capacity Building (Rollover) | 240 | – | – | – | #DIV/0! | #DIV/0! |
| Mscosa Grant | 330 | 330 | 330 | 330 | 0% | 0% |
| Road Maintenance | 50 | 50 | 50 | – | -100% | -100% |
| Library Grant | 1 602 | 1 664 | 1 664 | 1 664 | 0% | 0% |
| Thusong centre | 110 | – | – | – | #DIV/0! | #DIV/0! |
| Financial Capacity - SDBIP | 46 | – | – | – | #DIV/0! | #DIV/0! |
| District Municipality: | – | – | – | – | | |
| Other grant providers: | 23 | 23 | 23 | 23 | | |
| Skills Development Fund Levy | 23 | 23 | 23 | 23 | 0% | 0% |
| Total Operating Transfers and Grants | 39 495 | 29 171 | 32 307 | 30 757 | 5% | -5% |
| Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. | | | | | | |

5.3.2 Reliance on grants

| Financial year | Total grants and subsidies received | Total operating revenue | Percentage |
|----------------|-------------------------------------|-------------------------|------------|
| | R'000 | | % |
| 2017/18 | 34 617 | 76 471 | 45,27% |
| 2018/19 | 34 417 | 74 597 | 46,14% |
| 2019/20 | 30 980 | 67 962 | 45,58% |

Reliance on grants)

The following graph indicates the municipality's reliance on grants as percentage for the last two financial years



5.4 Asset Management

The objectives of the Asset Management within the Prince Albert Municipality are to assist officials in understanding their legal and managerial responsibilities with regard to assets and to ensure the effective and efficient control of the municipality's assets through:

- proper recording of assets from authorization to acquisition and to subsequent disposal;
- providing for safeguarding procedures;
- setting proper guidelines as to authorized utilization and;
- prescribing for proper maintenance.

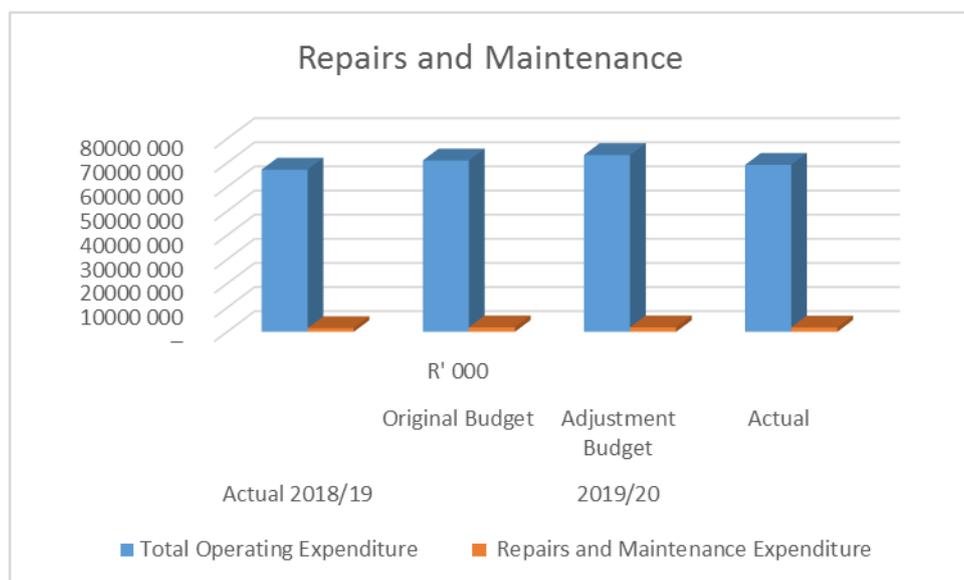
The key elements of the Asset Management Policy represent:

- Statutory and Regulatory Framework / Responsibilities and Accountabilities
- Financial Management / Internal Controls / Management of Control Items
- Management and Operation of Assets / Classification & Components
- Accounting for Assets / Financial Disclosure
- Regular Asset counts are conducted in accordance with the prescriptions of the Asset Management Policy. Information regarding Asset Register updates in respect of disposals, adjustments, review of useful life etc. is based on submissions by user departments in accordance with the procedures in place.

5.4.1 Repairs and Maintenance

| Description | Actual 2018/19 | 2019/20 | | | |
|-------------------------------------|----------------|-----------------|-------------------|--------|-----------------|
| | | Original Budget | Adjustment Budget | Actual | Budget variance |
| | | R' 000 | | | % |
| Total Operating Expenditure | 67 223 | 70 992 | 73 288 | 69 229 | -6% |
| Repairs and Maintenance Expenditure | 1 545 | 1 878 | 1 905 | 1 846 | -3% |
| % of total OPEX | 2,30% | 2,65% | 2,60% | 2,67% | |

Repairs & maintenance as % of total Operating Expenditure. The following graph indicates the percentage of the budget that was spent on Repairs & Maintenance in relation to the operational expenditure



Repairs & Maintenance v/s Operational Expenditure

5.5 Financial Ratios Based on Key Performance Indicators

5.5.1 Liquidity Ratio

| Description | Basis of calculation | 2017/18 | 2018/19 | 2019/20 |
|---|---|-----------------|-----------------|-----------------|
| | | Audited outcome | Audited outcome | Audited Outcome |
| Current Ratio | Current assets/current liabilities | 4,27 | 3,39 | 2,2 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 3,35 | 2,39 | 2,8 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 3,11 | 3,0 | 2,0 |

Liquidity Financial Ratio

5.5.2 Financial Viability Indicators

| Description | Basis of calculation | 2017/18 | 2018/19 | 2019/20 |
|--|---|-----------------|-----------------|-----------------|
| | | Audited outcome | Audited outcome | Audited outcome |
| Cost Coverage | (Available cash + Investments – Unspent Grants)/monthly fixed operational expenditure | 4,44 | 4,98 | 6,12 |
| Total Outstanding Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | 13% | 14% | 17% |
| Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) X 365 | 581,00 | 580,76 | 618,40 |

KPAs

Financial Viability National

5.5.3 Employee costs

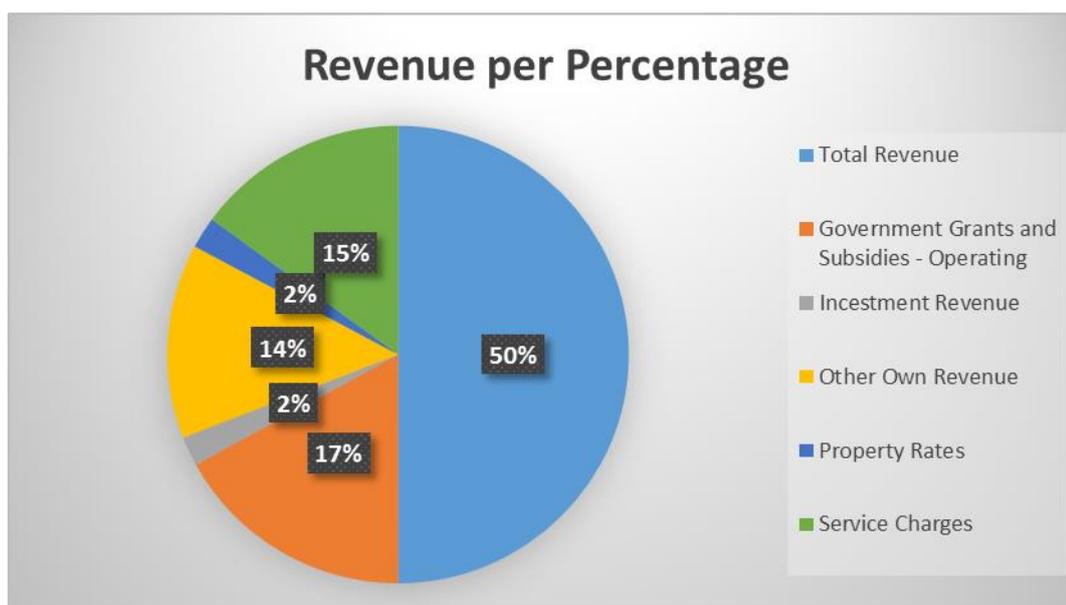
| Description | Basis of calculation | 2017/18 | 2018/19 | 2019/20 |
|----------------|------------------------------------|-----------------|-----------------|-----------------|
| | | Audited outcome | Audited outcome | Audited outcome |
| Employee costs | Employee costs/(Total Expenditure) | 29% | 30% | 32% |

Employee Costs

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 Sources of Finance

| Source of Finance | 2019/20 |
|---|------------|
| Total Revenue | 81 092 381 |
| Government Grants and Subsidies - Operating | 27 575 829 |
| Investment Revenue | 3 358 732 |
| Other Own Revenue | 22 301 003 |
| Property Rates | 3 619 103 |
| Service Charges | 24 237 713 |



5.7 Capital Spending on 5 Largest Projects

Projects with the highest capital expenditure in 2019/20

| Name of Project | 2018/19 | | | | |
|-----------------------|-----------------|-------------------|--------------------|-------------------|---------------------|
| | Original Budget | Adjustment Budget | Actual Expenditure | Original Variance | Adjustment variance |
| | R'000 | | | % | |
| Roads and storm water | 4 366 | 5 158 | 4 737 | 0,00% | -8,16% |

| | | | | | |
|------------------------|-------|-------|-------|-------|---------|
| Waste water management | 900 | 2 700 | 960 | 0,00% | -64,43% |
| Electricity | 2 250 | 2 700 | 1 211 | 0,00% | -55,16% |

Capital Expenditure by Source

5.8 Basic Service and Infrastructure

5.8.2 Municipal Infrastructure Grant (MIG)

This grant is intended to provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.

| Municipal Infrastructure Grant (MIG)* Expenditure 2019/20 on Service backlogs | | | | | |
|---|--------|------------|--------|--------------|-------------|
| Details | Budget | Adjustment | Actual | Variance | |
| | | Budget | | Budget | Adjustments |
| | R'000 | | | % | % |
| MIG - L/G Nuwe Sypaadjies | - | 1 547 | | #DIV/0! | -100,00% |
| MIG - P/A Nuwe Sypaadjies | - | 1 547 | | #DIV/0! | -100,00% |
| Prince Albert Sports fields | 11 500 | 4 509 | | - 100,00% | -100,00% |
| MIG: Klarstroom upgrade WWTW | 3 227 | 2 875 | | - 100,00% | -100,00% |
| PMU - New Laptops | 360 | 90 | | - 100,00% | -100,00% |
| MIG: L/G SPORTS FIELD | - | 276 | | #DIV/0! | -100,00% |
| Supply and Delivery of Standby Generation | - | 2 592 | | #DIV/0! | -100,00% |
| | | | | | |
| Total | 15 087 | 13 437 | - | | |

* 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. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Component C: Cash Flow Management and Investments

Cash flow management is critical to the municipality as it enables the organisation to assess whether enough cash is available at any point in time to cover the council's commitments. Cash flow is rigorously managed and monitored on a regular basis.

5.9 Cash Flow

| Description | 2018/19 | 2019/20 | | |
|--|-----------------|-----------------|-------------------|-----------------|
| | Audited Outcome | Original Budget | Adjustment Budget | Actual |
| | R'000 | | | |
| Cash flow from operating activities | | | | |
| Receipts | | | | |
| Ratepayers and other | 28 504 | 28 996 | 28 996 | 25 069 |
| Government - operating | 26 184 | 31 601 | 31 601 | 39 863 |
| Government - capital | 13 005 | 20 247 | 20 247 | 16 602 |
| Interest | 3 671 | 3 360 | 3 360 | 3 359 |
| Dividends | | | | |
| Payments | | | | |
| Suppliers and employees | (51 079) | (58 933) | (58 933) | (51 738) |
| Finance charges | (10) | (1 055) | (1 055) | – |
| Transfers and Subsidies | (604) | (960) | (960) | (1 225) |
| Net cash from/(used) operating activities | 19 671 | 23 256 | 23 256 | 31 930 |
| Cash flows from investing activities | | | | |
| Purchase of Property, Plant and Equipment | (11 938) | (22 066) | (22 066) | (13 046) |
| Disposal of Fixed Assets | | | | |
| Purchase of Intangible Assets | (33) | | | (17) |
| Net cash from/(used) investing activities | (11 972) | (22 066) | (22 066) | (13 063) |
| Cash flows from financing activities | | | | |
| Loans repaid | (61) | | | (5) |
| Increase in Consumer Deposits | 32 | 23 | 23 | 36 |
| Net cash from/(used) financing activities | (30) | 23 | 23 | 32 |
| Net increase/ (decrease) in cash held | 7 670 | 1 208 | (9 695) | 18 898 |
| Cash/cash equivalents at the year begin: | 25 414 | 22 515 | 22 515 | 33 084 |
| Cash/cash equivalents at the year-end: | 33 084 | 23 723 | 12 820 | 51 982 |
| | | | | |
| Source: MBRR SA7 | | | | |

5.10 Gross Outstanding Debtors per Service

| Financial year | Rates | Trading services | Economic services | Other | Total |
|-------------------------|--------|-------------------------|-------------------------|----------|--------|
| | | (Electricity and Water) | (Sanitation and Refuse) | | |
| (R'000) | | | | | |
| 2018/19 | 1 378 | 6 718 | 4 890 | 577 | 13 562 |
| 2019/20 | 1 740 | 9 255 | 7 481 | 283 | 18 758 |
| Difference | 362 | 2 537 | 2 592 | (294) | 5 196 |
| % movement year on year | 20,79% | 27,41% | 34,64% | -103,93% | |

Gross outstanding debtors per service

5.11 Total Debtors Age Analysis

| Financial year | Less than 30 days | Between 30-60 days | Between 60-90 days | More than 90 days | Total |
|---|-------------------|--------------------|--------------------|-------------------|--------|
| | (R'000) | | | | |
| 2017/18 | 999 | 682 | 508 | 7 489 | 9 678 |
| 2018/19 | 1 146 | 768 | 601 | 11 047 | 13 562 |
| 2019/20 | 1 024 | 1 100 | 947 | 15 687 | 18 758 |
| Difference | (122) | 332 | 346 | 4 640 | 5 196 |
| % growth year on year | -12% | 30% | 37% | 30% | 28% |
| Note: Figures exclude provision for bad debt | | | | | |

Service debtor age analysis

5.12 Borrowing and Investments

Infrastructure needs to be replaced and therefore borrowings for periods of 15 years are taken up to lessen the impact on consumers.

5.12.1 Actual Borrowings

| Instrument | 2017/18 | 2018/19 | 2019/20 |
|------------------|-----------|----------|----------|
| | R'000 | | |
| Financial Leases | 66 | 5 | - |
| Total | 66 | 5 | - |

5.12.2 Municipal Investments

| Balance type type | 2017/18 | 2018/19 | 2019/20 |
|-------------------|---------------|---------------|---------------|
| | Actual | Actual | Actual |
| | R'000 | R'000 | R'000 |
| Deposits - Bank | 25 414 | 33 084 | 51 982 |
| Total | 25 414 | 33 084 | 51 982 |

Municipal Investments

Component D: Other Financial Matters

5.13 GRAP Compliance

GRAP and GAMAP are accounting practices that Municipalities need to abide by. The Public Finance Management Act, 1999 and the MFMA prescribes the standards of Generally Accepted Municipal Accounting Practice (GAMAP). The Accounting Standards Board (Board) is required in terms of the Public Finance Management Act (PFMA) and the MFMA to determine generally recognised accounting practice referred to as Standards of Generally Recognised Accounting Practice (**GRAP**). The Board must determine **GRAP** for:

- departments (national and provincial);
- public entities;
- constitutional institutions;
- IT
- municipalities and boards, commissions, companies, corporations, funds or other entities under the ownership control of a municipality; and
- Parliament and the provincial legislatures.

The Board considers that the Standards of GAMAP constitute GRAP for municipalities. GAMAP is an interim solution until such time as it is replaced by a Standard. IMQS understands that the minimum compliance requirement as this point in time is a GIS enabled GRAP compliant Asset Register.

Chapter 6

6.1 Auditor General Report

The public sector auditor assesses the stewardship of public funds, implementation of government policies and compliance with key legislation in objective manner.

The scope of the annual audit performed for each auditee is prescribed in the Public Audit Act and the general notice issued in terms thereof. It includes the following:

- Providing assurance that the financial statements are free from misstatements that will affect the users of the financial statements
- Reporting on the usefulness and reliability of the information in the annual performance report
- Reporting on material non-compliance with key legislation
- Identifying the key internal control deficiencies that should be addressed to achieve an unqualified audit with no findings

The Auditor General reports is attached as Annexure C.