

# Laingsburg Municipality



## Annual Report 2018/19



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# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## CHAPTER 1

### COMPONENT A: MAYOR'S FOREWORD

The Annual Report is compiled in accordance with Section 46 of the Local Government: Municipal System Act (MSA) (No. 32 of 2000) and Section 121 of the Local Government: Municipal Finance Management Act (MFMA) (No. 56 of 2003).

It is with great pleasure that I submit this Annual Report for the 2018/19 financial year. This is the third Annual Report of our Council's term of office and it is a privilege to convey the Council's message on our vision and achievements of the municipal Integrate Development Plan (IDP).

This report contains valuable information on the municipal area of Laingsburg as well as the functions operations of Laingsburg Municipality. This information is valuable for the government, the Municipality, businesses and organisations who want to invest and do business in Laingsburg. It also serves to inform local business and community organisations in Laingsburg.

Our vision is "A municipality of choice where people comes first". Our mission is "to function as a community focused municipality by rendering effective basic services promoting local economic development, consulting communities in processes of the Council creating a save environment where people can thrive.

The Municipality provides quality municipal services of very good standards that can be compared with the best in the country. New infrastructure is still being installed, with the objective of contributing to the general welfare of all our inhabitants, an also to make us proud "Laingsburgers". We might be a small town, but we can be a beautiful and the friendliest town.

The strategic objectives of our Municipality as set out in our IDP ensures that the Municipality has an integrated service delivery approach which is aligned with the budget, and performance management system of the Municipality.

**Strategic objective: *Develop a safe, clean, healthy and sustainable environment for communities:***

This is aligned to the National Development Plan (NDP) in terms of building safer communities, Provincial Strategic Plan (PSP) in terms of enabling a resilient, sustainable and inclusive living environment. This objective is also aligned to the District strategic objective: *prevent and minimise the impact of possible disasters and improve public safety in the region.*

**Strategic objective: Promote local economic development**

This is aligned with the NDP in creating an economy that will create more jobs as well as an inclusive rural economy, in terms of the PSP both speaks to creating opportunities for growth and jobs in the Western Cape. Strategic objective 2 aligns in terms of promoting regional economic development, tourism and growth opportunities.

**Strategic objective: Improve the standards of living of all people in Laingsburg**

This is done by promoting social protection as per the NDP, enable a resilient, sustainable, quality and an inclusive living environment in terms of the PSP. In terms of the District Strategic objective the municipal strategic objective is aligned to promote a safe, healthy and socially stable community through the provision of a sustainable environmental health services.

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### **Strategic objective: Provision of infrastructure to deliver improved services to all residents and businesses**

This is done by improving infrastructure and economic infrastructure as per the NDP. In terms of the PSP by ensuring sustainable and integrated urban and rural settlements. This strategic objective is aligned to the District strategic objective that speaks to the improvement and maintenance of district roads and the promotion of safe road transport.

### **Strategic objective: To create an institution with skilled employees to provide a professional services to its clientele guided by municipal values**

This is done by reforming public service as articulated by the NDP. The PSP is aligned by embedding good governance and integrated service delivery through partnerships and spatial alignment. In terms the district strategic objective it speaks to building a well capacitated workforce, skilled youth and communities.

### **Strategic objective: To achieve financial viability in order to render affordable services to residents**

The municipality must be responsive, accountable and ensure an effective and efficient local government system as per the NDP. The PSP supports the strategic objective by means of integrated management and enhanced governance. The district strategic objective is to deliver a sound and effective administration and to achieve financial sustainability and viability in the region supports this strategic objective.

### **Strategic objective: Effective maintenance and management of municipal assets and natural resources**

This is aligned to the NDP in terms of environmental sustainability and resilience. The PSP and the District Strategic objective are both aligned by means of enabling a resilient, sustainable, quality living environment and prevention and minimisation of the impact of possible disasters and improve public safety in the region.

The 2018/19 financial year was extremely challenging for Council. Stability only took place after the ANC-KOP coalition merged and took over the Council. Drought in the 2018/19 financial year was prioritised causing some projects stipulated in the IDP to be placed on hold because most of the funding was spent on saving water.

The Municipality had problems with the cash flow. We eliminated the problems through cutting traveling costs and other expenditures. With the appointment of the new debt collector, Mr. Willem Adams, there was a decrease in the outstanding debtors.

The Municipal Traffic Department also made provision for cash income by means of roadblocks.

In conclusion, I would like to express my appreciation and thanks to my fellow Councillors, the Municipal Manager, the municipal staff for their dedication and for being committed towards their work. Also, a big thank you to the public for participating throughout the year and for always being patient in difficult circumstances

**Councillor M Gouws**

**Executive Mayor**





# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1 MUNICIPAL MANAGER'S OVERVIEW

This Annual Report is for the 2018/2019 financial year.

In terms section 155 of the Constitution of South Africa, Laingsburg Municipality is classified as a Category B municipality performing the functions set out in Schedule 4 B and 5 B

Section 156 of the Constitution defines the powers and functions of municipalities. The powers and functions of municipalities are further defined in chapter 3 of the Local Government: Municipal Systems Act no. 32 of 2000.





Laingsburg Municipality does not have any short-term or long-term borrowing and highly dependent on grants. We have a limited revenue base where most households are indigent. Although the grants assist us in fulfilling our mandate, a serious concern is the outstanding debtors which continues to grow.

The statutorily required Annual Report of municipalities' contains information on the achievements of a municipal Council's adopted IDP, Annual Budget and its Service Delivery and Budget Implementation Plan (SDBIP).

As Municipal Manager and Accounting Officer of the Laingsburg Municipality, I am proud to be associated with Laingsburg Municipality. It is my privilege to provide an annual account of the Laingsburg Municipality's achievements for the year under review. It is a pleasure to indicate the outcomes of the collective efforts of the Council and Administration to deliver services to our community in accordance with the powers and functions as defined in the Constitution of the Republic of South Africa. The Laingsburg Municipality received a qualified audit opinion for the 2018/19 financial year, but we will work towards improving the opinion to an unqualified opinion in the 2019/20 book year.

It is our goal to provide municipal services in an equitable and sustainable manner. To achieve this, we engage with our communities and collaborate with private organisations and other spheres of government. In this regard the Western Cape Government Departments of Local Government, Housing and Finance (Provincial Treasury) are particularly mentioned. We also collaborate with all municipalities in the Central Karoo District Region. These endeavours contribute to the establishment of solutions to optimise our ability to provide quality services and support to all inhabitants of the Laingsburg Municipality as well as people visiting.

The following financial and governance achievements are proudly indicated:

-  The Municipality has no external loans and was able to pay all municipal debtors.
-  Our debtors remain a challenge for the municipality especially for debt older than 30 days, but we are constantly looking at innovative ways to improve credit control and debt collection.
-  We maintain effective, efficient and transparent systems for financial administration, risk management and internal control.
-  We managed to implement performance to all levels within the Municipality.



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

I sincerely acknowledge the commitment made by the committed staff in our administration. Similarly, I wish to extend my heartfelt appreciation to the political leadership, The Mayor, Councillors for their constructive contributions and dedication in the pursuit of building sustainable Laingsburg Municipality.

The managers have permanent employment contracts and that supports stability and attracts better skills and experience. The Council values continuity and will ensure stability in the administration for the next term. As a Municipality, we do risk assessments annually and have dedicated risk meetings quarterly to develop and implement mitigating measures. Our top 4 strategic risks with the highest residual ratings include the increase in population growth threatening our sustainable development, the impact on the natural environment caused by the increasing demand in natural resources.

Laingsburg Municipality is driven by the slogan "Together we can make Laingsburg a better place".

Again, I dedicate this Annual Report to the community of Laingsburg, with the pledge that we will in the years to come continue to search for innovative solutions to make this municipality an attractive space to live and develop.

**Ms. A. Groenewald**

**Acting Municipal Manager**



# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## 1.2 MUNICIPAL OVERVIEW

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

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

### 1.2.1 VISION AND MISSION





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

#### Vision:

*"A destination of choice where people comes first"*

#### Mission:

To function as a community-focused and sustainable municipality by:

-  Rendering effective basic services
-  Promoting local economic development
-  Consulting communities in the processes of Council
-  Creating a safe social environment where people can thrive

## 1.3 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### 1.3.1 POPULATION

The Municipality is estimated to have a population of **9 622** in the 2018/19 financial year. This shows a **1.9% increase** against the population of **9 443** in 2017/18.





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

### A) TOTAL POPULATION

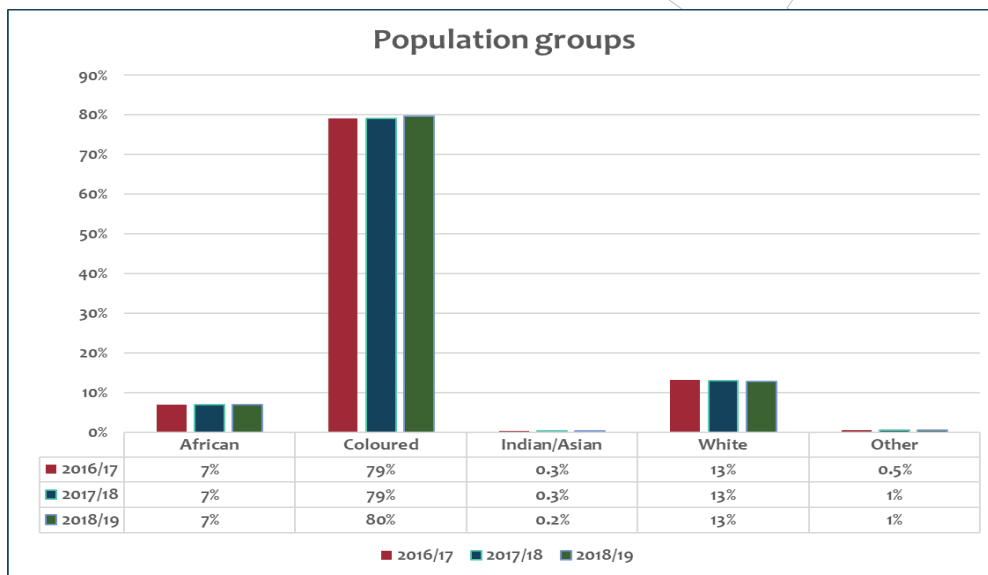
The table below indicates the total population within the municipal area:

Year	Number of Households	Total Population	African	Coloured	Indian	White	Other
2016/17	2 862	9 258	646	7 331	25	1 208	48
2017/18	2 862	9 443	659	7 478	26	1 231	49
2018/19	2862	9 622	660	7658	19	1233	52

Source: Stats SA Census, 2011

Table 1: Demographic Information of the Municipal Area – Total Population

The graph below illustrates the yearly population growth for the municipal area.



Graph 1.: Total Population Growth

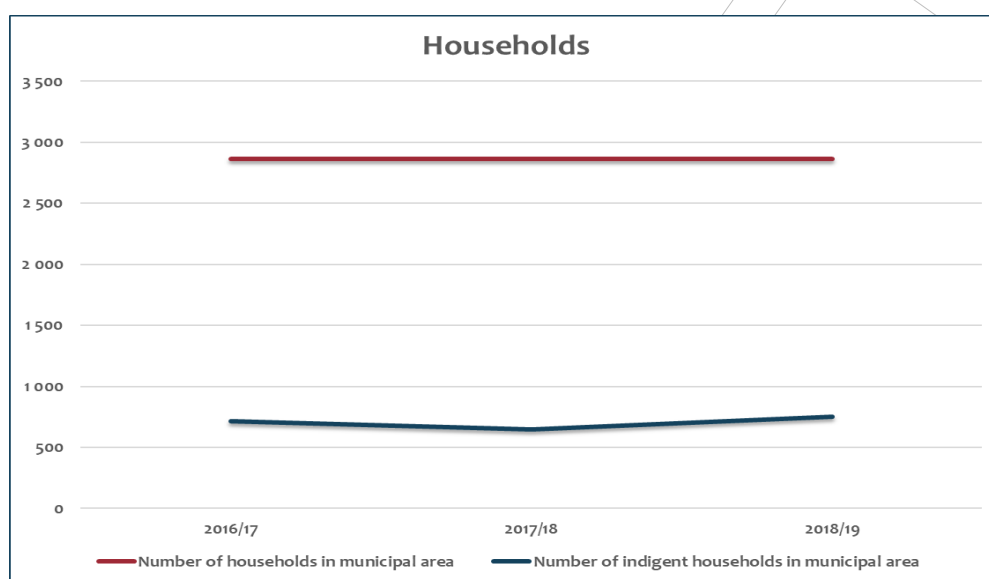
### 1.3.2 HOUSEHOLDS

Households	2016/17	2017/18	2018/19
Number of households in municipal area	2 862	2 862	2 862
Number of indigent households in municipal area	714	648	750

Table 2: Total Number of Households

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

The graph below shows that the total number of indigent households **increased from 648 households in 2017/18 to 750 households in the 2018/19 financial year:**



Graph 2.: Indigent Households

### 1.3.3 SOCIO ECONOMIC STATUS

Financial Year	Housing Backlog	Unemployment Rate	Households with no Income	HIV/AIDS Prevalence 2010	Urban/rural household split
2017/18	592	18.9%	127 HH & 25.1%	1%	91%/9%
2018/19	683	19%	127 HH & 25.1%	1%	91%/9%

Table 3: Socio Economic Status

### 1.3.4 DEMOGRAPHIC INFORMATION

#### A) MUNICIPAL GEOGRAPHICAL INFORMATION

Laingsburg Local Municipality (LLM) is in the Central Karoo region of the Western Cape. It is the smallest Municipality in South Africa with a total population estimate of 9 622 with 2 862 households. The Municipality's main socio-economic challenges include the municipal inability to attract investors to the town, high unemployment and a declining school enrolment. Agriculture has historically been the dominant sector in the region, but as there has been strong growth in finance, insurance, real estate and business services which is linked to various sectors within the Laingsburg Municipality environment, including wholesale and retail, trade, catering, and accommodation.

The Municipality covers an area of approximately 8 800 square kilometres and the town of Laingsburg, 276 km from Cape Town, is the main centre which straddles the N1 National Road.



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Historically, a village was established along the banks of the Buffels River in 1880, which was first called Buffalo, followed by Nassau and then Laingsburg. Thirty years ago, on Sunday 25th of January 1981, a devastating flood that laid Laingsburg waste, secured for this Karoo town a permanent place on the map and in the history of South Africa. Within a few hours the whole town was under water (the water reached heights four times greater than any other flood over the previous two centuries). 104 Inhabitants lost their lives and 184 houses were destroyed.

### B) WARDS

The municipality is structured into the following 4 wards:

Ward	Areas
1	Bergsig (Laingsburg) and Bo Dorp
2	Matjiesfontein and surrounding farms
3	Central Town (Laingsburg) and until Faberskraal
4	Göldnerville (Laingsburg) and Acacia Park (Laingsburg)

Table 4: Municipal Wards

Below is a map that indicates the municipal area in the Central Karoo District area:

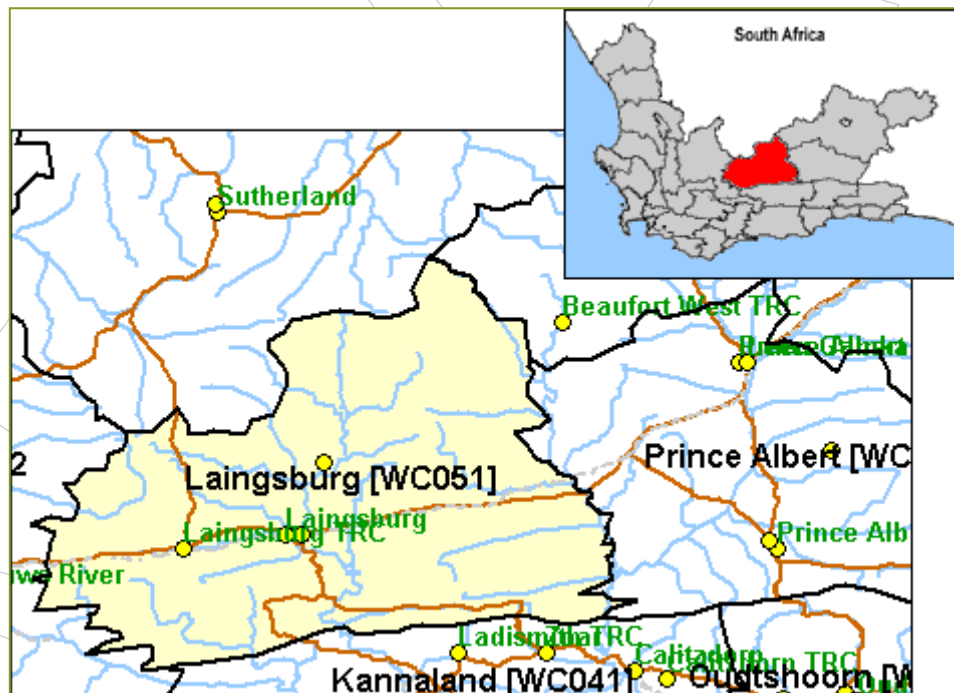


Figure 1.: Laingsburg Area Map

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

### Laingsburg

This friendly, modern Karoo village, only 280 km from Cape Town, was almost entirely destroyed by a huge flood only a century after it started. The town lies in a geologically fascinating area, steeped in history and tradition. It's a worthwhile and hospitable stop on the busy N1 highway through the Great Karoo.

The warm welcome that awaits tourists in Laingsburg dates back to the mid-1700's. In those years' farmers along the banks of the Buffels River offered hospitality to adventurers' brave enough to cross the mountains and venture out onto the arid plains of the Great Karoo. In exchange for news of Cape Town and the civilised world, as well as gossip garnered from other farms along the way, these isolated farmers of the interior offered accommodation, sustenance and fodder.

Many early officials and explorers, such as Barrow, Lichtenstein, De Mist and Swellengrebel, wrote of the people they met in what was later to become the district of Laingsburg. They described the Karoo as "awesome, hot, dry, and dusty. An inhospitable land peppered with friendly outspans veritable jewels in the desert."

At tiny homesteads dotted about on the vast plains travellers found fresh, drinking water, safe outspans, "a true welcome, homely hospitality and a nourishing meal." Many wrote that "such comforts were offered by God-fearing but brusque men, their shy women and hoards of children."

### Matjiesfontein

In 1884, young immigrant Scot, James Logan, purchased lands at "a place called Matjiesfontein", an insignificant railway halt in the depths of the Karoo. The Cape Government Railways had, by then, reached the Kimberley diamond fields, and - following Cecil Rhodes' vision of the "road to the North", his dream of a Cape to Cairo line - was extending into the Zambezi hinterland. Logan, whose meteoric rise was based on an energetic and meticulous efficiency, had been awarded the government catering contract at Touws River, which lies within the vast spaces of the Karoo.

In those days, dining cars were unheard of, and - aware that travellers needed sustenance on those interminable journeys to the interior - Logan saw the potential of this remote Matjiesfontein halt. He had already found the Karoo air beneficial for his weak chest; and, entranced by the lunar majesty of the landscape, resigned his post and set about creating a village, seemingly in the depths of nowhere, which would make his fortune and become for many what John Buchan (remember "Prester John" and "The 39 Steps"?) would have recognised as a "Temenos" - a special place of the spirit.

Logan purchased the farm Matjiesfontein and, with his thoroughly commercial instincts, three others which possessed plentiful water. He created what an enthusiast describes as an "Oasis"; planted trees (inevitably including the ubiquitous pepper) and a garden; built his own still-surviving residence, Tweedside Lodge; and established the famous Hotel Milner which was conveniently completed in 1899, and shortly thereafter served as the Headquarters of the Cape Western Command.

By early 1899, Matjiesfontein had become a fashionable watering place, attracting those who could afford to seek relief for chest complaints in the clear, bright air, entertaining distinguished visitors, some of whom were more parasite than patron. Lord Randolph Churchill is still remembered for "borrowing" a hunting dog which he never returned.

Olive Schreiner lived in her own cottage here for five years and published the book "Story of an African Farm", which brought her instant fame and an income to last her a lifetime. Olive later became one of the first voices of feminism in South Africa.



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Today her small three-roomed cottage is a landmark in the village; Logan, a cricket fanatic, entertained most of the famous early teams visiting the Colony. Rudyard Kipling, on his first call at the Cape, made a special journey inland specifically to visit her. During the Boer War, Matjesfontein supported a base hospital, and Logan offered five of his villas as convalescent homes for soldiers.

Virtually all the British Army commanders - Lord Roberts, Douglas Haig, after his post as Commander-in-Chief of the BEF in France, and Edmund Ironside (Chief of the Imperial General Staff, 1940) - stayed or were entertained in the Village. Edgar Wallace - ex-trooper, war correspondent, thriller writer - sent his superb "Unofficial Despatches" from there.

All celebrated in their time and, even now, some are still remembered.

### **Vleiland**

There is a delightful short drive quite close to Laingsburg which offers some unbeatable mountain scenery. Follow the road past the railway bridge and drive to the small settlements of Vleiland and Rouxpos. Turn left and drive through the tiny, seemingly forgotten little village of Vleiland. It consists of little more than a post office and library which seem trapped in time. The road curves through this scenic historic spot and re-joins the main road. A little further along is a turn off to the right which takes the tourist through the awe-inspiring scenery of the Rouxpos settlement area of tiny historic thatched farms. Again the road curves along and meets the main road back to Laingsburg. This drive is truly a worthwhile experience.

If the tourist continues along the road from Vleiland he or she will reach the entrance to Seweweeks Poort. On the left the road goes down the Bosluiskloof Pass, which is in excellent condition and is a fine example of early roads in the Karoo. Breathtaking scenery causes one to climb out of the car to take it all in. Photographers will take shots of seemingly endless vistas of undulating valleys. Nature lovers will notice a variety of wildlife including antelope and baboons and birds such as Brown-hooded Kingfishers, which keep to dry areas of thorn bush and Rock Kestrels. This road ends at the Gamka Dam which is worth a visit.

If the traveller continues straight on with the gravel road into Seweweeks Poort he or she will be rewarded with 15 km of awe-inspiring mountain views. The level road winds on with high mountains towering over it, their slopes covered with indigenous trees and plants. Rock rabbits or dassies and other small game scurry over the road which crosses the Seweweeks Poort stream many times. In winter the mountain peaks may be covered with snow. Where the traveller meets the asphalt road at the tiny village of Amalienstein, he or she may turn right towards Ladismith and Montague or left to the Huis River Pass into Calitzdorp and on to Oudtshoorn.



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### C) KEY ECONOMIC ACTIVITIES

The Municipality is dependent upon the following economic activities according to the Western Cape Government Socio-economic Profile:

Key Economic Activities	Description
Services Sector (Community)	Community services, consisting mainly of government departments.
Construction	This sector contributes 9.7% to the GDP as per Quantec research of 2017.
Commerce	Laingsburg produces fruit and vegetables of exceptional sun ripe quality especially downstream from the Floriskraal dam. The region is known for its seasonal production of apricots, dried yellow peaches, pears, plums, quinces and tomatoes.
Manufacturing and mining	Manufacturing is the 5 <sup>th</sup> largest contributing sector to Laingsburg's Gross Domestic Product (GDP) of Region with 13.6% in 2014. As expected, the smallest contributing sector to the GDP is Mining and quarrying (0%)
Finance	The finance sector consists mainly of private sector business and services and is the biggest contributors to the GDP of Laingsburg.
Wholesale and Retail	This sector in Laingsburg contributes approximately 13.6% of the regional GDP. This sector includes the areas of catering and accommodation and also showed a positive growth. The N1 national road running through the town is the main contributor to this growth
Agriculture	Agriculture is one of the main sectors providing employment opportunities in the Laingsburg region. Processing is seen as a major opportunity for employment creation as raw materials are currently being exported to neighbouring regions such as the Cape Winelands Districts in the Western Cape and Port Elizabeth in the Eastern Cape. Agriculture is also one of the leading economic contributors and makes up around 24.2% of the economic activities in the area. However, this sector is currently showing a decline due to the global recession, continuing drought, a shift from agriculture to game farming, and the underutilisation of agricultural land
Transport	This sector accounts for 11.1% of the regional GDP. This is attributed to the road traffic traversing the N1 between Cape Town and Johannesburg. There is however concern that only a small portion of the population benefits from the business propelled by the traffic on the N1. This is directly related to all the current economic opportunities being concentrated on the N1. This is perceived to limit economic development in other sections of the town and thus promote skewed development

Table 5: Key Economic Activities

### 1.4 SERVICE DELIVERY OVERVIEW

#### 1.4.1 BASIC SERVICES DELIVERY PERFORMANCE HIGHLIGHTS

Highlights	Description
Water Master Plan	Construction of a new bulk water pipeline from Soutkloof Reservoir to Main Reservoir
New water sources	Equipping of boreholes to assist in water provision

Table 6: Basic Services Delivery Highlights





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

### 1.4.2 BASIC SERVICES DELIVERY CHALLENGES

Service Area	Challenge	Actions to address
Water Provision	Drought	Disaster Recovery Action Plan (DRAP) has been compiled to address and aid in the drought. Sludge drying beds were constructed in 2019 to solve the problem of sludge removal. Waste Management – Short term solution to increase the wall heights at the landfill site to increase air space, Medium to long term solution is to expand the landfill site.
Waste Water (Sanitation)	Sludge removal	
Electricity	None	
Waste Management	Landfill site air space	

Table 7: Basic Services Delivery Challenges

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

Description	2017/18	2018/19
	%	
Electricity service connections	100	100
Water - available within 200 m from dwelling	100	100
Sanitation - Households with at least VIP service	100	100
Waste collection - kerbside collection once a week	100	100

Table 8: Households with Minimum Level of Basic Services

# CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## 1.5 FINANCIAL HEALTH OVERVIEW

### 1.5.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (RATIOS)

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

KPA & Indicator	2017/18	2018/19
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations at 30 June [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant)x 100]	200%	61.1%
Financial viability measured in % in terms of the total amount of outstanding service debtors in comparison with total revenue received for services at 30 June 2019 [(Total outstanding service debtors/annual revenue received for services)x 100]	25%	63.8%
Financial viability measured in terms of the available cash to cover fixed operating expenditure at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	3	1

Table 9: National KPI's for Financial Viability and Management

### 1.5.2 FINANCIAL OVERVIEW

Details	Original Budget	Adjustment Budget	Actual
	R		
Income			
Grants	30 589	43 626	40 731
Taxes, Levies and tariffs	57 225	55 954	53 528
Other	4 373	4 047	4 135
<b>Sub Total</b>	<b>92 187</b>	<b>103 627</b>	<b>98 394</b>
Less Expenditure	91 087	91 464	89 049
<b>Net surplus/(deficit)</b>	<b>1 100</b>	<b>12 163</b>	<b>9 345</b>

Table 10: Financial Overview



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

### 1.5.3 TOTAL CAPITAL EXPENDITURE

Detail	2017/18	2018/19
	R'ooo	
Original Budget	9 115	10 367
Adjustment Budget	16 118	22 647
Actual	10 770	13 776
% Spent	67%	61%

Table 11: Total Capital Expenditure

## 1.6 ORGANISATIONAL DEVELOPMENT OVERVIEW

### 1.6.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

The highlights for municipal transformation and organisational development are as follows:

- Appointment of new HR-intern
- Submission of a new file plan to Archives and Records Services

### 1.6.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

Description	Actions to address
The review/development of HR policies	HR is in the process to develop 4 policies to submit to the policy committee

Table 12: Municipal Transformation and Organisational Development Challenges

## 1.7 AUDITOR-GENERAL REPORT

### 1.7.1 AUDITED OUTCOMES

Year	2016/17	2017/18	2018/19
Opinion received	Qualified	Qualified	Qualified

Table 13: Audit Outcomes



## CHAPTER 2: GOOD GOVERNANCE

### CHAPTER 2

#### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

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

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

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

KPA & Indicators	2017/18	2018/19
The percentage of the municipal capital budget actually spent on capital projects by 30 June 2019 [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	81%	80%

Table 14: National KPIs - Good Governance and Public Participation Performance

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

Highlight	Description
Training of Ward Committee Members	Local government officials and municipal officials trained new members and provided refresher training to existing members
Ward Committee Members participation in IDP processes	Ward Committee Members assisted in prioritising projects
Ward Committee Members and performance monitoring of Section 56/57 employees	Ward Committee Members participated in performance evaluations as community representatives

Table 15: Good Governance and Public Participation Performance Highlights



## CHAPTER 2: GOOD GOVERNANCE

### 2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Actions to address
Ward Councillor report back meetings	Due to poor community attendance of meetings in some wards, Councillors embarked on door-to-door campaigns with the assistance of the Community Development Workers (CDW's) and municipal officials
Sector report back meetings	Ward Committee members and CDW's will mobilise the community and give feedback

Table 16: Good Governance and Public Participation Challenges

### 2.4 GOVERNANCE STRUCTURE

#### 2.4.1 POLITICAL GOVERNANCE STRUCTURE

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

#### A) COUNCIL

The Council comprise of 7 elected Councillors as at 30 June 2019, made up from 4 Ward Councillors and 3 Proportional Representation (PR) Councillors. The portfolio committees are made up of Councillors drawn from all political parties.

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

Council Members	Capacity	Political Party	Ward Representing or Proportional	Number of Meetings Attended
M Gouws	Executive Mayor	ANC	Ward 4	18
I Brown	Deputy Mayor	ANC	Proportional (PR)	21
R Louw	Speaker	KOP	PR	23
B Kleinbooi (Removed March 2019)	Councillor	ANC	PR	11
M Daniëls (Joined April 2019)	Councillor	ANC	PR	2
W Theron	Councillor	DA	Ward 2	17
B van As	Councillor	DA	Ward 1	18
L Potgieter	Councillor	DA	Ward 3	15

Table 17: Council 2018/19



## CHAPTER 2: GOOD GOVERNANCE

Below is a table which indicates the Council meetings attendance for the 2018/19 financial year:

Meeting Dates	Council Meetings Attendance	Apologies for Non-Attendance
17 July 2018	7	0
23 August 2018	7	0
30 August 2018	5	2
20 September 2018	6	1
12 October 2018	5	2
30 October 2018	5	2
01 November 2018	6	1
12 November 2018	5	1
19 November 2019	7	0
05 December 2018	7	0
08 January 2019	7	0
24 January 2019	6	1
28 January 2019	5	1
27 February 2019	7	0
14 March 2019	7	0
19 March 2019	1	2
27 March 2019	3	1
29 March 2019	3	3
05 April 2019	3	3
09 April 2019	3	3
12 April 2019	6	0
29 May 2019	7	0
27 June 2019	7	0

Table 18: Council Meetings

### B) EXECUTIVE MAYORAL COMMITTEE

Due to the size of the Municipality and its Council, there is no Mayoral Committee as it would not be practical to have such a committee.





## CHAPTER 2: GOOD GOVERNANCE

### C) PORTFOLIO COMMITTEES

Below is a table which indicates the Portfolio Committee meetings attendance for the 2018/19 financial year

Portfolio Committee	Meeting Dates	Council Meetings Attendance	Apologies for Non-Attendance
Finance and Administration	13 July 2018	4	0

Table 19: Portfolio Committee Meetings

### 2.4.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

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

Name of Official	Department	Performance agreement signed
		Yes/No
Municipal Manager: P Williams	Office of the Municipal Manager	Yes
Senior Manager Finance and Corporate Services: A Groenewald	Finance and Corporate Services	Yes
Manager Infrastructure Services: J Komanisi	Infrastructure Services	No
Manager Community Services: N Hendrikse	Community Services	Yes
Manager Development Services: (Vacant)	Office of the Municipal Manager	N/A
Internal Auditor: PD Post	Office of the Municipal Manager	Yes

Table 20: Administrative Governance Structure



## CHAPTER 2: GOOD GOVERNANCE

### COMPONENT B: INTERGOVERNMENTAL RELATIONS

#### 2.5 INTERGOVERNMENTAL RELATIONS

##### 2.5.1 INTERGOVERNMENTAL STRUCTURES

To adhere to the principles of the Constitution as mentioned above the municipality participates in the following intergovernmental structures:

Name of Structure	Members	Outcomes of Engagements/Topics Discussed
District IDP Managers Forum	A Abrahams	IDP
Provincial IDP Managers Forum	A Abrahams	IDP
District Public Participation Forum	A Abrahams	Public participation and communication
Provincial Public Participation Forum	A Abrahams	Public participation and communication
District Coordinating Forum	Mayor M Gouws, P Williams, A Groenewald	District alignment, programmes and projects
District LED Forum	A Abrahams and M Walters	Local Economic Development (LED)
Provincial LED Forum	A Abrahams and M Walters A Abrahams and Madré Walters	LED
Provincial Coordinating Forum	Mayor M Gouws, P Williams, A Groenewald	Planning and development of provincial programmes and projects
District EPWP	J Mouton	Progress reports, implementation, assistance and guidance
Municipal Managers Forum	A Groenewald and P Williams	Provincial planning, alignment, assistance and buy in
CFO Forum	A Groenewald and G Bothma	Provincial planning, alignment, assistance and buy in
IDP Indaba	A Groenewald, P Williams, A Abrahams, Johan Mouton, G Bothma, N Hendrikse	Joint planning: IDP projects and planning
ICT	R Pedro	ICT initiatives, assistance and programmes
SDF Forum	N Gouws, P Buys and H Jansen	SDF assistance and guidance

Table 21: Intergovernmental Structures

## CHAPTER 2: GOOD GOVERNANCE

### 2.5.2 JOINT PROJECTS AND FUNCTIONS WITH SECTOR DEPARTMENTS

All the functions of government are divided between the different spheres namely national, provincial and local. The municipality therefore share their area and community with other spheres of government and their various sector departments and has to work closely with national and provincial departments to ensure the effective implementation of various projects and functions. The table below provides detail of such projects and functions:





































Name of Project/ Function	Expected Outcome/s of the Project	Sector Department/s Involved	Contribution of Sector Department
Review and Implementation of crime prevention strategy	 Functional neighbourhood watch  Alignment of strategy with NDP and PSP	 DOCS  SAPS  Laingsburg Municipality	 Technical Support  Training  Equipment  Funding
Afterschool care support centres	 Afterschool centres / programmes  Homework hubs	 DCAS  DSD  Laingsburg Municipality	 Funding  Aftercare centres and homework hubs  Technical assistance
Improved Public Participation	 Getting the community to participate and communicate in society and government programmes	 DLG  Laingsburg Municipality  GIS	 Funding  Technical Support
Additional Access Road to Gøldnerville	 Needs approval from SANRAL  Access Road from N1 to Gøldnerville	 DTPW  DEDAT  Laingsburg Municipality	 Assistance  Motivation  Funding  Technical Assistance

Table 22: Joint Projects and Functions with Sector Departments

### COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the 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.

## CHAPTER 2: GOOD GOVERNANCE

### 2.6.1 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 and
-  IDP formulation and performance feedback to communities.

#### A) WARD 1: BERGSIG (LAINGSBURG), BO DORP

Name of representative	Capacity representing	Dates of meetings held during the year
Councillor B van As	Chairperson	4 July 2018 7 August 2018 4 September 2018 2 October 2018 6 November 2018 4 December 2018 8 January 2019 5 February 2019 5 March 2019 2 April 2019 4 June 2019
M van Wyk	Secretary	
C Nel	Youth	
F van Wyk	Deputy Chair / Health	
J Pieterse	Businesses	
L Wagenstroom	Disabled	
L Pieterse	Women	
W Adams	Safety	
M Coakley	Farmers	
R Carolissen	Schools	
E Pieterse	Sport	
B Vorster	CDW	

Table 23: Ward 1 Committee Meetings

#### B) WARD 2: MATJIESFONTEIN AND SURROUNDING FARMS

Name of representative	Capacity representing	Dates of meetings held during the year
Councillor W Theron	Chairperson	11 July 2018 13 September 2018 31 October 2018 1 November 2018 6 December 2018 7 February 2019 4 April 2019 29 May 2019
B Herder	Deputy Chair	
K Mckeet	Secretary	
J Wylbach	Sport	
A de Bruin	Agriculture	
A Bothma	Labour	
E du Toit	School	



## CHAPTER 2: GOOD GOVERNANCE

Name of representative	Capacity representing	Dates of meetings held during the year
K Solomons	Farmworkers	12 June 2019
K Bandjies	Women	
S Maritz	Disabled	
K Stadler	Youth	
G Coakley	CDW	

Table 24: Ward 2 Committee Meetings

### C) WARD 3: CENTRAL TOWN UP TO FABERSKRAAL

Name of representative	Capacity representing	Dates of meetings held during the year
Councillor L Potgieter	Chairperson	9 July 2018 6 August 2018 3 September 2018 1 October 2018 5 November 2018 10 December 2018 14 January 2019 4 February 2019 4 March 2019 8 April 2019 6 May 2019 3 June 2019
E van der Westhuizen	Churches	
C Willemse	Youth	
L Smith	Elderly	
M le Roux	Women	
N Kietas	Labour	
C van der Vyver	Farmworkers	
M Gibelo	Safety	
D Wall	Schools	
R Hendricks	Businesses and Secretary	
J Hall	Sport	
C Jantjies	CDW	

Table 25: Ward 3 Committee Meetings

### D) WARD 4: GOLDNERVILLE (LAINGSBURG), ACACIA PARK (LAINGSBURG)

Name of representative	Capacity representing	Dates of meetings held during the year
Councillor M Gouws	Chairperson	19 July 2018 24 August 2018 13 September 2018 18 October 2018 12 November 2018 10 December 2018 17 January 2019 19 February 2019 26 March 2019 20 May 2019 20 June 2019
M Pieterse	Women	
C van der Westhuizen	Sport	
S Mauries	Churches	
F Noble	Businesses	
L van Schalkwyk	Disabled	
E Louw	Labour	
T Klansie	Indigent and Tax	
S Lackay	Health	
A Waldeck	Safety	



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Name of representative	Capacity representing	Dates of meetings held during the year
D Horn	Youth	
F Hermanus	CDW	

Table 26: Ward 4 Committee Meetings


















### 2.6.3 FUNCTIONALITY OF WARD COMMITTEES

The purpose of a ward committee is:

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

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

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

Ward Number	Committee established Yes / No	Number meetings held during the year	Committee functioning effectively (Yes / No)	Actions to address
1	Yes	11	Yes	 Bad Lightning  Housing and Maintenance thereof  Youth Development  Job Creation  Stormwater
2	Yes	9	Yes	 Outdated Infrastructure  Housing  Road Maintenance on Farm areas  Job Creation
3	Yes	12	Yes	 Crime Prevention  Upgrading of Mandela Park  Youth Development  Play parks  Storm water
4	Yes	11	Yes	 Housing  Exit Roads  Job Creation



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Ward Number	Committee established Yes / No	Number meetings held during the year	Committee functioning effectively (Yes / No)	Actions to address
				 Youth Development  Back yard Toilets  Stormwater

Table 27: Functioning of Ward Committees

### 2.6.4 REPRESENTATIVE FORUMS

#### A) IDP FORUM

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

Name of representative	Capacity	Meeting dates
M Gouws	Executive Mayor and Ward Councillor	20 September 2018 10 December 2018 26 February 2019
W Theron	Ward Councillor	
L Potgieter	Ward Councillor	
B van As	Ward Councillor	
S Stadler	DSD	
D Horn	LADAAG	
S Schippers	Manager: Thusong Service Centre	
Lt. Col. J Tiemie	SAPS	
M Walters	Tourism	
E April	Neighbourhood Watch	
Ps. S van Wyk	Churches	
A van Graan	Dept. Justice	
C van der Westhuizen	Sport and Ward Committee Member	
J van der Westhuizen	Crèches	
S Wells	Small Business Associations	
A Hartman	Business Chambers	
S Piti	Central Karoo District Municipality	

Table 28: IDP Forum



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### COMPONENT D: CORPORATE GOVERNANCE

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

#### 2.7 RISK MANAGEMENT

In terms of Section 62 (1)(c)(i) of the MFMA states “the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure- that the municipality has and maintains effective, efficient and transparent systems – of financial and risk management and internal control;”...

The table below include the top 10 risks of the Municipality:

Risk	Department	Division
Unauthorised, Irregular and Fruitless and Wasteful Expenditure	Laingsburg Municipality	Laingsburg Municipality
Service Delivery	Laingsburg Municipality	Laingsburg Municipality
Health and Safety	Laingsburg Municipality	Laingsburg Municipality
Management Style (Culture)	Laingsburg Municipality	Laingsburg Municipality
Natural Environment	Laingsburg Municipality	Laingsburg Municipality
Loss/ Theft of Assets	Laingsburg Municipality	Laingsburg Municipality
Fraud and Corruption	Laingsburg Municipality	Laingsburg Municipality
Disaster Recovery/ Business Continuity	Laingsburg Municipality	Laingsburg Municipality
Financial	Laingsburg Municipality	Laingsburg Municipality
Compliance and Regulatory	Laingsburg Municipality	Laingsburg Municipality

Table 29: Top Ten Risks

#### 2.8 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the 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.



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### 2.8.1 DEVELOPED STRATEGIES

Name of strategy	Developed Yes/No	Date Adopted
Anti-corruption Strategy	Yes	2011
Fraud Prevention Strategy	Yes	2017

Table 30: Anti-Corruption & Fraud Prevention Strategies

### 2.9 AUDIT COMMITTEE

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

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance management; and
- effective governance.

The Audit Committee have the following main functions as prescribed in Section 166 (2) (a-e) of the MFMA and the Local Government Municipal and Performance Management Regulation.

#### 2.9.1 FUNCTIONS OF THE AUDIT COMMITTEE

- To advise the council on all matters related to compliance and effective governance.
- To review the annual financial statements to provide council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- To review the quarterly reports submitted to it by the Internal Audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- The compilation of reports to council, at least twice during a financial year.
- To review the performance management system and make recommendations in this regard to Council.
- To identify major risks to which council is exposed and determine the extent to which risks have been minimised.
- To review the annual report of the Municipality.



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- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

### 2.9.2 MEMBERS OF THE AUDIT COMMITTEE

Name of representative	Capacity	Meeting dates
R Walters	Audit Committee: Chairperson	29 August 2018 24 October 2018
H De Villiers Thomas	Audit Committee: Member	
A Smit	Audit Committee: Member	

Table 31: Members of the Audit Committee

### 2.10 PERFORMANCE AUDIT COMMITTEE

The Municipal Planning and Performance Management Regulation require that the performance audit committee is comprised of a minimum of three members, the majority of whom are external (neither a Councillor nor an employee) of the Municipality. Section 14(2)(b) of the Municipal Planning and Performance Management Regulation further stipulates that the performance audit committee must include at least one person who has expertise in performance management. It is also a requirement of the Regulations in Section 14(2)(d) that the council of a municipality designate neither a member of the performance audit committee who is neither a councillor nor an employee of the municipality as the chairperson of the committee.

In terms of Section 166(4)(a) of the MFMA, an audit committee must consist of at least three persons with appropriate experience, of whom the majority may not be in the employ of the Municipality.

Section 166(5) of the MFMA, requires that the members of an audit committee must be appointed by the council of the municipality. One of the members, not in the employ of the municipality, must be appointed as the chairperson of the committee. No councillor may be a member of an audit committee.

Both the Regulations and the MFMA, indicate that three is the minimum number of members needed to comprise a performance audit committee. While the regulations preclude the appointment of a councillor as chairperson of the performance audit committee, the MFMA excludes the involvement of a councillor in the composition of a performance audit committee entirely.

In accordance with the requirements of Section 14(2)(e) of the Regulations, if the chairperson is absent from a specific meeting of the committee, the members present must elect a chairperson from those present to act as chairperson for that meeting.

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Further, Section 14(2)(f) of the Regulations provides that, in the event of a vacancy occurring amongst the members of the performance audit committee, the municipality concerned must fill that vacancy for the unexpired portion of the vacating member's term of appointment.

Section 14(3)(a) of the Regulations requires that the performance audit committee of a municipality must meet at least twice during each financial year. However, additional special meetings of the performance audit committee may be called for by any member of the committee, where sufficient justification exists in terms of Section 14(3)(b) of the Regulations.

### A) FUNCTIONS OF THE PERFORMANCE AUDIT COMMITTEE

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

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

### B) MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

Name of representative	Capacity	Meeting dates
Raymond Walters	Audit Committee Chairperson	29 August 2018 24 October 2018
Helena De Villiers	Audit Committee: Member	
Anthony Smit	Audit Committee: Member	

Table 32: Members of the Performance Audit Committee

## 2.11 INTERNAL AUDITING

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

The internal audit unit of a municipality must –

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
  - (i) internal audit;
  - (ii) internal controls;
  - (iii) accounting procedures and practices;
  - (iv) (iv) risk and risk management;
  - (v) performance management;



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- (vi) loss control; and
- (vii) compliance with this Act, the annual DoRA and any other applicable legislation
- (c) perform other duties as may be assigned to it by the accounting officer.

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

Function	Date/Number
Review the Annual Financial Statements	August 2018
Risk-based Audit Plan – Strategic and Operational	October 2018
Quarterly Performance Information Assessment – Quarter 1	August 2018
Quarterly Performance Information Assessment – Quarter 2	August 2018
Grants/ Division of Revenue Act (DORA) Audit Review	August 2018
Quarterly Performance Information Assessment – Quarter 3	August 2018

Table 33: Functions of the Internal Audit Unit

### 2.12 BY-LAWS AND POLICIES

Section 11 of the MSA gives a council the executive and legislative authority to pass and implement by-laws and policies. Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Community Safety Plan	20 September 2018	No
Disaster Management Plan Review	20 September 2018	No

Table 34: By-laws and Policies 2018/19

### 2.13 COMMUNICATION

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

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

The table below details the communication activities of the Municipality:





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Communication activities	Yes/No
Communication unit	No
Communication strategy	Yes
Communication policy	Yes
Customer satisfaction surveys	No
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes

Table 35: Communication Activities

### 2.14 WEBSITE

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Section 21A and B of the MSA as amended.

The website should serve as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information. The municipal website should serve as an integral part of the municipality's communication strategy.

The table below gives an indication of the information and documents that are published on our website:

Description of information and/or document	Yes/No and/or Date Published
<b>Municipal contact details (Section 14 of the Promotion of Access to Information Act)</b>	
Contact details of the Municipal Manager	No
Contact details of the CFO	No
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
<b>Financial Information (Sections 53, 75, 79 and 81(1) of the Municipal Finance Management Act)</b>	
Draft Budget 2018/19	Yes
Adjusted Budget 2018/19	Yes
SDBIP 2018/19	Yes
Budget and Treasury Office Structure	No
Budget and Treasury Office delegations	No
<b>Integrated Development Plan and Public Participation (Section 25(4)(b) of the Municipal Systems Act and Section 21(1)(b) of the Municipal Finance Management Act)</b>	
Reviewed IDP for 2018/19	Yes
IDP Process Plan for 2018/19	Yes

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Description of information and/or document	Yes/No and/or Date Published
<b>Supply Chain Management (Sections 14(2), 33, 37 &amp; 75(1)(e)&amp;(f) and 120(6)(b) of the Municipal Finance Management Act and Section 18(a) of the National SCM Regulation)</b>	
SCM contracts above R30 000	No
<b>Reports (Sections 52(d), 71, 72 &amp; 75(1)(c) and 129(3) of the Municipal Finance Management Act)</b>	
Annual Report of 2017/18	Yes
Mid-year budget and performance assessment	Yes
Quarterly Reports	Yes
Monthly Budget Statement	Yes
<b>Local Economic Development (Section 26(c) of the Municipal Systems Act)</b>	
Local Economic Development Strategy	Yes

Table 36: Website Checklist

### 2.15 SUPPLY CHAIN MANAGEMENT

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

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

##### A) BID COMMITTEE MEETINGS

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

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
1	1	1

Table 37: Bid Committee Meetings

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

Member	Percentage attendance (%)
A Groenewald	100%
G Bothma	100%
E Hermanus	100%
K Gertse	100%

Table 38: Attendance of Members of Bid Specification Committee



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

Member	Percentage attendance
N Hendrikse	100%
A van der Merwe	100%
E Hermanus	0%
J Mouton	0%
O Noble	100%

*Table 39: Attendance of Members of Bid Evaluation Committee*

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

Member	Percentage attendance
A Groenewald	100%
N Gouws	100%
G Bothma	100%
A Abrahams	100%
K Gertse	100%

*Table 40: 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 highest bid awarded by the bid adjudication committee is the following:

Bid number	Date of award	Title of bid	Successful Bidder	Value of bid awarded (R)
T01/2018/2019	21 May 2019	Provision of Security Services	Gray Security Solutions (Pty) Ltd	3 380 802.60

*Table 41: The Highest Bid Awarded by Bid Adjudication Committee*

### C) AWARDS MADE BY THE ACCOUNTING OFFICER

Recommendations for the Bid Adjudication Committee are ratified and signed off by the Accounting Officer

## CHAPTER 2: GOOD GOVERNANCE

### D) APPEALS LODGED BY AGGRIEVED BIDDERS

Two appeals were lodged for the award of the Provision of Security Services and were unsuccessful.

#### 2.15.2 DEVIATION FROM NORMAL PROCUREMENT PROCESSES

Reason for Deviation	Number of Deviations	Value of deviations (R)	Percentage of total deviations value (%)
Section 36(1)(a)(i)- In an emergency which is considered an unforeseeable and sudden event with materially harmful or potentially materially harmful consequences for the municipality which requires urgent action to address	4	3 416 644.53	35.95%
Section 36(1)(a)(ii)- Where it can be demonstrated that goods or services are produced or available from a single provider only	3	151 809.20	1.60%
Section 36(1)(a)(v)- Exceptional case and it is impractical or impossible to follow the official procurement processes	10	5 935 098.05	62.45%
<b>Total</b>	<b>17</b>	<b>9 503 551.78</b>	<b>100%</b>

Table 42: Details of Deviations for Procurement Services

### CHAPTER 3

#### 3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

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

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

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

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

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

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

The Municipality adopted a performance management framework that was approved by Council in 2013.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.1.1 LEGISLATIVE REQUIREMENTS

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

### 3.1.2 ORGANISATION PERFORMANCE

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

This report highlights the strategic performance in terms of the Municipality's Top Layer SDBIP, performance on the National Key Performance Indicators prescribed in terms of Section 43 of the MSA and an overall summary of performance on municipal services.

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

#### A) THE IDP AND THE BUDGET

The IDP and the budget for 2018/19 was approved by Council on 28 May 2018. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

#### B) THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN

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

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the Municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget. The Top Layer SDBIP was approved by the Executive Mayor on 12 June 2018.

The Top Layer SDBIP was revised with the adjustments budget in terms of Section 26(2)(c) of the Municipal Budget and Reporting Regulations and approved by the Council on 27 February 2019. The following were considered in the development of the amended Top Layer SDBIP:





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

- Areas to be addressed and root causes of the Auditor-General management letter, as well as the risks identified during the 2017/18 audit
- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the Adjustments Budget
- Oversight Committee Report on the Annual Report of 2017/18
- The risks identified by the Internal Auditor during the municipal risk analysis

### C) ACTUAL PERFORMANCE

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

- the actual result in terms of the target set;
- a performance comment;
- actions to improve the performance against the target set, if the target was not achieved.

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

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

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

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the strategic achievement of the Municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the Municipality's strategic plan and shows the strategic alignment between the different documents (IDP, budget and performance agreements).

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

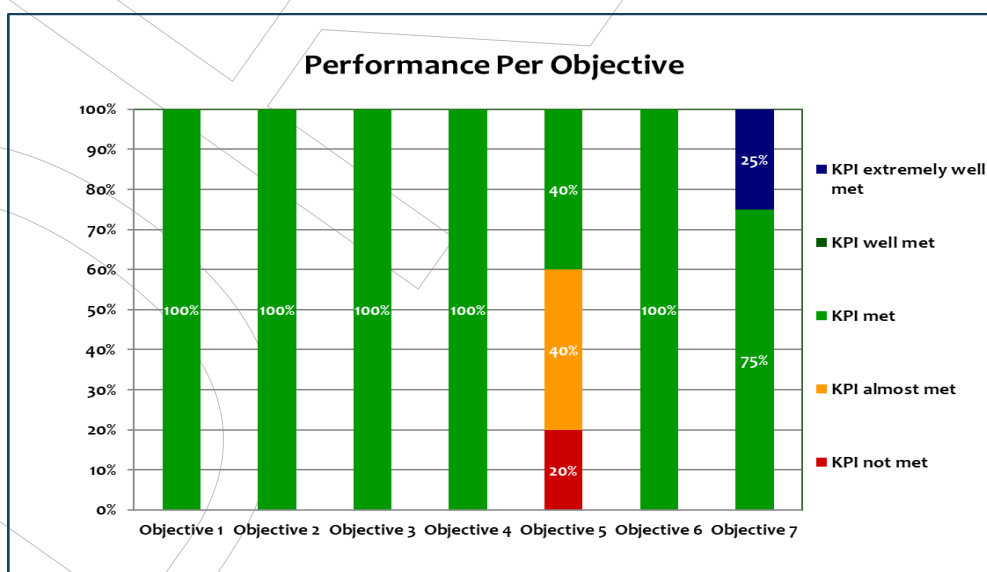
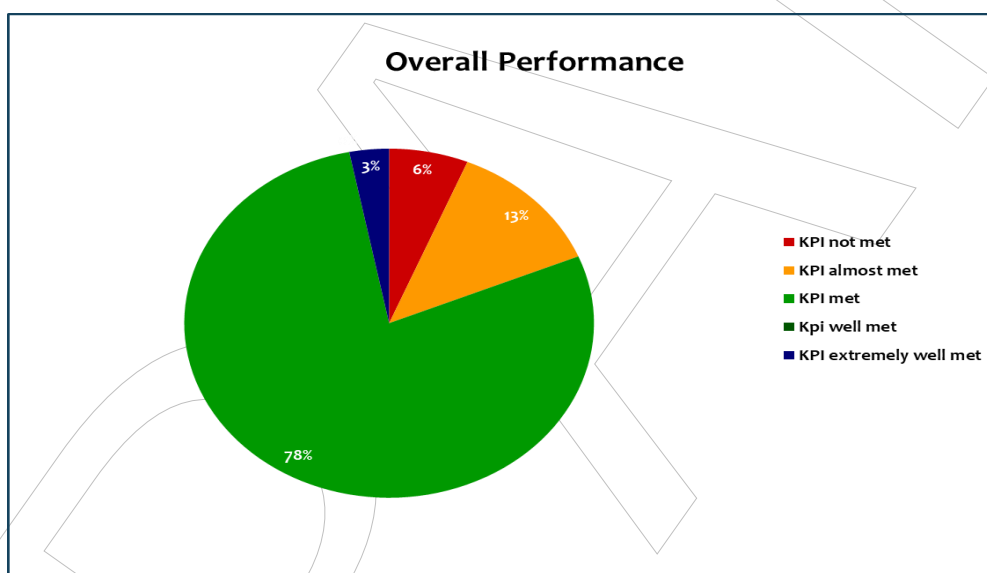
## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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

Category	Colour	Explanation
KPI Not Yet Measured	N/A	KPI's with no targets or actuals in the selected period
KPI Not Met	R	0% > = Actual/Target < 75%
KPI Almost Met	O	75% > = Actual/Target < 100%
KPI Met	G	Actual/Target = 100%
KPI Well Met	G2	100% > Actual/Target < 150%
KPI Extremely Well Met	B	Actual/Target > = 150%

Figure 2.: SDBIP Measurement Categories

The graph below displays the overall performance per Strategic Objective for 2018/19:



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Measurement Category	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5	Objective 6	Objective 7
	Developing a Safe, Clean, Healthy and Sustainable Environment for Communities	Effective Maintenance and Manage of Municipal Assets and Natural Resources	Improve the Standards of Living of All People in Laingsburg	Promote Local Economic Development	Provision of Infrastructure to Deliver Improved Services to All Residents and Business	To Achieve Financial Viability in order to Render Affordable Services to Residents	To Create an Institution with Skilled Employees to Provide a Professional Service to its Clientele Guided by Municipal Values
KPI Not Met	0	0	0	0	2	0	0
KPI Almost Met	0	0	0	0	4	0	0
KPI Met	1	8	4	1	4	4	3
KPI Well Met	0	0	0	0	0	0	0
KPI Extremely Well Met	0	0	0	0	0	0	1
Total	1	8	4	1	10	4	4

Graph 3.: Overall Performance Per Strategic Objective

### A) TOP LAYER SDBIP – DEVELOPING A SAFE, CLEAN, HEALTHY AND SUSTAINABLE ENVIRONMENT FOR COMMUNITIES

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
TL4	Participate in the Provincial Traffic Departments' Public Safety initiatives during the 2018/19 financial year	Number of initiatives participated in	All	4	0	2	0	2	4	4	G

Table 43: Top Layer SDBIP – Developing a Safe, Clean, Healthy and Sustainable Environment for Communities



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### B) TOP LAYER SDBIP – EFFECTIVE MAINTENANCE AND MANAGE OF MUNICIPAL ASSETS AND NATURAL RESOURCES

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
TL20	Spend 70% of the electricity maintenance budget by 30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	70%	70%	70%	G
TL21	Spend 70% of the water maintenance budget by 30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	70%	70%	70%	G
TL22	Spend 70% of the sewerage maintenance budget by 30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	70%	70%	70%	G
TL23	Spend 70% of the refuse removal maintenance budget by 30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	70%	70%	70%	G
TL24	Limit the % electricity unaccounted for to less than 10% by	% electricity unaccounted for by 30 June	All	15%	0%	0%	0%	10%	10%	10%	G



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
	30 June [(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased] × 100]										
TL25	Limit unaccounted for water to less than 50% by 30 June 2019 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100}	% of water unaccounted	All	50%	0%	0%	0%	50%	50%	50%	G
TL26	87% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/Number of water samples tested)×100}	% of water samples compliant	All	90%	0%	0%	0%	87%	87%	87%	G
TL27	91% of effluent samples comply with permit values in terms of SANS 242 by 30 June 2019 {(Number of effluent samples that comply with permit values/Number of effluent samples tested)×100}	% of effluent samples compliant	All	91%	0%	0%	0%	91%	91%	91%	G

Table 44: Top Layer SDBIP – Effective Maintenance and Manage of Municipal Assets and Natural Resources



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### C) TOP LAYER SDBIP – IMPROVE THE STANDARDS OF LIVING OF ALL PEOPLE IN LAINGSBURG

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
TL10	Provide free 50kWh electricity to indigent households as at 30 June 2019	Number of households receiving free basic electricity	All	435	900	900	900	900	900	900	G
TL11	Provide free 6kl water to indigent households as at 30 June 2019	Number of households receiving free basic water	All	648	800	800	800	800	800	800	G
TL12	Provide free basic sanitation to indigent households as at 30 June 2019	Number of households receiving free basic sanitation services	All	640	780	780	780	780	780	780	G
TL13	Provide free basic refuse removal to indigent households as at 30 June 2019	Number of households receiving free basic refuse removal services	All	658	800	800	800	800	800	800	G

Table 45: Top Layer SDBIP – Improve the Standards of Living of All People in Laingsburg

### D) TOP LAYER SDBIP – PROMOTE LOCAL ECONOMIC DEVELOPMENT

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
TL17	Create job opportunities through EPWP and LED projects by 30 June 2019	Number of job opportunities created by 30 June 2019	All	178	0	0	0	150	150	150	G

Table 46: Top Layer SDBIP – Promote Local Economic Development





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### E) TOP LAYER SDBIP – PROVISION OF INFRASTRUCTURE TO DELIVER IMPROVED SERVICES TO ALL RESIDENTS AND BUSINESS

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
TL6	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2019	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2019	All	829	855	855	855	855	855	852	O
<b>Corrective Measures</b>			The expected economic growth that would have resulted in the construction of new homes in the town did not occur								
TL7	Number of formal residential properties that receive piped water (credit) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2019	Number of residential properties which are billed for water	All	1 335	1 339	1 339	1 339	1 339	1 339	1 338	O
<b>Corrective Measures</b>			The expected economic growth that would have resulted in the construction of new homes in the town did not occur								
TL8	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2019	Number of residential properties which are billed for sewerage	All	1 279	1 300	1 300	1 300	1 300	1 300	1 295	O
<b>Corrective Measures</b>			The expected economic growth that would have resulted in the construction of new homes in the town did not occur								
TL9	Number of formal residential properties for which refuse is removed	Number of residential properties which are	All	1 344	1 348	1 348	1 348	1 348	1 348	1 343	O



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
	once per week and billed for the service as at 30 June 2019	billed for refuse removal									
<b>Corrective Measures</b>			The expected economic growth that would have resulted in the construction of new homes in the town did not occur								
TL19	Spend 80% of the budget allocated on the INEP Programme by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	80%	80%	80%	G
TL28	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2019 [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	% of capital budget spent on capital projects	All	81%	0%	0%	0%	80%	80%	80%	G
TL29	Spend 80% of the budget allocated on the Main Water Pipeline in Soutkloof by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	80%	80%	80%	G
TL30	Spend 80% of the budget allocated on the 2ML Reservoir by 30 June 2019 {(Actual	% of project budget spent	All	New key performance indicator for 2018/19. No audited	0%	0%	0%	80%	80%	15%	R



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
	expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]			comparative available							
<b>Corrective Measures</b>			Project delayed due to environmental impact assessment								
TL31	Spend 80% of the budget allocated on the Electricity and Equipment for Boreholes by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	80%	80%	80%	G
TL32	Spend 80% of the budget allocated on the Water Treatment Project by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	New key performance indicator for 2018/19. No audited comparative available	0%	0%	0%	80%	80%	40%	R
<b>Corrective Measures</b>			Final figure to be updated after annual financial statements is submitted								

Table 47: Top Layer SDBIP – Provision of Infrastructure to Deliver Improved Services to All Residents and Business

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### F) TOP LAYER SDBIP – TO ACHIEVE FINANCIAL VIABILITY IN ORDER TO RENDER AFFORDABLE SERVICES TO RESIDENTS

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
TL5	Achieve a debtor payment percentage of 65% by 30 June 2019 {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100}	% debtor payment achieved	All	77.17%	65%	65%	65%	65%	65%	65%	G
TL14	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations at 30 June [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant)x 100]	Debt coverage ratio as at 30 June	All	200%	0%	0%	0%	61.10%	61.10%	61.10%	G
TL15	Financial viability measured in % in terms of the total amount of outstanding service	% outstanding service debtors at 30 June	All	25%	0%	0%	0%	63.8%	63.8%	63.8%	G



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
	debtors in comparison with total revenue received for services at 30 June 2019 [(Total outstanding service debtors/annual revenue received for services)x 100]										
TL16	Financial viability measured in terms of the available cash to cover fixed operating expenditure at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Cost coverage ratio as at 30 June	All	3	0	0	0	1	1	1	G

Table 48: Top Layer SDBIP – To Achieve Financial Viability in order to Render Affordable Services to Residents



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### G) TOP LAYER SDBIP – TO CREATE AN INSTITUTION WITH SKILLED EMPLOYEES TO PROVIDE A PROFESSIONAL SERVICE TO ITS CLIENTELE GUIDED BY MUNICIPAL VALUES

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
TL1	Limit the vacancy rate to less than 10% of budgeted posts by 30 June 2019 ((Number of posts filled/Total number of budgeted posts)x100)	% vacancy rate of budgeted posts by 30 June 2019	All	3%	0%	0%	0%	10%	10%	1%	B
TL2	The number of people from employment equity target groups employed (to be appointed) by 30 June 2019 in the three highest levels of management in compliance with the equity plan	Number of people employed (to be appointed) by 30 June 2019	All	6	0	0	0	8	8	8	G
TL3	The percentage of the Municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2019 [(Actual amount spent on training/total operational budget)x100]	% of the Municipality's personnel budget on implementing its workplace skills plan by 30 June 2019	All	1%	0%	0%	0%	1%	1%	1%	G
TL18	Develop a Risk Based Audit Plan and	RBAP submitted to the audit	All	1	0	0	0	1	1	1	G





## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2017/18	Target					Overall performance for 2018/19	
					Q1	Q2	Q3	Q4	Annual	Actual	R
	submit to the audit committee for consideration by 30 June 2019	committee by 30 June 2019									

Table 49: Top Layer SDBIP – To Create an Institution with Skilled Employees to Provide a Professional Service to its Clientele Guided by Municipal Values

### 3.2.2 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
- ☛ measures taken to improve performance

During the year under review the Municipality did not appoint any service providers who provided municipal services to or for the benefit of the local community on behalf of the Municipality and therefore this report contains no such details. All other contract appointments are regularly monitored and ensured, that the requirements of the contract are complied with.



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.2.3 MUNICIPAL FUNCTIONS

#### A) ANALYSIS OF FUNCTIONS

The municipal functional areas are as indicated below:

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



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Municipal Function	Municipal Function Yes / No
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 50: Functional Areas

### 3.3 COMPONENT A: BASIC SERVICES

#### 3.3.1 WATER SERVICES

##### A) INTRODUCTION TO WATER SERVICES

Laingsburg's main water supply comes from the municipal farm Soutkloof Fountain with additional water sources of Soutkloof pit, Soutkloof borehole, 2 boreholes at Buffels River and a borehole in town.

The Municipality ensures that the groundwater sources are managed in a sustainable manner.

##### B) HIGHLIGHTS: WATER SERVICES

Highlights	Description
Water Master Plan	The Development Bank of South Africa (DBSA) provided funding to update the Water Master Plan

Table 51: Water Services Highlights

##### C) CHALLENGES: WATER SERVICES

Description	Actions to address
Drought	A Drought Recovery Action Plan (DRAP) was developed with short, medium- and long-term initiatives to aid in the current water crisis

Table 52: Water Services Challenges



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### D) WATER SERVICE DELIVERY LEVELS

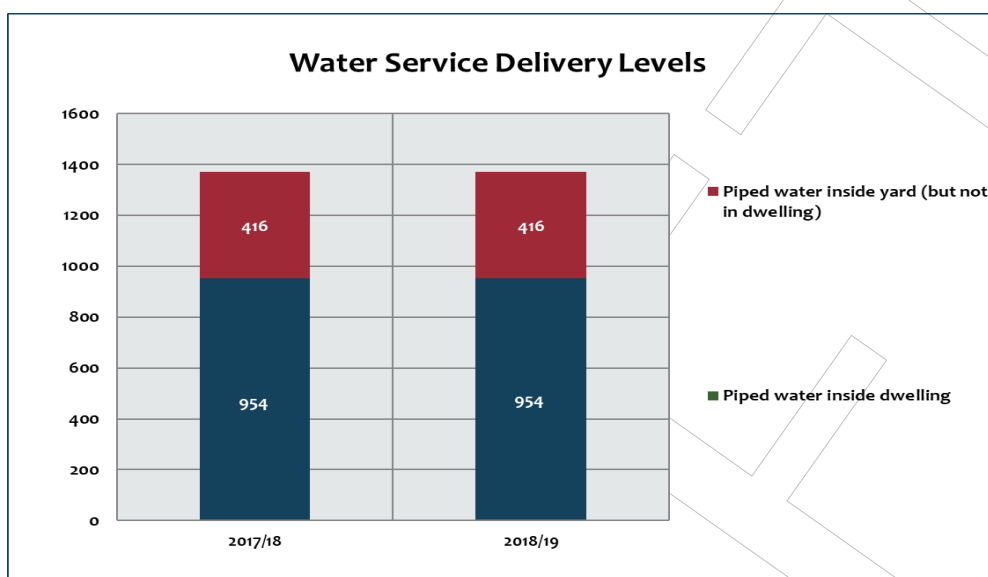
The table below specifies the different water service delivery levels per household for the financial years 2017/18 and 2018/19 in the areas in which the Municipality is responsible for the delivery of the service:

Water Service Delivery Levels		
Households		
Description	2017/18	2018/19
	Actual	Actual
	No.	No.
<u>Water: (above min level)</u>		
Piped water inside dwelling	954	954
Piped water inside yard (but not in dwelling)	416	416
Using public tap (within 200m from dwelling)	0	0
Other water supply (within 200m)	0	0
<i>Minimum Service Level and Above sub-total</i>	<b>1 370</b>	<b>1 370</b>
<i>Minimum Service Level and Above Percentage</i>	<b>100</b>	<b>100</b>
<u>Water: (below min level)</u>		
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
<i>Below Minimum Service Level sub-total</i>	<b>0</b>	<b>0</b>
<i>Below Minimum Service Level Percentage</i>	<b>0</b>	<b>0</b>
<b>Total number of households</b>	<b>1 370</b>	<b>1 370</b>
<i>Include informal settlements</i>		

Table 53: Water Service Delivery Levels: Households



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Graph 4.: Water Service Delivery Levels

### E) EMPLOYEES: WATER SERVICES

Employees: Water Services					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	6	3	3	50
4 - 6	2	1	1	0	0
7 - 9	0	2	2	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>9</b>	<b>6</b>	<b>3</b>	<b>33.33</b>

Table 54: Employees: Water Services

### 3.3.2 WASTE WATER (SANITATION) PROVISION

#### A) INTRODUCTION TO WASTE WATER (SANITATION) PROVISION

A waterborne sewer reticulation system serves the whole of Laingsburg and each erf is connected individually to the reticulation. A waterborne sewer reticulation system and a waste water package plant were installed in Matjiesfontein and is operational since the Department of Environmental Affairs approved the waste management license in August 2013. All the newly built houses and erven in Matjiesfontein were connected to the sewer line.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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

Highlights	Description
Construction of sludge drying beds at the Waste Water Treatment Works (WWTW)	Department of Water and Sanitation (DWS) gave R2 million for sludge drying beds at the WWTW for the removal of sludge which has been building up over the years

Table 55: Waste Water (Sanitation) Provision Highlights

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

Description	Actions to address
Sludge removal	The construction of the sludge drying beds will address this issue

Table 56: Waste Water (Sanitation) Provision Challenges

### D) WASTE WATER (SANITATION) PROVISION SERVICE DELIVERY LEVELS

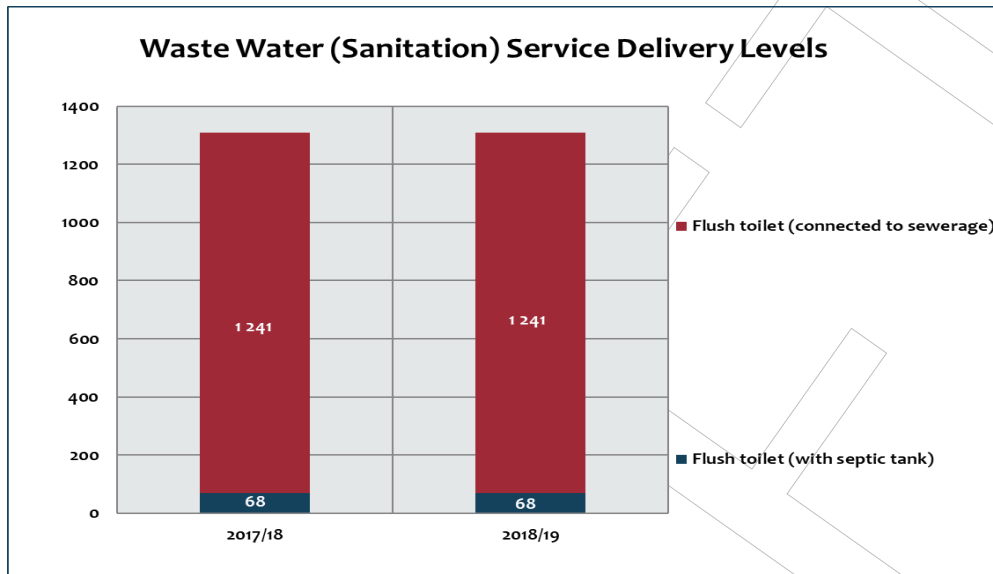
The table below specifies the different sanitation service delivery levels per households for the financial years 2017/18 and 2018/19 in the areas in which the Municipality is responsible for the delivery of the service:

Waste Water (Sanitation) Service Delivery Levels		
Households		
Description	2017/18	2018/19
	Actual	Actual
	No.	No.
<b>Sanitation/sewerage: (above minimum level)</b>		
Flush toilet (connected to sewerage)	1 241	1 241
Flush toilet (with septic tank)	68	68
Chemical toilet	0	0
Pit toilet (ventilated)	0	0
Other toilet provisions (above min. service level)	0	0
<b>Minimum Service Level and Above sub-total</b>	<b>1 317</b>	<b>1 317</b>
<b>Minimum Service Level and Above Percentage</b>	<b>100</b>	<b>100</b>
<b>Sanitation/sewerage: (below minimum level)</b>		
Bucket toilet	0	0
Other toilet provisions (below min. service level)	0	0
No toilet provisions	0	0
<b>Below Minimum Service Level sub-total</b>	<b>0</b>	<b>0</b>
<b>Below Minimum Service Level Percentage</b>	<b>0</b>	<b>0</b>
<b>Total households</b>	<b>1 317</b>	<b>1 317</b>
<b>Including informal settlements</b>		

Table 57: Waste Water (Sanitation) Provision Service Delivery Levels



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE



Graph 5.: Waste Water (Sanitation) Provision Service Delivery Levels

### E) EMPLOYEES: WASTE WATER (SANITATION) PROVISION

Employees: Sanitation Services					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	2	1	0	1	100
4 – 6	1	2	2	0	0
7 – 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>33.33</b>

Table 58: Employees Waste Water (Sanitation) Provision

### 3.3.3 ELECTRICITY SERVICES

#### A) INTRODUCTION TO ELECTRICITY SERVICES

Laingsburg Municipality buys electricity from ESKOM and sells the electricity to the residential and business customers in Laingsburg. Households from Göldnerville in Laingsburg and Matjiesfontein buy electricity direct from ESKOM. The Municipality makes use of an electrical contractor to do all the maintenance and upgrading work on the electrical network.



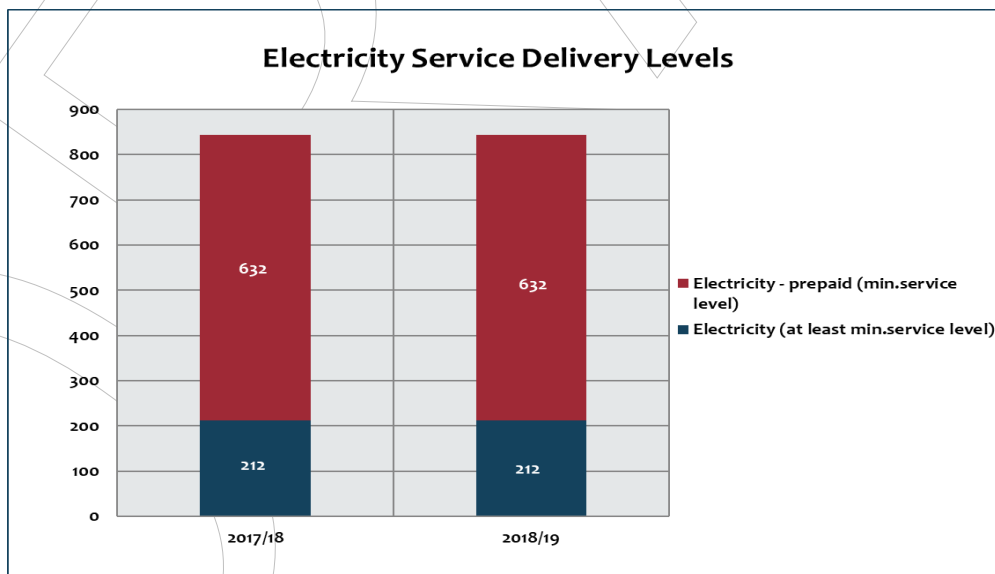
## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### B) ELECTRICITY SERVICE DELIVERY LEVELS

The table below indicates the different service delivery level standards for electricity in the areas in which the Municipality is responsible for the delivery of the service:

Electricity Service Delivery Levels		
Households		
Description	2017/18	2018/19
	Actual	Actual
	No.	No.
<b>Energy: (above minimum level)</b>		
Electricity (at least min.service level)	212	212
Electricity - prepaid (min.service level)	632	632
<b>Minimum Service Level and Above sub-total</b>	<b>837</b>	<b>837</b>
<b>Minimum Service Level and Above Percentage</b>	<b>100%</b>	<b>100%</b>
<b>Energy: (below minimum level)</b>		
Electricity (< min.service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
<b>Below Minimum Service Level sub-total</b>	<b>0</b>	<b>0</b>
<b>Below Minimum Service Level Percentage</b>	<b>0%</b>	<b>0%</b>
<b>Total number of households</b>	<b>837</b>	<b>837</b>

Table 59: Electricity Service Delivery Levels



Graph 6.: Electricity Service Delivery Levels

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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

#### A) INTRODUCTION TO WASTE MANAGEMENT

The Municipality makes use of a labour intensive method to do the refuse collection, waste disposal and street cleaning in Laingsburg and Matjiesfontein.

#### B) CHALLENGES: WASTE MANAGEMENT

Description	Actions to address
Landfill site air space capacity almost reached (98%)	The walls of the landfill site cells will be made higher to increase the air space
Recycling facility incomplete	The Department of Environmental Affairs will complete the project in the 2019/20 financial year

Table 60: Waste Management Challenges

#### C) WASTE MANAGEMENT SERVICE DELIVERY LEVELS

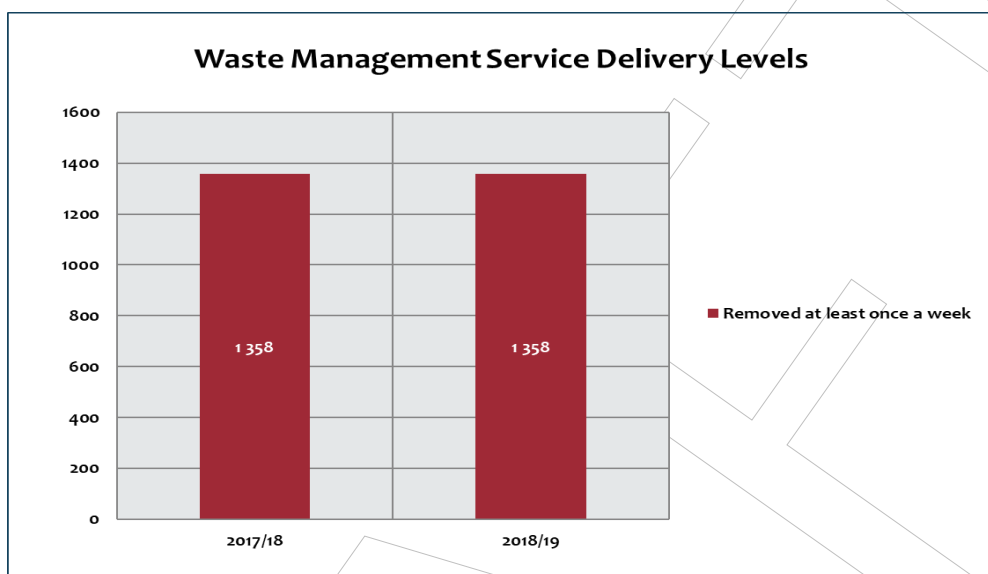
The table below specifies the different refuse removal service delivery levels per household for the financial years 2017/18 and 2018/19 in the areas in which the Municipality is responsible for the delivery of the service:

Waste Management Service Delivery Levels		
Description	Households	
	2017/18	2018/19
	Actual	Actual
	No.	No.
<b>Solid Waste Removal: (Minimum level)</b>		
Removed at least once a week	1 358	1 358
<i>Minimum Service Level and Above sub-total</i>	<b>1 358</b>	<b>1 358</b>
<i>Minimum Service Level and Above percentage</i>	<b>100%</b>	<b>100%</b>
<b>Solid Waste Removal: (Below minimum level)</b>		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
<i>Below Minimum Service Level sub-total</i>	<b>0</b>	<b>0</b>
<i>Below Minimum Service Level percentage</i>	<b>0%</b>	<b>0%</b>
<b>Total number of households</b>	<b>1 358</b>	<b>1 358</b>



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Table 61: Waste Management Service Delivery Levels



Graph 7.: Waste Management Service Delivery Levels

### E) EMPLOYEES: WASTE MANAGEMENT

Employees: Solid Waste Services					
Job Level	2016/17	2017/18			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	5	9	9	0	0
4 - 6	1	5	5	0	0
7 - 9	0	0	0	0	0
10 - 12	0	1	0	1	100
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>6</b>	<b>15</b>	<b>14</b>	<b>1</b>	<b>6.67</b>

Table 62: Employees: Solid Waste Services

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.3.5 HOUSING

#### A) INTRODUCTION TO HOUSING

Due to the high poverty level in Laingsburg Municipal area it is essential to provide the poor members in our community with a RDP house and as such contribute to sustainable human settlements where families can live in a safe and hygienic environment.

The following table shows the number of people on the housing waiting list. There are currently approximately **750** housing units on the waiting list.

Financial year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2017/18	750	25
2018/19	685	9

Table 63: Housing Waiting List

#### B) HIGHLIGHTS: HOUSING

Highlight	Description
Housing demand database	Data cleansing was done successfully as requested by the Western Cape Department of Human Settlements
Title deeds	±295 title deeds were handed out to the respective home owners
Transfer of railway houses	The Municipality is currently busy with the process to transfer the railway houses in Matjiesfontein to the respective owners
Housing consumer education workshop	2 housing consumer education workshops will take place as well as a workshop on Finance Linked Individual Subsidy Programme (FLISP) housing in order to determine the interest in FLISP-housing

Table 64: Housing Highlights

#### C) CHALLENGES: HOUSING

Description	Actions to address
Difficult to track down existing beneficiaries on the waiting list when needed to update new information	Ward committees and community development workers to assist in tracking down beneficiaries
Housing Sector Plan (HSP)	The Municipality must develop a new HSP and ask the Department of Human Settlements to assist in this regard. This is currently in process

Table 65: Housing Challenges

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.4 COMPONENT B: ROAD TRANSPORT

#### 3.4.1 ROADS

##### A) INTRODUCTION TO ROADS

For optimal performance it is essential that roads are maintained to provide the road user with an acceptable level of service, to protect the structural layers of pavement from the abrasive forces of traffic, as well as from the effects of the environment.

Gravel Road Infrastructure: Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2017/18	1.94	0	0	1.94
2018/19	1.94	0	0	1.94

Table 66: Gravel Road Infrastructure

Tarred Road Infrastructure: Kilometres					
Year	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2017/18	26.7	0	0	0	26.7
2018/19	26.7	0	0	0	26.7

Table 67: Tarred Road Infrastructure

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

Financial year	New & Replacements	Resealed	Maintained
	R'ooo		
2017/18	0	0	0
2018/19	0	0	0

\* The cost for maintenance include stormwater

Table 68: Cost of Construction/Maintenance of Roads

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### B) EMPLOYEES: ROADS

Employees: Roads					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	11	1	1	0	0
4 – 6	0	0	0	0	0
7 – 9	0	3	3	0	0
10 – 12	0	0	0	0	0
13 – 15	0	0	0	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
<b>Total</b>	<b>11</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>

Table 69: Employees: Roads

### 3.4.2 WASTE WATER (STORMWATER DRAINAGE)

#### A) INTRODUCTION TO WASTE WATER (STORMWATER DRAINAGE)

It is common practice to provide a formal drainage system of pipes or channels to convey stormwater away from erven and streets and to discharge this water into natural watercourses. The stormwater system must be cleaned and maintained on a regular basis to ensure a proper working drainage system.

#### B) WASTE WATER (STORMWATER DRAINAGE) MAINTAINED AND UPGRADED

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

Stormwater Infrastructure: Kilometres				
Year	Total Stormwater measures (km)	New stormwater measures (km)	Stormwater measures upgraded (km)	Stormwater measures maintained (km)
2017/18	8.03	0	0	8.03
2018/19	8.03	0	0	8.03

Table 70: Stormwater Infrastructure



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

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

Financial year	Stormwater Measures		
	New R'000	Upgraded R'000	Maintained R'000
2017/18	0	0	0
2018/19	0	0	0

Table 71: Cost of Construction/Maintenance of Stormwater Systems

### 3.5 COMPONENT C: PLANNING AND LOCAL ECONOMIC DEVELOPMENT (LED)

#### 3.5.1 PLANNING

##### A) SERVICE DELIVERY STATISTICS: PLANNING

Type of service	2017/18	2018/19
Building plans application processed	9	3
Total surface (m²)	2 215	1 025
Residential extensions	9	1
Rural applications	0	0
Land use applications processed	5	2

Table 72: Service Delivery Statistics: Planning

#### 3.5.2 LED (INCLUDING TOURISM AND MARKET PLACES)

##### A) INTRODUCTION TO LED

The vision of the LED strategy is to create sustainable communities in the central Karoo through local economic development

##### B) HIGHLIGHTS: LED

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

Highlights	Description
Laingsburg biltong festival	Food and leisure festival held in Laingsburg
Karoo battle of the bikes	Hosted the cycling and adventure tourism event
KFC opened	Fast food and take away restaurant opened in Laingsburg
Small, Medium & Micro Enterprise Businesses (SMME's) development	Assisted in developing local cuisine and t-shirt printing businesses

Table 73: LED Highlights



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### C) CHALLENGES: LED

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

Description	Actions to address
Lack of investment	Advertise business opportunities
Unemployment	Expanded Public Works Programme (EPWP) implementation
Dependency on social grants	Awareness programmes
Lack of business and financial knowledge	Training for emerging businesses

Table 74: Challenges LED

### C) LED STRATEGY

LED includes all activities associated with economic development initiatives. The Municipality has a mandate to provide strategic guidance to the Municipality's integrated development planning and economic development matters and working in partnership with the relevant stakeholders on strategic economic issues. The LED strategy identifies various issues and strategic areas for intervention such as:

Objective	Strategies
<b>Diversifying the economy</b>	
<p>To develop the agricultural sector in such a way that:</p> <ul style="list-style-type: none"> <li>Current agricultural practices are maintained and further enhanced as this forms the backbone of the local economy</li> <li>Value adding practices in the form of agri-processing are initiated and become sustainable</li> <li>Agri-processing industries involve the large number of economically active unemployed females in the sub-region</li> <li>Synergies are created between the service industry and the agricultural sector, whereby tourists are attracted to local products and utilise other services</li> </ul>	<ul style="list-style-type: none"> <li>Sustain existing agricultural practices</li> <li>Promoting agri-processing industries</li> <li>Provide for Urban Agriculture and Small Scale Farming</li> <li>Identify and support agri-tourism practices</li> <li>Alternative Energies</li> <li>Agri Tourism</li> </ul>
<b>Transport and service sector</b>	
<p>To develop a sustainable transport and related services sector in the Municipality in a way that:</p> <ul style="list-style-type: none"> <li>Supports and is aligned with the five strategic issues identified in the Central Karoo District's Integrated Transport Plan</li> <li>Distinguishes between the two types of travellers that are passing through the Central Karoo and Cape Town towards Johannesburg: private vehicle owners and truck drivers</li> <li>Promotes the image of Laingsburg as an ideal stop-over for travellers seeking good services.</li> <li>Focuses on projects within the Municipality that can spread the benefits equitably</li> <li>Creates links with the agriculture sector</li> </ul>	<ul style="list-style-type: none"> <li>Align with regional transport plan</li> <li>Cater for the needs of long distance private travellers</li> <li>Capture the trucks market</li> <li>Facilitate creative alliances with the local agriculture and tourism sector</li> <li>Becoming the best Karoo Town</li> <li>Tarring of gravel roads</li> <li>Wifi Free Town</li> <li>Public Transportation</li> </ul>
<b>Human resources development</b>	
<ul style="list-style-type: none"> <li>To ensure that all children have access to high quality early childhood development programmes</li> <li>To ensure that all learners and job seekers have equal access to quality education and training</li> </ul>	<ul style="list-style-type: none"> <li>Ensure access to early childhood and school development programmes</li> <li>Worker Skills Development and Training Programmes</li> </ul>



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Objective	Strategies
<ul style="list-style-type: none"> <li>To ensure that learners have safe access to learning facilities</li> <li>To empower residents of Laingsburg to acquire skills that will enable them to access and acquire favourable city jobs</li> </ul>	<ul style="list-style-type: none"> <li>Further Education and Training (FET) College</li> <li>School for Children with Learning Disabilities</li> </ul>
Integrated human settlement	
To establish a pattern of development that: <ul style="list-style-type: none"> <li>Improves land use integration to enhance the access of poorer communities to economic and social services</li> <li>Creates and ensures that housing becomes assets to the poor</li> </ul>	<ul style="list-style-type: none"> <li>Improve connectivity between townships and more established parts of the town</li> <li>Enhance the asset value of low-income housing</li> <li>Gap Housing</li> <li>Spatial Planning and Land Use Management Act (SPLUMA)/ Land Use Planning Act (LUPA)</li> </ul>

Table 75: LED Objectives and Strategies

### D) LED INITIATIVES

Within a limited budget for LED projects and one official to assist with LED implementation the following programmes have been initiated in the municipal area:

Job creation through Extended Public Works Programme (EPWP) projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2017/18	8	160
2018/19	8	200

Table 76: Job Creation Through EPWP Projects

### E) ADDITIONAL SERVICE DELIVERY STATISTICS: LED INITIATIVES

Type of service	2017/18	2018/19
Small businesses assisted	8	7
SMME's trained	20	0
Community members trained for tourism / PACA	42	0
Local artisans and crafters assisted	7	0
Recycling awareness programmes	25	23

Table 77: LED Initiatives

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.6 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

#### 3.6.1 LIBRARIES

##### A) INTRODUCTION: LIBRARIES

The Library Service of Laingsburg Municipality consists of one main library and three mini libraries. The library function promotes a reading culture and the importance of reading from a young age.

##### B) HIGHLIGHTS: LIBRARIES

Highlights	Description
Story reading to pre-school children (Nali Bali reading group)	The Library Department visited various crèches and read stories to the children
School visits	Promoted the importance of reading. Explained the procedure on how to become library members
Free internet at the library	Free internet is available to the community
Free Wi-Fi	250mb per month per device is available to the community
Story reading and movies	Children watched movies on specific days and story reading sessions were hosted at the library

Table 78: Libraries Highlights

##### C) CHALLENGES: LIBRARIES

Description	Actions to address
No proper work space for the staff at the main library	Extension of the library for staff work space
Limited shelving at all the libraries	Extension and upgrading of the libraries

Table 79: Libraries Challenges

##### D) SERVICE STATISTICS FOR LIBRARIES

Type of service	2017/18	2018/19
Library members	1 592 (removed members who did not take books out in three years as per instruction from Province to clean up the database)	1 900
Books circulated	26 412	25 912
Exhibitions held	16	16
Internet users	1 436	1 648
Children programmes	9	4
Book group meetings for adults	0	0

Table 80: Service Statistics for Libraries

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### E) EMPLOYEES LIBRARIES

Employees: Libraries					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	3	3	0	0
7 – 9	1	1	1	0	0
10 – 12	1	1	1	0	0
13 – 15	0	0	0	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0</b>

Table 81: Employees: Libraries

### 3.6.2 CEMETERIES

#### A) INTRODUCTION TO CEMETERIES

The Municipality has three cemeteries within the town of Laingsburg. The cemeteries located in Kambro Street and in Göldnerville are used for new burials, whereas the other one located in the town CBD was used to bury the victims and fatalities of the 1981 flood disaster.

#### B) SERVICE STATISTICS FOR CEMETERIES

Type of service	2017/18	2018/19
Pauper burials	2	2

Table 82: Service Stats for Cemeteries

### 3.6.3 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

#### A) INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Child care is to assist parents who cannot take care of their young children because of work or other reasons. The Social Welfare Department subsidises non-governmental organisations to provide a variety of child care services, to meet the different needs of the parents and their young children.



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Aged care is the term for daily living and nursing care services provided to older citizens who either need some help at home or can no longer live independently. These services are generally divided into two categories namely residential care and home-based care.

Social programmes are welfare subsidies designed to aid the needs of the population.

### B) HIGHLIGHTS: CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Highlights	Description
Youth events	Ward based activities took place during the year
Sport events	Different sport code tournaments were held during the year

Table 83: Child Care; Aged Care; Social Programmes Highlights

### C) CHALLENGES: CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Description	Actions to address
Teenage pregnancy	Awareness programmes
Early school dropouts	In the process to start afterschool programmes and awareness programmes
Substance abuse	Aftercare programmes and rehabilitation programmes to curb substance abuse

Table 84: Child Care; Aged Care; Social Programmes Challenges

### D) SERVICE STATISTICS FOR CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Description	2017/18	2018/19
Trees planted	0	3
Veggie gardens established or supported	2	2
Soup kitchens established or supported	4	4
Initiatives to increase awareness on child abuse	1	3
Youngsters educated and empowered	210	200
Initiatives to increase awareness on disability	2	1
Initiatives to increase awareness on women	1	1
Women empowered	1	1
Initiatives to increase awareness on HIV/AIDS	1	1
Initiatives to increase awareness on Early Childhood Development (ECD)	2	2
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	5	1

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Description	2017/18	2018/19
Special events hosted (World's Aids Day, Arbour day, World Disability Day, Youth Day, 16 Days of Activism against women abuse)	10	5

Table 85: Service Statistics for Child Care; Aged Care; Social Programmes

### 3.7 COMPONENT E: SECURITY AND SAFETY

#### 3.7.1. PUBLIC SAFETY

##### A) INTRODUCTION TO PUBLIC SAFETY

**Neighbourhood Watch and Law Enforcement:** Attends to all complaints from the public related to the Municipality's by-laws for example exceeding prescribed number of dogs and noise control. Also attend to complaints from shop owners with beggars as their main problem. Look after the safety of our residents and tourists visiting town.

**Traffic:** Enforces all offences regarding the Road Traffic Act 93 of 1996 for example disobeying stop signs, parking on the wrong side of the road and driving a motor vehicle without driving license. Furthermore, hotspots/dangerous areas in town and manages parking bay outlays within the town.

**Fire and disaster management:** Attends to fire callouts within the jurisdiction of Laingsburg Municipality, as well as on the N1 for example house fires, veld fires and motor vehicle accident fires.

The Municipality has a traffic department which consists of four permanently appointed traffic officers. The Municipality had to end the Wolwekloof cadets' contracts as the Municipality was in a financial difficulty. Two law enforcements posts were advertised but only one applied and was appointed.

##### B) HIGHLIGHTS: PUBLIC SAFETY

Highlights	Description
Road blocks	Officers doing duty on the road roadblocks served warrants and summonses to ignorant offenders.

Table 86: Public Safety Services Highlights

##### C) CHALLENGES: PUBLIC SAFETY

Description	Actions to address
Personnel shortage	Budget for appointments
Shortage of vehicles	Budget for vehicle purchases
Limited office space	Budget for extension of office
Insufficient lighting in town	Budget for mass lights

Table 87: Public Safety Services Challenges





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### D) SERVICE STATISTICS FOR PUBLIC SAFETY

Details	2017/18	2018/19
Motor vehicle licenses processed	1 527	1 538
Learner driver licenses processed	245	322
Driver licenses processed	651	657
Driver licenses issued	529	581
R-value of fines collected	600 700	106 230
Operational call-outs	59	65
Roadblocks held	8	24
Complaints attended to by Traffic Officers	86	108
Special Functions – Escorts	5	6
Awareness initiatives on public safety	4	3
Operational call-outs: Fire Services	32	42
Awareness initiatives on fire safety	2	1
Reservists and volunteers trained on fire fighting	0	0

Table 88: Service Statistics for Public Safety

### E) EMPLOYEES: PUBLIC SAFETY

Employees: Law Enforcement and Traffic Services					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	1	1	0	0
7 – 9	0	1	1	0	0
10 - 12	2	3	3	0	0
13 - 15	0	0	0	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0</b>

Table 89: Employees: Public Safety



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.8 COMPONENT F: SPORT AND RECREATION

#### 3.8.1 INTRODUCTION TO SPORT AND RECREATION

The Municipality consists of three sport fields which is situated in Laingsburg, Matjiesfontein and Vleiland. Furthermore, it also has two “kickabout” mini sport fields within the suburbs of Göldnerville and Bergsig.

#### A) CHALLENGES: SPORT AND RECREATION

Description	Actions to address
Limited sport fields in Laingsburg. Only one field what every sport code must use	Apply for funding for additional sport fields in Laingsburg

Table 90: Challenges: Sport and Recreation

#### B) SERVICE STATISTICS FOR SPORT AND RECREATION

Type of service	2017/18	2018/19
<b>Community Parks</b>		
Number of parks with play park equipment	5	5
Number of wards with community parks	4	4
<b>Sport fields</b>		
Number of wards with sport fields	2	2
Number of sport associations utilizing sport fields	5	5
R-value collected from utilization of sport fields	0	0
<b>Sport halls</b>		
Number of wards with sport halls	2	2
Number of sport associations utilizing sport halls	4	4

Table 91: Additional Performance Information for Sport and Recreation

#### D) EMPLOYEES: SPORT AND RECREATION

<b>Employees: Sport and Recreation</b>					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	3	3	3	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 - 12	0	0	0	0	0



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Employees: Sport and Recreation					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>

Table 92: Employees: Sport and Recreation

### 3.9 COMPONENT G: CORPORATE POLICY OFFICES AND OTHER SERVICES

#### 3.9.1 FINANCIAL SERVICES

##### A) EMPLOYEES: FINANCIAL SERVICES

Employees: Financial Services					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	5	5	5	0	0
7 - 9	1	1	1	0	0
10 - 12	3	4	3	1	25
13 - 15	1	1	1	0	0
16 - 18	2	2	2	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>12</b>	<b>13</b>	<b>12</b>	<b>1</b>	<b>7.69</b>

Table 93: Employees: Financial Services



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.9.2 HUMAN RESOURCES (HR)

#### A) INTRODUCTION TO HR

In the context of developmental local government, municipalities are tasked with the crucial responsibility of fulfilling the constitutional mandates delegated to them. As the staff component of any municipality is the vehicle of service delivery and ultimately responsible for compliance with the listed constitutional mandates, it is incumbent on Laingsburg Municipality to ensure that its human resources capacity is developed to a level where it can perform its responsibilities in an economical, effective, efficient and accountable way.

#### B) HIGHLIGHTS: HR

Highlights	Description
Appointment of new HR-intern	The Municipality received funding from the Department of Local Government (DPLG) to appoint an intern and said intern was placed in the HR office. The intern is of great assistance and workload is spread evenly
A new file plan was submitted to Archives and Records Services	Archives and Records Services is still in the process to evaluate the plan and the Municipality awaits the outcome
Wellness Day	The Municipality held a successful Wellness Day for all staff members in July 2018. The Municipality acknowledge the value of its employees and admits that their well-being is to the benefit of employees and the employer. It is the intention of the employer to provide reasonable assistance to those employees who may be in need of professional guidance, in order to promote their personal well-being and to make sure that they are able to continue delivering a quality service to the employer

Table 94: Highlights: HR

#### C) CHALLENGES: HR

Description	Actions to address
The review/development of HR policies	HR is in the process to develop 4 policies to submit to the policy committee

Table 95: Challenges: HR

#### D) EMPLOYEES: HUMAN RESOURCES

Employees: Human Resources					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	2	2	2	0	0



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Employees: Human Resources					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
7 – 9	1	2	1	1	50
10 - 12	1	2	1	1	50
13 - 15	0	0	0	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>7</b>	<b>5</b>	<b>2</b>	<b>28.57</b>

Table 96: Employees: HR

### 3.9.3 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

#### A) HIGHLIGHTS: ICT SERVICES

Highlights	Description
Installation of fibre internet	State Information Technology Agency (SITA) installed new fibre internet equipment in the main municipal building
Roll out of ICT Steering Committee	ICT Steering Committee was established
Collaborator system reinitialised	Reinitialised the Collaborator system and reusing its functions after system was shut down

Table 97: Highlights: ICT Services

#### B) CHALLENGES: ICT SERVICES

Description	Actions to address
No disaster recovery site	Requested help from the Department of Local Government (DLG) for access to funds. Also approached Central Karoo Municipality for a shared service solution
No server room	Solution at this moment is to move the Technical Department into container offices within the same area of the Municipality's main building to free up space so that office space can be secured for a server room

Table 98: Challenges: ICT Services

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### C) EMPLOYEES: ICT SERVICES

Employees: ICT Services					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 – 12	1	1	1	0	0
13 – 15	0	0	0	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>

Table 99: Employees: ICT Services

### 3.9.4 PROCUREMENT SERVICES

#### A) INTRODUCTION TO PROCUREMENT SERVICES

Procurement services entails all the supply chain management activities aimed at providing goods and services to the municipality at the right price, from the right supplier, in the right quantities, at the right time.

Section 217 of the Constitution of South Africa requires that when organs of state procure contracts, it must do so with a system which is fair, equitable, transparent, competitive and cost-effective.

#### B) CHALLENGES: PROCUREMENT SERVICES

Description	Actions to address
Suppliers not registered on the Central Suppliers Database (CSD)	Supplier verification process to assist existing suppliers to register on the CSD
Contract management	Development of a standard template to verify and report on contractor performance before payment is done
Stores	Stores remains one of the biggest challenges. The inventory needs to be cleared of all old obsolete stock and written off and a new system must be implemented
Lack of suppliers with all the needed commodities	Putting out all required commodities that is difficult to source out on term tenders

Table 100: Challenges: Procurement Services

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### C) SERVICE STATISTICS: PROCUREMENT SERVICES

Description	Total No	Monthly Average
Orders processed	1 880	156.66
Extensions	0	0
Bids received (number of documents)	52	4
Bids awarded	14	1.2
Bids awarded ≤ R200 000	1	1
Appeals registered	2	0.2
Successful appeals	0	0

Table 101: Service Statistics: Procurement Services

### E) DETAILS OF DEVIATIONS FOR PROCUREMENT SERVICES

Reason for Deviation	Number of Applications Considered and Approved	Value of Applications Approved (R)
Section 36(1)(a)(i)- In an emergency which is considered an unforeseeable and sudden event with materially harmful or potentially materially harmful consequences for the municipality which requires urgent action to address	4	3 416 644.53
Section 36(1)(a)(ii)- Where it can be demonstrated that goods or services are produced or available from a single provider only	3	151 809.20
Section 36(1)(a)(iii)- For the acquisition of special works of art or historical objects where specifications are difficult to compile	N/A	N/A
Section 36(1)(a)(v)- Exceptional case and it is impractical or impossible to follow the official procurement processes	10	5 935 098.05
<b>Total</b>	<b>17</b>	<b>9 503 551.78</b>

Table 102: Details of Deviations for Procurement Services



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.10 COMPONENT H: SERVICE DELIVERY PRIORITIES FOR 2019/20

The main development and service delivery priorities for 2019/20 form part of the Municipality's Top Layer SDBIP for 2019/20 and are indicated in the table below:

#### 3.10.1 DEVELOPING A SAFE, CLEAN, HEALTHY AND SUSTAINABLE ENVIRONMENT FOR COMMUNITIES

REF	KPI	Unit of Measurement	Wards	Annual Target
TL27	Participate in the Provincial Traffic Departments' Public Safety initiatives during the 2019/20 financial year	Number of initiatives participated in	All	2
TL32	Review the Disaster Management Plan and submit to Council by 31 December 2019	Reviewed Disaster Management Plan submitted to Council by 31 December 2019	All	0

Table 103: Service Delivery Priorities for 2019/20 – Developing a Safe, Clean, Healthy and Sustainable Environment for Communities

#### 3.10.2 EFFECTIVE MAINTENANCE AND MANAGE OF MUNICIPAL ASSETS AND NATURAL RESOURCES

REF	KPI	Unit of Measurement	Wards	Annual Target
TL15	Spend 70% of the electricity maintenance budget by 30 June 2020 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	70%
TL16	Spend 70% of the water maintenance budget by 30 June 2020 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	70%
TL17	Spend 70% of the sewerage maintenance budget by 30 June 2020 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	70%
TL18	Spend 70% of the refuse removal maintenance budget by 30 June 2020 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent	All	70%
TL19	Limit the % electricity unaccounted for to less than 10% by 30 June 2020 [(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased] × 100	% electricity unaccounted for by 30 June	All	10%
TL20	Limit unaccounted for water to less than 50% by 30 June 2020 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100}	% of water unaccounted	All	50%
TL21	95% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241	% of water samples compliant	All	95%



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

REF	KPI	Unit of Measurement	Wards	Annual Target
	indicators/Number of water samples tested)x100}			
TL22	95% of effluent samples comply with permit values in terms of SANS 242 by 30 June 2020 {(Number of effluent samples that comply with permit values/Number of effluent samples tested)x100}	% of effluent samples compliant	All	91%

Table 104: Services Delivery Priorities for 2019/20 – Effective Maintenance and Manage of Municipal Assets and Natural Resources

### 3.10.3 IMPROVE THE STANDARDS OF LIVING OF ALL PEOPLE IN LAINGSBURG

REF	KPI	Unit of Measurement	Wards	Annual Target
TL8	Provide free 50kWh electricity to indigent households as at 30 June 2020	Number of households receiving free basic electricity	All	845
TL9	Provide free 6kl water to indigent households as at 30 June 2020	Number of households receiving free basic water	All	800
TL10	Provide free basic sanitation to indigent households as at 30 June 2020	Number of households receiving free basic sanitation services	All	780
TL11	Provide free basic refuse removal to indigent households as at 30 June 2020	Number of households receiving free basic refuse removal services	All	800

Table 105: Services Delivery Priorities for 2019/20 – Improve the Standards of Living of All People in Laingsburg

### 3.10.4 PROMOTE ECONOMIC DEVELOPMENT

REF	KPI	Unit of Measurement	Wards	Annual Target
TL28	Create job opportunities through EPWP and LED projects by 30 June 2020	Number of job opportunities created by 30 June 2020	All	160

Table 106: Services Delivery Priorities for 2019/20 – Promote Economic Development

### 3.10.5 PROVISION OF INFRASTRUCTURE TO DELIVER IMPROVED SERVICES TO ALL RESIDENTS AND BUSINESS

REF	KPI	Unit of Measurement	Wards	Annual Target
TL4	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2020	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2020	All	855
TL5	Number of formal residential properties that receive piped water (credit) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2020	Number of residential properties which are billed for water	All	1 339
TL6	Number of formal residential properties connected to the municipal waste water	Number of residential properties which are billed for sewerage	All	1 300



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

REF	KPI	Unit of Measurement	Wards	Annual Target
	sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2020			
TL7	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2020	Number of residential properties which are billed for refuse removal	All	1 348
TL23	Spend 85% of the budget allocated on the 2ML Reservoir by 30 June 2020 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	85%
TL24	Spend 85% of the budget allocated on the installation of borehole monitoring equipment by 30 June 2020 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	85%
TL25	Submit an investigative report on the landfill sites to Council by 30 June 2020	Number of investigative reports submitted by 30 June 2020	All	1
TL30	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2020 [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	% of capital budget spent on capital projects	All	80%
TL33	Spend 85% of the budget allocated for the upgrade of bulk electricity supply and new substation by 30 June 2020 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	85%
TL34	Spend 85% of the budget allocated on new paved streets by 30 June 2020 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	85%
TL35	Spend 85% of the budget allocated for the new stormwater bridge crossing by 30 June 2020 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent	All	85%
TL36	Spend 85% of the budget allocated on the installation of Water Management Devices for additional 1 000 residential water users above 6 kl/m/hh (Phase 2) by 30 June 2020 {(Actual expenditure divided by the total	% of project budget spent	All	85%



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

REF	KPI	Unit of Measurement	Wards	Annual Target
	approved budget)x100} [(Actual expenditure o			
TL37	Spend 85% of the budget allocated for new high mast lighting by 30 June 2020 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)x100]	% of project budget spent	All	85%

Table 107: Services Delivery Priorities for 2019/20 – Provision of Infrastructure to Deliver Improved Services to All Residents and Business

### 3.10.6 TO ACHIEVE FINANCIAL VIABILITY IN ORDER TO RENDER AFFORDABLE SERVICES TO RESIDENTS

REF	KPI	Unit of Measurement	Wards	Annual Target
TL3	Achieve a debtor payment percentage of 65% by 30 June 2020 {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100}	% debtor payment achieved	All	65%
TL12	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations at 30 June [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue -	Debt coverage ratio as at 30 June	All	65%
TL13	Financial viability measured in % in terms of the total amount of outstanding service debtors in comparison with total revenue received for services at 30 June 2020 [(Total outstanding service debtors/annual revenue received for services)x 100]	% outstanding service debtors at 30 June	All	65%
TL14	Financial viability measured in terms of the available cash to cover fixed operating expenditure at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (D	Cost coverage ratio as at 30 June	All	1

Table 108: Services Delivery Priorities for 2019/20 – To Achieve Financial Viability in Order to Render Affordable Services to Residents

### 3.10.7 TO CREATE AN INSTITUTION WITH SKILLED EMPLOYEES TO PROVIDE A PROFESSIONAL SERVICE TO ITS CLIENTELE GUIDED BY MUNICIPAL VALUES

REF	KPI	Unit of Measurement	Wards	Annual Target
TL1	Limit the vacancy rate to less than 10% of budgeted posts by 30 June 2020 ((Number of posts filled/Total number of budgeted posts)x100)	% vacancy rate of budgeted posts by 30 June 2020	All	10.00%



## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

REF	KPI	Unit of Measurement	Wards	Annual Target
TL2	The percentage of the Municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2020 [(Actual amount spent on training/total operational budget)x100]	% of the Municipality's personnel budget on implementing its workplace skills plan by 30 June 2020	All	1%
TL26	The number of people from employment equity target groups employed (to be appointed) by 30 June 2020 in the three highest levels of management in compliance with the equity plan	Number of people employed (to be appointed) by 30 June 2020	All	0
TL29	Develop a Risk Based Audit Plan for 2020/21 and submit to the audit committee for consideration by 30 June 2020	RBAP submitted to the audit committee by 30 June 2020	All	1
TL31	Develop and distribute at least two municipal newsletters by 30 June 2020	Number of newsletters developed and distributed	All	1

**Table 109: Service Delivery Priorities for 2019/20 - To Create an Institution with Skilled Employees to Provide a Professional Service to its Clientele Guided by Municipal Values**



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### CHAPTER 4

#### 4.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

KPA & Indicators	Municipal Achievement	Municipal Achievement
	2017/18	2018/19
People employed from employment equity target groups in the three highest levels of management in compliance with a municipality's approved employment equity plan	6	0
Percentage of municipality's personnel budget actually spent on training by 30 June 2018 ((Total Actual Training Expenditure/ Total personnel Budget)x100)	1%	1%

Table 110: National KPIs– Municipal Transformation and Organisational Development

#### 4.2 COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Laingsburg Municipality currently employs 67 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

##### 4.2.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"





## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### A) EMPLOYMENT EQUITY TARGETS/ACTUAL

African		Coloured		Indian		White	
Target June	Actual June	Target June	Actual June	Target June	Actual June	Target June	Actual June
2	2	3	2	2	0	0	0

Table 111: 2018/19 EE Targets/Actual by Racial Classification

Male			Female			Disability		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
2	2	2	2	1	0	1	0	0

Table 112: 2018/19 EE Targets/Actual by Gender Classification

### B) SPECIFIC OCCUPATIONAL CATEGORIES - RACE

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

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	1	0	0	0	0	0	1	2
Senior management	1	1	0	1	0	1	0	0	4
Professionally qualified and experienced specialists and mid- management	1	2	0	0	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	8	0	0	1	17	0	1	27
Semi-skilled and discretionary decision making	0	14	0	0	0	1	0	0	15
Unskilled and defined decision making	0	11	0	0	0	5	0	0	16
<b>Total permanent</b>	<b>2</b>	<b>37</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>24</b>	<b>0</b>	<b>2</b>	<b>67</b>
Non- permanent employees	0	2	0	0	0	4	0	0	6
<b>Grand total</b>	<b>2</b>	<b>39</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>28</b>	<b>0</b>	<b>2</b>	<b>73</b>

Table 113: Occupational Categories

### C) DEPARTMENTS - RACE

The following table categorises 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	2	3	0	0	0	1	0	1	7
Finance and Corporate Services	0	5	0	1	0	12	0	1	19
Community Services	0	5	0	0	0	9	0	0	14
Infrastructure Services	0	24	0	0	1	2	0	0	27



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Total permanent	2	37	0	1	1	24	0	2	67
Non-permanent	0	2	0	0	0	4	0	0	6
Grand total	2	39	0	1	1	28	0	2	73

Table 114: Department – Race

### 4.2.2 VACANCY RATE

The approved organogram for the Municipality had **76** posts for the 2018/19 financial year. The actual positions filled are indicated in the table below by functional level. **???** posts were vacant at the end of 2018/19, resulting in a vacancy rate of **11.84%**. Below is a table that indicates the vacancies within the Municipality:

Per Functional Level		
Post level	Filled	Vacant
MM & MSA section 57 & 56	1	0
Middle management (T14-T19)	6	1
Admin Officers (T4-T13)	44	4
General Workers (T3)	16	4
<b>Total</b>	<b>67</b>	<b>9</b>
Functional area	Filled	Vacant
Office of the Municipal Manager	7	2
Finance and Administration Services	19	1
Community Services	27	0
Infrastructure Services	14	6
<b>Total</b>	<b>67</b>	<b>9</b>

Table 115: Vacancy Rate Per Post

The table below indicates the number of critical vacancies per salary level:

Salary Level	Number of current critical vacancies	Total posts as per organogram	Vacancy job title
Municipal Manager	0	1	N/A
Chief Financial Officer	0	1	N/A
Senior management (T14-T19)	1	1	Manager: Planning & Development
Highly skilled supervision (T4-T13)	4	4	Accountant; Compliance Officer; Data Capturer; Foreman
<b>Total</b>	<b>5</b>	<b>7</b>	

Table 116: Critical Vacancies Per Salary Level

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.2.3 STAFF TURNOVER RATE

A high staff turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that shows the staff turnover rate within the Municipality.

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
2017/18	5	0	2	3.08%
2018/19	1	1	0	0.00%

Table 117: Staff Turnover Rate

## 4.3 COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.3.1 INJURIES

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

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

Directorates	2017/18	2018/19
Office of the Municipal Manager	0	0
Finance and Corporate Services	0	0
Community Services	0	0
Infrastructure Services	4	4
<b>Total</b>	<b>4</b>	<b>4</b>

Table 118: Injuries

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.3.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken. The total number of employees that have taken sick leave during the 2018/19 financial year shows a decrease when comparing it with the 2017/18 financial year.

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

Year	Total number of sick leave days taken within the year
2017/18	597
2018/19	235

Table 119: Sick Leave

### 4.3.3 HR POLICIES AND PLANS

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

The table below shows the HR policies and plans that are approved:

Approved policies	
Name of policy	Date approved/ revised
Recruitment Policy	June 2010
Disability Policy	June 2010
Overtime Policy	October 2011
Leave Policy	August 2013
Unauthorised Absenteeism from the Workplace	August 2013
Dress Code Policy	June 2016
HIV/Aids	June 2010
Study Aid for Officials	October 2010
Policies still to be developed/reviewed	
Name of policy	
Training & Development	
Time, Attendance & Punctuality	
Occupational Health & Safety	
Dress Code Policy (Review)	
Standby-Allowance	

Table 120: HR Policies and Plans



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.4 COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

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

#### 4.4.1 SKILLS MATRIX

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year (2018/19)	Number of Employees that received training (2018/19)
MM and S57	Female	0	0
	Male	1	0
Legislators, senior officials and managers	Female	4	2
	Male	6	4
Associate professionals and Technicians	Female	0	0
	Male	1	1
Professionals	Female	0	0
	Male	1	1
Clerks	Female	10	6
	Male	4	3
Service and sales workers	Female	2	2
	Male	2	1
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and assemblers	Female	1	0
	Male	8	2
Elementary occupations	Female	3	0
	Male	9	0
Sub total	Female	20	10
	Male	32	12
Total		52	22

Table 121: Skills Matrix

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.4.2 SKILLS DEVELOPMENT – TRAINING PROVIDED

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

Training provided within the reporting period 2018/19			
Management level	Gender	Total	
		Actual	Target
MM and S57	Female	0	1
	Male	0	0
Legislators, senior officials and managers	Female	3	4
	Male	6	7
Professionals	Female	1	1
	Male	2	2
Technicians and associate professionals	Female	0	0
	Male	1	1
Clerks	Female	5	10
	Male	3	3
Service and sales workers	Female	3	2
	Male	2	2
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and assemblers	Female	1	1
	Male	2	7
Elementary occupations	Female	0	3
	Male	0	9
Sub total	Female	13	22
	Male	16	31
Total		29	53

Table 122: Skills Development

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.4.3 SKILLS DEVELOPMENT - BUDGET ALLOCATION

The table below indicates that a total amount of **R555 300** was allocated to the workplace skills plan and that **104.91%** of the total amount was spent in the 2018/19 financial year:

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
2017/18	23 194 600	711 100	665 086	93.52%
2018/19	23 216 200	555 300	582 600	104.91%

Table 123: Budget Allocated and Spent for Skills Development

### 4.4.4 MFMA COMPETENCIES

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

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice No. 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

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

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	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))
<b>Financial Officials</b>				
Accounting officer	1	1	1	1
Chief financial officer	1	1	1	1
Senior managers	4	1	3	3
Any other financial officials	7	2	0	0
<b>Supply Chain Management Officials</b>				
Heads of supply chain management units	1	0	0	0
Supply chain management senior managers	0	0	0	0



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

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))
<b>TOTAL</b>	14	5	5	5

Table 124: MFMA Competencies

### 4.5 COMPONENT D: MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

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

#### 4.5.1 PERSONNEL EXPENDITURE

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

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	
2017/18	19 382	74 302	26.08%
2018/19	18 341	91 464	20.05%

Table 125: Personnel Expenditure

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

Financial year	2017/18	2018/19		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'ooo			
Councillors (Political Office Bearers plus Other)				
Salary	2 153	2801	2801	2801
Motor vehicle allowance	352	0	0	0
Other allowances	248	331	331	315
Sub Total	2 753	3 132	3 132	3 116
% increase/ (decrease)	0	13.8%	0.0%	(0.5%)
Senior Managers of the Municipality				
Salary	934	2 519	2 422	2 253
Contributions	172	369	357	346
Allowances	304	290	290	290





## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Financial year	2017/18	2018/19		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Other benefits	164	0	0	10
Bonus	0	0	0	0
<b>Sub Total</b>	<b>1 574</b>	<b>3 178</b>	<b>3 069</b>	<b>2 899</b>
<b>% increase/ (decrease)</b>	<b>0</b>	<b>101.9%</b>	<b>(3.4%)</b>	<b>(5.5%)</b>
<b>Other Municipal Staff</b>				
Basic Salaries and Wages	14 427	15 092	13 373	13 143
Contributions	2 592	3 224	3 084	2 481
Allowances	825	698	618	635
Housing allowance	120	154	154	124
Overtime	395	708	879	853
Other benefits or allowances	1 760	162	233	954
<b>Sub Total</b>	<b>20 119</b>	<b>20 038</b>	<b>18 341</b>	<b>18 190</b>
<b>% increase</b>	<b>0</b>	<b>(0.4)</b>	<b>(8.5)</b>	<b>(0.8)</b>
<b>Total Municipality</b>	<b>24 446</b>	<b>26 348</b>	<b>24 542</b>	<b>24 205</b>
<b>% increase/ (decrease)</b>	<b>0</b>	<b>7.8%</b>	<b>(6.9%)</b>	<b>(1.4%)</b>

Table 126: Personnel Expenditure

## CHAPTER 5: FINANCIAL PERFORMANCE

### CHAPTER 5

This chapter provides details regarding the financial performance of the Municipality for the 2018/19 financial year.

### COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality.

### 5.1 FINANCIAL SUMMARY

#### 5.1.1 OVERALL FINANCIAL SUMMARY

The table below indicates the summary of the financial performance for the 2018/19 financial year:

Financial Summary						
R'000						
Description	2017/18	2018/19			2018/19% Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	3 516	4 373	4 047	3 990	(9.60)	(1.42)
Service charges	17 556	18 727	16 511	17 162	(9.12)	3.79
Investment revenue	578	845	1 022	785	(7.57)	(30.11)
Transfers recognised - operational	21 532	19 893	20 650	21 464	7.32	3.79
Other own revenue	33 294	37 983	38 751	35 695	(6.41)	(8.56)
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>76 476</b>	<b>81 821</b>	<b>80 981</b>	<b>79 096</b>	<b>(3.44)</b>	<b>(2.38)</b>
Employee costs	21 693	24 468	22 662	22 931	(6.70)	1.17
Remuneration of Councillors	2 753	2 803	2 803	3 029	7.44	7.44
Depreciation & asset impairment	7 153	10 544	10 805	6 355	(65.91)	(70.02)
Finance charges	966	0	0	1 287	100.00	100.00
Materials and bulk purchases	9 564	8 109	7 500	7 872	(3.01)	4.73
Transfers and grants	434	2 235	2 235	842	(165.24)	(165.24)
Other expenditure	35 742	42 929	45 459	46 702	8.08	2.66
<b>Total Expenditure</b>	<b>78 305</b>	<b>91 087</b>	<b>91 464</b>	<b>89 019</b>	<b>(2.32)</b>	<b>(2.75)</b>



## CHAPTER 5: FINANCIAL PERFORMANCE

Financial Summary						
R'000						
Description	2017/18	2018/19			2018/19% Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Surplus/(Deficit)	(1 829)	(9 267)	(10 483)	(9 923)	6.61	(5.65)
Transfers recognised - capital	7 534	10 367	22 647	19 268	46.20	(17.54)
Surplus/(Deficit) for the year	5 705	1 100	12 163	9 345	88.23	(30.16)
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	7 534	10 367	22 647	19 268	46.20	(17.54)
Internally generated funds	10	0	0	0	0.00	0.00
Total sources of capital funds	7 544	10 367	22 647	19 268	46.20	(17.54)
Financial position						
Total current assets	23 864	11 212	23 044	21 864	48.72	(5.39)
Total non-current assets	181 526	193 110	195 329	192 687	(0.22)	(1.37)
Total current liabilities	20 658	26 362	10 065	14 112	(86.81)	28.68
Total non-current liabilities	11 988	7 758	12 182	14 490	46.46	15.93
Community wealth/Equity	172 745	170 202	196 126	185 950	8.47	(5.47)
Cash flows						
Net cash from (used) operating	15 124	6 632	17 733	10 158	34.71	(74.58)
Net cash from (used) investing	(10 623)	(22 647)	(22 645)	(13 786)	(64.27)	(64.26)
Net cash from (used) financing	(206)	(67)	(67)	10	741.44	741.44
Cash/cash equivalents at the beginning of the year	4 295	8 590	8 590	8 590	0.00	0.00
Cash/cash equivalents at the year end	8 590	(7 492)	3 612	4 972	250.68	27.35
Cash backing/surplus reconciliation						
Cash and investments available	10 170	(7 492)	3 612	4 972	250.68	27.35
Application of cash and investments	15 160	0	0	0	0.00	0.00
Balance - surplus (shortfall)	(4 990)	(7 492)	3 612	4 972	250.68	27.35
Asset management						

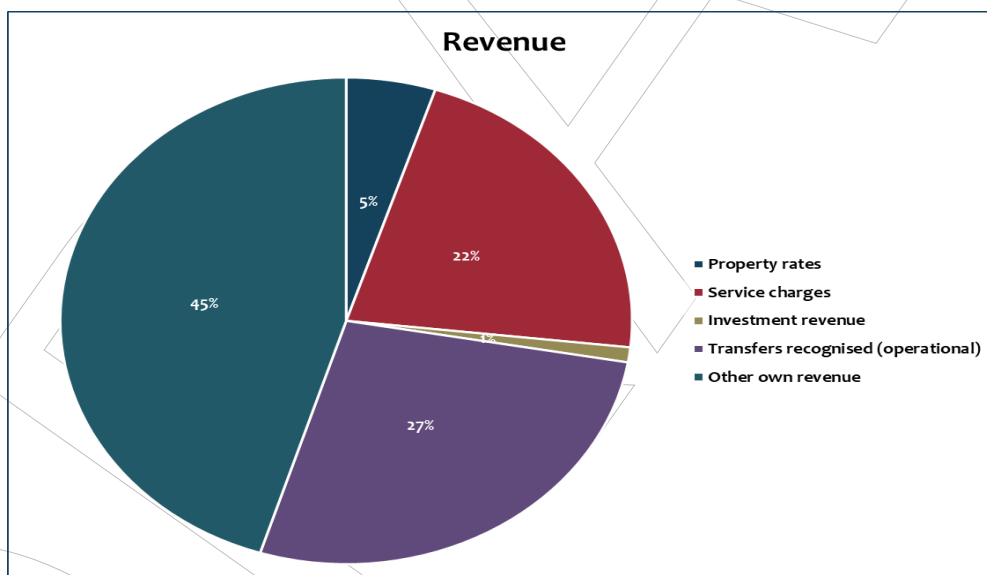


## CHAPTER 5: FINANCIAL PERFORMANCE

Financial Summary						
R'000						
Description	2017/18	2018/19			2018/19% Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Asset register summary (WDV)	181 526	177 418	174 280	163 379	(8.59)	(6.67)
Depreciation & asset impairment	7 153	10 544	10 544	6 355	(65.91)	(65.91)
Repairs and Maintenance	993	1 444	1 444	1 463	1.30	1.30
Free services						
Cost of Free Basic Services provided	1 205	0	0	2 437	100.00	100.00
Revenue cost of free services provided	3 929	4 213	4 213	0	0.00	0.00
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

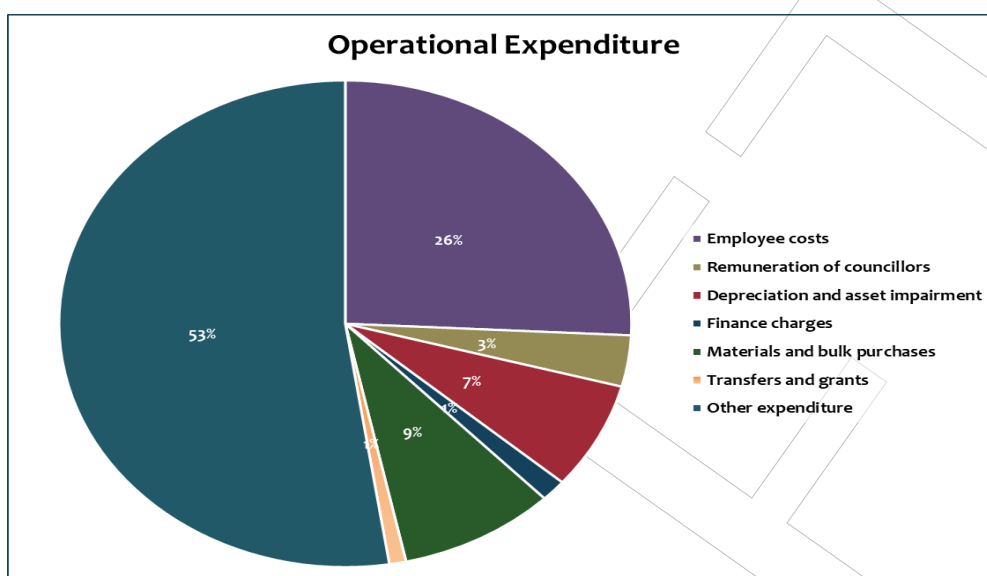
Table 127: Financial Performance 2018/19

The following graphs indicate the various types of revenue and expenditure items in the municipal budget for 2018/19:



Graph 8.: Revenue

## CHAPTER 5: FINANCIAL PERFORMANCE



Graph 9.: Operating Expenditure

### 5.1.2 REVENUE COLLECTION BY VOTE

The table below indicates the revenue collection performance by vote:

Vote Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000					
Vote 1 - Mayoral & Council	11 812	1 561	1 561	905	(42.05)	(42.05)
Vote 2 - Municipal Manager	0	0	0	0	N/A	N/A
Vote 3 - Corporate Services	2 460	2 771	2 901	2 480	(10.52)	(14.54)
Vote 4 - Budget & Treasury	13 065	24 735	34 689	36 573	47.86	5.43
Vote 5 - Planning and Development	0	0	0	0	N/A	N/A
Vote 6 - Community and Social Services	3 830	1 268	1 273	1 276	0.63	0.18
Vote 7 - Sport and Recreation	2	2	2	4	78.91	78.91
Vote 8 - Housing	13	12	12	16	27.29	27.29
Vote 9 - Public Safety	29 360	35 733	36 673	33 670	(5.77)	(8.19)
Vote 10 - Road Transport	1 740	1 067	1 061	1 100	3.09	3.69
Vote 11 - Waste Management	2 398	2 375	2 337	2 247	(5.38)	(3.83)
Vote 12 - Waste Water Management	2 789	2 613	6 023	2 731	4.48	(54.66)
Vote 13 - Water	2 880	3 216	1 768	2 922	(9.16)	65.23
Vote 14 - Electricity	13 661	16 833	15 327	14 443	(14.20)	(5.77)
<b>Total Revenue by Vote</b>	<b>84 010</b>	<b>92 187</b>	<b>103 627</b>	<b>98 364</b>	<b>6.70</b>	<b>(5.08)</b>
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						

Table 128: Revenue by Vote

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.1.3 REVENUE COLLECTION BY SOURCE

The table below indicates the revenue collection performance by source for the 2018/19 financial year:

Description	2017/18	2018/19			2018/19 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'ooo					
Property rates	3 516	4 117	3 790	3 910	(5.01)	3.18
Property rates – penalties and collection charges	0	257	257	80	(68.98)	(68.98)
Service charges - electricity revenue	9 514	14 398	12 127	11 861	(17.62)	(2.19)
Service charges - water revenue	2 880	302	302	2 014	566.44	566.44
Service charges - sanitation revenue	2 788	2 595	2 689	1 801	(30.59)	(33.01)
Service charges - refuse revenue	2 375	1 323	1 285	1 483	12.14	15.47
Service charges - other	0	109	108	2	(98.03)	(98.02)
Rentals of facilities and equipment	1 981	1 461	1 325	1 354	(7.33)	2.15
Interest earned - external investments	578	845	1 022	785	(7.04)	(23.14)
Interest earned - outstanding debtors	615	276	240	353	27.98	46.99
Fines	27 726	34 488	35 487	33 342	(3.32)	(6.04)
Licences and permits	1 354	1 250	1 189	226	(81.90)	(80.98)
Agency services	159	125	125	151	20.52	20.52
Transfers recognised - operational	21 532	19 893	20 650	21 464	7.89	3.94
Transfers recognised - capital	0	10 367	22 647	19 268	85.87	(14.92)
Other revenue	1 458	384	385	300	(21.85)	(22.11)
Gains on disposal of property, plant and equipment (PPE)	0	0	0	(30)	0.00	0.00
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>76 476</b>	<b>92 187</b>	<b>103 627</b>	<b>98 364</b>	<b>6.70</b>	<b>(5.08)</b>
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						

Table 129: Revenue by Source

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.1.4 OPERATIONAL SERVICES PERFORMANCE

The table below indicates the operational services performance for the 2017/18 financial year:

Financial Performance of Operational Services - Operating Cost						
R'000						
Description	2017/18	2018/19			2018/19 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
Water	3 108	3 028	3 600	4 535	49.79	25.97
Waste Water (Sanitation)	4 207	10 872	11 612	2 034	(81.29)	(82.48)
Electricity	7 856	8 760	8 151	8 484	(3.16)	4.08
Waste Management	1 535	1 581	1 564	1 692	6.97	8.15
Housing	7	193	193	209	8.14	8.14
<b>Component A: sub-total</b>	<b>16 713</b>	<b>24 435</b>	<b>25 121</b>	<b>16 954</b>	<b>(30.62)</b>	<b>(32.51)</b>
Roads	7 735	2 127	1 325	9 700	356.16	631.90
<b>Component B: sub-total</b>	<b>7 735</b>	<b>2 127</b>	<b>1 325</b>	<b>9 700</b>	<b>356.16</b>	<b>631.90</b>
Planning	945	1 319	963	329	(75.08)	(65.86)
<b>Component C: sub-total</b>	<b>945</b>	<b>1 319</b>	<b>963</b>	<b>329</b>	<b>(75.08)</b>	<b>(65.86)</b>
Libraries	915	1 002	1 074	1 000	(0.20)	(6.87)
Cemeteries	4	328	611	11	(96.56)	(98.15)
Child care, aged care and social programmes	22	843	843	4	(99.56)	(99.56)
<b>Component D: sub-total</b>	<b>941</b>	<b>2 173</b>	<b>2 527</b>	<b>1 015</b>	<b>(53.30)</b>	<b>(59.84)</b>
Public Safety	26 134	31 018	31 212	32 045	3.31	2.67
Fire Services and Disaster Management	289	96	96	45	(53.10)	(53.10)
<b>Component E: sub-total</b>	<b>26 423</b>	<b>31 114</b>	<b>31 308</b>	<b>32 090</b>	<b>3.14</b>	<b>2.50</b>
Sport and Recreation	476	36	36	169	374.84	374.84
<b>Component F: sub-total</b>	<b>476</b>	<b>36</b>	<b>36</b>	<b>169</b>	<b>374.84</b>	<b>374.84</b>
Financial Services	25 072	13 997	13 810	12 008	(14.21)	(13.05)
Administration	0	6 872	7 087	8 564	24.62	20.84
Office of the MM	0	3 763	3 728	3 035	(19.35)	(18.58)
Office of the Mayor	0	5 254	5 560	5 156	(1.85)	(7.27)
<b>Component G: sub-total</b>	<b>25 072</b>	<b>29 886</b>	<b>30 185</b>	<b>28 763</b>	<b>(3.76)</b>	<b>(4.71)</b>
<b>Total Expenditure</b>	<b>78 305</b>	<b>91 087</b>	<b>91 464</b>	<b>89 019</b>	<b>(2.27)</b>	<b>(2.67)</b>
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 130: Operational Services Performance



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

#### 5.2.1 WATER SERVICES

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	3 704	3 447	1 999	2 922	(15.24)
<b>Expenditure:</b>					
Employees	1 093	1 300	1 391	1 261	(3.03)
Repairs and Maintenance	191	802	802	735	(8.35)
Other	1 074	925	1 407	2 539	174.38
<b>Total Operational Expenditure</b>	<b>2 358</b>	<b>3 028</b>	<b>3 600</b>	<b>4 535</b>	<b>49.79</b>
<b>Net Operational (Service) Expenditure</b>	<b>1 346</b>	<b>420</b>	<b>(1 601)</b>	<b>(1 613)</b>	<b>(484.46)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 131: Financial Performance: Water Services

#### 5.2.2 WASTE WATER (SANITATION) PROVISION

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	3 839	2 609	6 019	2 731	4.68
<b>Expenditure:</b>					
Employees	726	3 555	4 088	831	(76.62)
Repairs and Maintenance	219	5 490	5 490	1 074	(80.43)
Other	222	1 827	2 035	129	(92.97)
<b>Total Operational Expenditure</b>	<b>1 167</b>	<b>10 872</b>	<b>11 612</b>	<b>2 034</b>	<b>(81.29)</b>
<b>Net Operational (Service) Expenditure</b>	<b>2 672</b>	<b>(8 263)</b>	<b>(5 593)</b>	<b>697</b>	<b>(108.44)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 132: Financial Performance: Waste Water (Sanitation) Services



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.3 ELECTRICITY

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	<b>14 867</b>	<b>17 383</b>	<b>15 876</b>	<b>14 529</b>	<b>(16.41)</b>
<b>Expenditure:</b>					
Employees	0	0	0	0	N/A
Repairs and Maintenance	242	535	535	230	(57.02)
Other	21	8 225	7 616	8 254	0.35
<b>Total Operational Expenditure</b>	<b>263</b>	<b>8 760</b>	<b>8 151</b>	<b>8 484</b>	<b>(3.16)</b>
<b>Net Operational (Service) Expenditure</b>	<b>14 604</b>	<b>8 622</b>	<b>7 725</b>	<b>6 045</b>	<b>(29.89)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 133: Financial Performance: Electricity

### 5.2.4 WASTE MANAGEMENT

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	<b>844</b>	<b>2 383</b>	<b>2 345</b>	<b>2 263</b>	<b>(5.05)</b>
<b>Expenditure:</b>					
Employees	582	712	573	527	(26.03)
Repairs and Maintenance	273	417	417	436	4.47
Other	381	452	574	729	61.29
<b>Total Operational Expenditure</b>	<b>1 236</b>	<b>1 581</b>	<b>1 564</b>	<b>1 692</b>	<b>6.97</b>
<b>Net Operational (Service) Expenditure</b>	<b>(392)</b>	<b>802</b>	<b>781</b>	<b>571</b>	<b>(28.75)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 134: Financial Performance: Waste Management

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.5 HOUSING

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	11	12	12	16	27.29
<b>Expenditure:</b>					
Employees	0	0	0	0	N/A
Repairs and Maintenance	(1)	189	189	0	(100.00)
Other	7	5	5	209	4 369.94
<b>Total Operational Expenditure</b>	6	193	193	209	8.14
<b>Net Operational (Service) Expenditure</b>	6	(181)	(181)	(194)	6.85
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 135: Financial Performance: Housing

### 5.2.6 ROADS AND STORMWATER

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	0	2 709	2 703	2 742	1.22
<b>Expenditure:</b>					
Employees	3 357	1 437	636	6 299	338.26
Repairs and Maintenance	77	341	341	2 524	639.81
Other	1 715	348	348	877	152.01
<b>Total Operational Expenditure</b>	5 150	2 127	1 325	9 700	356.16
<b>Net Operational (Service) Expenditure</b>	(5 150)	582	1 377	(6 958)	(1 294.88)
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 136: Financial Performance: Roads and Stormwater



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.7 PLANNING AND BUILDING CONTROL

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	0	0	0	0	N/A
<b>Expenditure:</b>					
Employees	869	937	581	(284)	(130.33)
Repairs and Maintenance	1	0	0	0	0.00
Other	76	382	382	613	60.49
<b>Total Operational Expenditure</b>	<b>945</b>	<b>1 319</b>	<b>963</b>	<b>329</b>	<b>(75.08)</b>
<b>Net Operational (Service) Expenditure</b>	<b>945</b>	<b>(1 319)</b>	<b>(963)</b>	<b>(329)</b>	<b>(75.08)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 137: Financial Performance: Planning and Building Control

### 5.2.8 LIBRARIES

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	3 810	1 262	1 262	1 261	(0.13)
<b>Expenditure:</b>					
Employees	803	824	896	903	9.66
Repairs and Maintenance	7	54	54	0	(100.00)
Other	104	124	124	96	(22.33)
<b>Total Operational Expenditure</b>	<b>915</b>	<b>1 002</b>	<b>1 074</b>	<b>1 000</b>	<b>(0.20)</b>
<b>Net Operational (Service) Expenditure</b>	<b>2 895</b>	<b>260</b>	<b>189</b>	<b>261</b>	<b>0.17</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 138: Financial Performance: Libraries

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.9 CEMETERIES

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	12	5	11	(13)	(351.37)
<b>Expenditure:</b>					
Employees	0.00	0	0	0	N/A
Repairs and Maintenance	(0)	318	600	0	(100.00)
Other	18	11	11	(11)	(207.08)
<b>Total Operational Expenditure</b>	18	328	611	(11)	(103.44)
<b>Net Operational (Service) Expenditure</b>	(6)	(323)	(600)	(2)	(99.39)
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 139: Financial Performance: Cemeteries

### 5.2.10 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	(8)	0	0	2	344.60
<b>Expenditure:</b>					
Employees	(401)	443	443	0	(100.00)
Repairs and Maintenance	(20)	376	376	0	(100.00)
Other	14	24	24	4	(84.41)
<b>Total Operational Expenditure</b>	(407)	843	843	4	(99.56)
<b>Net Operational (Service) Expenditure</b>	399	(842)	(842)	(2)	(99.75)
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 140: Financial Performance: Child Care, Aged Care, Social Programmes



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.11 PUBLIC SAFETY (TRAFFIC AND LAW ENFORCEMENT)

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	29 342	35 733	36 673	33 670	(5.77)
<b>Expenditure:</b>					
Employees	2 534	2 523	2 392	2 511	(0.47)
Repairs and Maintenance	14	23	23	0	(100.00)
Other	20 909	28 472	28 797	29 534	3.73
<b>Total Operational Expenditure</b>	<b>23 458</b>	<b>31 018</b>	<b>31 212</b>	<b>32 045</b>	<b>3.31</b>
<b>Net Operational (Service) Expenditure</b>	<b>5 884</b>	<b>4 715</b>	<b>5 461</b>	<b>1 625</b>	<b>(65.54)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 141: Financial Performance: Public Safety (Traffic and Law Enforcement)

### 5.2.12 FIRE SERVICES AND DISASTER MANAGEMENT

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	0	0	0	0	N/A
<b>Expenditure:</b>					
Employees	0	0	0	0	N/A
Repairs and Maintenance	0	0	0	0	N/A
Other	0	96	96	45	(53.10)
<b>Total Operational Expenditure</b>	<b>0</b>	<b>96</b>	<b>96</b>	<b>45</b>	<b>(53.10)</b>
<b>Net Operational (Service) Expenditure</b>	<b>0</b>	<b>(96)</b>	<b>(96)</b>	<b>(45)</b>	<b>(53.10)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 142: Financial Performance: Fire Services and Disaster Management

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.13 SPORT AND RECREATION

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	2	2	2	4	78.91
<b>Expenditure:</b>					
Employees	401	0	0	133	N/A
Repairs and Maintenance	18	3	3	0	(100.00)
Other	67	33	33	36	8.28
<b>Total Operational Expenditure</b>	<b>486</b>	<b>36</b>	<b>36</b>	<b>169</b>	<b>374.84</b>
<b>Net Operational (Service) Expenditure</b>	<b>(484)</b>	<b>(33)</b>	<b>(33)</b>	<b>(163)</b>	<b>395.14</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 143: Financial Performance: Sport and Recreation

### 5.2.14 OFFICE OF THE MUNICIPAL MANAGER

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	0	2 914	2 914	2 914	0.00
<b>Expenditure:</b>					
Employees	1 714	3 067	2 930	2 788	(9.10)
Repairs and Maintenance	0	534	534	0	(100.00)
Other	139	163	264	247	52.08
<b>Total Operational Expenditure</b>	<b>1 853</b>	<b>3 763</b>	<b>3 728</b>	<b>3 035</b>	<b>(19.35)</b>
<b>Net Operational (Service) Expenditure</b>	<b>(1 853)</b>	<b>(849)</b>	<b>(814)</b>	<b>(121)</b>	<b>(85.72)</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 144: Financial Performance: Office of the Municipal Manager



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.15 ADMINISTRATION

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	1 929	2 771	2 901	2 480	(10.52)
<b>Expenditure:</b>					
Employees	2 285	2 474	1 863	1 826	(26.17)
Repairs and Maintenance	726	414	828	115	(72.26)
Other	3 881	3 984	4 395	6 622	66.25
<b>Total Operational Expenditure</b>	6 892	6 872	7 087	8 564	24.62
<b>Net Operational (Service) Expenditure</b>	(4 964)	(4 101)	(4 185)	(6 084)	48.37
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 145: Financial Performance: Administration

### 5.2.16 OFFICE OF THE MAYOR

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	7 682	4 008	4 008	3 351	(16.38)
<b>Expenditure:</b>					
Employees	3 722	1 413	1 413	395	(72.04)
Repairs and Maintenance	17	178	193	50	(71.72)
Other	360	3 663	3 954	4 711	28.63
<b>Total Operational Expenditure</b>	4 099	5 254	5 560	5 156	(1.85)
<b>Net Operational (Service) Expenditure</b>	3 583	(1 246)	(1 553)	(1 805)	44.87
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 146: Financial Performance: Office of the Mayor



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.2.17 FINANCIAL SERVICES

Description	2017/18	2018/19			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue (excluding tariffs)</b>	<b>16 191</b>	<b>30 637</b>	<b>40 590</b>	<b>42 474</b>	<b>38.64</b>
<b>Expenditure:</b>					
Employees	5 641	5 782	5 456	5 171	(10.56)
Repairs and Maintenance	48	363	363	1 155	218.58
Other	2 548	7 853	7 992	5 681	(27.65)
<b>Total Operational Expenditure</b>	<b>8 237</b>	<b>13 997</b>	<b>13 810</b>	<b>12 008</b>	<b>(14.21)</b>
<b>Net Operational (Service) Expenditure</b>	<b>7 954</b>	<b>16 640</b>	<b>26 780</b>	<b>30 466</b>	<b>83.09</b>
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>					

Table 147: Financial Performance: Financial Services

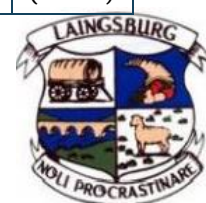
## 5.3 GRANTS

### 5.3.1 GRANT PERFORMANCE

The Municipality had a total amount of R21.46 million for infrastructure and other projects available that was received in the form of grants from the National and Provincial Governments during the 2018/19 financial year.

The performance in the spending of these grants is summarised as follows:

Grant Performance						
R'000						
Description	2017/18	2018/19			2018/19 % Variance	
	Actual	Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
<b>Capital Transfers and Grants</b>						
<b>National Government:</b>	<b>19 152</b>	<b>16 000</b>	<b>16 632</b>	<b>16 144</b>	<b>0.90</b>	<b>(2.94)</b>
Equitable share	13 575	15 000	15 632	15 000	0.00	(4.04)
Department of Water Affairs	2 746	0	0	144	0.00	0.00
Expanded Public Works Programme (EPWP)	1 031	1 000	1 000	1 000	0.00	0.00
Finance Management Grant (FMG)	1 800	0	0	0	0.00	0.00
<b>Provincial Government:</b>	<b>2 349</b>	<b>3 893</b>	<b>4 018</b>	<b>5 280</b>	<b>35.63</b>	<b>31.41</b>
Proclaimed roads	42	50	50	0	(100.00)	(100.00)
Community Development Workers Operating Grant	93	93	93	0	(100.00)	(100.00)



## CHAPTER 5: FINANCIAL PERFORMANCE

Grant Performance						
R'000						
Description	2017/18	2018/19			2018/19 % Variance	
	Actual	Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
Library Grant	0	1 260	1 260	1 260	0.00	0.00
Local Government Graduate Internship	11	0	0	0	0.00	0.00
Municipal Finance Improvement Programme	900	690	815	1 625	135.52	99.40
Financial Management Support Grant	240	1 800	1 800	2 395	33.05	33.05
Department of Sport and Recreation	1 063	0	0	0	0.00	0.00
<b>Other grant providers:</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>0.00</b>	<b>0.00</b>
Local Government Skills Education Training Authorities (LGSETA)	31	0	0	40	0.00	0.00
<b>Total Capital Transfers and Grants</b>	<b>21 532</b>	<b>19 893</b>	<b>20 650</b>	<b>21 464</b>	<b>7.89</b>	<b>3.94</b>
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						

Table 148: Grant Performance for 2018/19

### 5.3.2 LEVEL OF RELIANCE ON GRANTS & SUBSIDIES

Financial year	Total grants	Total	Percentage
	and subsidies received	Operating Revenue	
	R'000	R'000	
2017/18	29 066	76 476	38.01
2018/19	40 731	79 096	51.50

Table 149: Reliance on Grants



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.3.3 THREE LARGEST ASSETS

The following table indicates the details of the three largest assets within the Municipality:

Asset 1		
Name	New Bulk Water Main (197828)	
Description	Water Supply Infrastructure	
Asset Type	Water	
Key Staff Involved	Technical Department	
Asset Value as at 30 June 2019	2017/18 R million	2018/19 R million
	2 748	4 884
Asset 2		
Name	INEP (ESKOM)	
Description	Shifting of main connection point with Eskom	
Asset Type	Electrical Infrastructure	
Key Staff Involved	Technical Department	
Asset Value as at 30 June 2019	2017/18 R million	2018/19 R million
	3 628	2 052
Asset 3		
Name	Pipeline to main reservoir	
Description	Water Supply Infrastructure	
Asset Type	Water	
Key Staff Involved	Technical Department	
Asset Value as at 30 June 2019	2017/18 R million	2018/19 R million
	2 451	5 398

Table 150: Three Largest Assets

## 5.4 ASSET MANAGEMENT

### 5.4.1 REPAIRS AND MAINTENANCE

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Budget variance
		R'000			%
Repairs & Maintenance expenditure	993	1 444	1 444	1 463	1.32

Table 151: Repairs & Maintenance



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

#### 5.5.1 LIQUIDITY RATIO

Description	Basis of calculation	2017/18	2018/19
		Audited outcome	Audited outcome
Current Ratio	Current assets/current liabilities	1.16	1.55
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.67	1.39
Liquidity Ratio	Cash and equivalents/Trade creditors and short term borrowings	0.49	0.46

Table 152: Liquidity Financial Ratio

#### 5.5.2 IDP REGULATION FINANCIAL VIABILITY INDICATORS

Description	Basis of calculation	2017/18	2018/19
		Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.56	0.88
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.57	0.09
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	5.50	51.37

Table 153: Financial Viability National KPAs

#### 5.5.3 EMPLOYEE COSTS

Description	Basis of calculation	2017/18	2018/19
		Audited outcome	Audited outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	28.78%	28.99%

Table 154: Employee Costs

## CHAPTER 5: FINANCIAL PERFORMANCE

### COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

#### 5.6 CAPITAL EXPENDITURE: SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the 2018/19 financial year:

Details	2017/18	2018/19				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjust-ment to OB Variance	Actual to OB Variance
	R'000				%	
Grants and subsidies	10 760	10 367	20 647	19 268	99.16	85.87
Own funding	10	0	2 000	0	0.00	0.00
Total	10 770	10 367	22 647	19 268	118.46	85.87
Percentage of finance (%)						
Grants and subsidies	99.91	100.00	91.17	100.00		
Own funds	0.09	0.00	8.83	0.00		
Capital expenditure						
Water and sanitation	7 928	8 367	20 647	14 904	146.77	78.14
Electricity	1 798	2 000	2 000	4 214	0.00	110.72
Roads and storm water	1 034	0.00	0.00	149	0.00	0.00
Other	10	0.00	0.00	0.00	0.00	0.00
Total	10 770	10 367	22 647	19 268	118.46	85.87
Percentage of expenditure (%)						
Water and sanitation	73.61	80.71	91.17	77.35		
Electricity	16.69	19.29	8.83	21.87		
Roads and storm water	9.60	0.00	0.00	0.77		
Other	0.09	0.00	0.00	0.00		

Table 155: Capital Expenditure by Funding Source

## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.7 CAPITAL EXPENDITURE BY ASSET CLASS

The table below indicates the capital expenditure by asset class for the 2018/19 financial year:

Description	2017/18	2018/19			Planned Capital expenditure
	Audited outcome	Original Budget	Adjustment Budget	Actual Expenditure	2019/20
R'000					
<u>Capital expenditure by asset class</u>					
<b>Infrastructure - Total</b>	10 760	10 367	22 647	19 268	12 233
<b>Infrastructure: Road transport - Total</b>	1 034	0	0	149	2 045
Roads, Pavements & Bridges	1 034	0	0	149	2 045
<b>Infrastructure: Electricity - Total</b>	1 798	0	0	4 214	4 576
Transmission & Reticulation	1 798	0	0	4 214	4 576
<b>Infrastructure: Water - Total</b>	7 928	10 367	22 647	14 333	5 612
Dams & Reservoirs	0	10 367	22 647	14 333	5 612
Reticulation	7 928	0	0	0	0
<u>Capital expenditure by Asset Class</u>	10	0	0	0	0
<u>Other assets</u>	10	0	0	0	0
Furniture and other office equipment	10	0	0	0	0
<b>Total Capital Expenditure on new assets</b>	10 770	10 367	22 647	19 268	12 233

Table 156: Capital Expenditure by Asset Class



## CHAPTER 5: FINANCIAL PERFORMANCE

### 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.

#### 5.8 CASH FLOW

Description	2017/18	2018/19		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'ooo			
Cash flow from operating activities				
Receipts				
Property rates	3 872	3 936	3 642	5 073
Service charges	23 809	19 005	16 709	16 709
Government grants	33 069	30 589	43 626	34 400
Interest	578	846	1 023	785
Other receipts	0	8 420	8 592	10 984
Payments				
Suppliers and employees	(45 442)	(55 806)	(55 501)	(56 933)
Finance charges	(953)	(7)	(7)	(18)
Transfers and Grants	0	(351)	(351)	(842)
Net cash from/(used) operating activities	14 933	6 632	17 733	10 158
Cash flows from investing activities				
Receipts				
Decrease (increase) other non-current receivables	(8 269)	(22 647)	(22 647)	(13 788)
Decrease (increase) in non-current investments	(0)	0	2	2
Net cash from/(used) investing activities	(8 270)	(22 647)	(22 645)	(13 786)
Cash flows from financing activities				
Receipts				
Repayment of other financial and cash equivalents	(100)	(67)	(67)	(67)
Increase (decrease) in consumer deposits	40	0	0	77
Net cash from/(used) financing activities	(60)	(67)	(67)	10
Net increase/ (decrease) in cash held	6 603	(16 082)	(4 978)	(3 618)
Cash/cash equivalents at the year begin:	3 567	10 170	10 170	10 170
Cash/cash equivalents at the year-end:	10 170	(5 912)	5 192	6 552

Table 157: Cash Flow



## CHAPTER 5: FINANCIAL PERFORMANCE

### 5.9 GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000					
2017/18	2 276	1 146	924	550	75	4 971
2018/19	1 932	2 356	1 628	802	128	6 845
Difference	(344)	1 210	704	252	53	1 874
% growth year on year	(15)	106	76	46	71	38
Note: Figures exclude provision for bad debt						

Table 158: Gross Outstanding Debtors per Service

### 5.10 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	36	1 032	136	3 767	4 971
2018/19	1 215	870	181	4 579	6 845
Difference	1 179	(162)	45	812	1 874
% growth year on year	N/A	(16)	33	22	38

*Note: Figures exclude provision for bad debt.*

Table 159: Outstanding Debtor Age Analysis

### 5.11 BORROWING AND INVESTMENTS

#### 5.11.1 MUNICIPAL INVESTMENTS

Actual Investments		
R'000		
Investment type	2017/18	2018/19
	Actual	Actual
Deposits - Bank	14 758	6 552
Total	14 758	6 552

Table 160: Municipal Investments

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### CHAPTER 6

#### COMPONENT A: AUDITOR-GENERAL OPINION 2017/18

##### 6.1 AUDITOR-GENERAL REPORT 2017/18

Details	
Audit Report Status:	Qualified
Issue raised	Corrective steps implemented
The Municipality did not have an inventory management system o account for the acquisition and issuance of inventory items throughout the period under review. The AG was unable to determine whether any adjustment was necessary relating to inventory stated at R863 639 (2016-17: R1 409 983) in note 7 to the financial statements. The AG was unable to quantify the possible misstatement of inventory	The inventory module on the Promun system was purchased and will be fully implemented in the new financial year
Property, plant and equipment was identified that had not been recorded in the Municipality's financial records and the AG was not able to quantify the possible understatement. Furthermore, the AG was not able to verify the existence of property, plant and equipment to the value of R514 068. The Municipality's property, plant and equipment is therefore overstated by this amount	The Municipality is currently carrying out an intensive review and physical verification process of all its assets
The AG was unable to verify the existence, valuation, classification and rights and obligations of trade payables of R2 198 309, since no supporting schedules could be provided to substantiate this amount	The control account is analysed in its entirety to confirm its correctness and all creditors appearing on this account are reviewed to determine whether any obligation still exists
Irregular expenditure of R2 863 462 incurred in the current year was not disclosed as irregular expenditure in note 59 to the notes to the financial statements. This irregular expenditure as disclosed in note 59 is therefore understated by this amount	The irregular expenditure will be re-stated and will include the amount of R 2 863 462, that was not disclosed. The original total of irregular expenditure in note 59 will adjusted and tabled to Council at the next available council meeting. Future irregular expenditure will be submitted to Internal Audit for verification before being tabled to Council
Revenue collected on behalf of the Department of Transport and Public Works (principal) and the related expenditure were not accounted for as required by paragraph 43 of GRAP 109, Accounting by principals and agents. Revenue from exchange transactions and expenditure are therefore both overstated by R1 135 562	Accounting procedures in terms of GRAP 109 will be applied in the new financial year

Table 161: AG Report 2017/18



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### COMPONENT B: AUDITOR-GENERAL OPINION 2018/19

#### 6.2 AUDITOR-GENERAL REPORT 2018/19

Details	
Audit Report Status:	Qualified opinion
Issue raised	Corrective steps implemented
<b>Inventory:</b> The AG was unable to obtain sufficient appropriate audit evidence for inventory as the municipality did not have an inventory management system in place. The AG was therefore unable to obtain sufficient appropriate audit evidence to substantiate the inventory disclosed in note 8 to the financial statements. Consequently, the AG was unable to determine whether any adjustments were required to the inventory balance stated at R888 956 (2017-18: R1 224 821). The AG was unable to quantify the possible misstatement of inventory by alternative means. Consequently, The AG was also not able to determine whether any adjustments were required to expenditure: inventory consumed stated at R2 266 844 (2017-18: R1 828 325), surplus for the year stated at R9 344 722 (2017-18: R6 850 521) and accumulated surplus at R185 949 564	Finance Section is adequately staffed to implement the inventory management system
<b>Transfer revenue: Government grants and subsidies:</b> The AG was unable to obtain sufficient appropriate audit evidence to verify the amount recognised as Transfer revenue: Government grants and subsidies to the value of R10 523 098 and its related expenditure in relation to the Municipal Infrastructure Grant. The AG was also unable to confirm that R10 523 098 was spent in accordance with the stipulations of the grant by alternative means. Consequently, The AG was unable to determine whether any further adjustments were necessary to Transfer Revenue: Government grants and subsidies stated at R40 731 413 and the related expenditure stated at R89 049 239 and unspent conditional grants stated at R3 788 053 in the financial statements	Implement processes for Compliance Monitoring and Reporting to adhere to time-frames
<b>Expenditure:</b> Total expenditure was materially misstated by R475 214 due to the cumulative effect of individually immaterial uncorrected misstatements in the following items: <ul style="list-style-type: none"> <li>Operational cost stated at R9 929 079 was overstated by R940 278 that related to expenditure incurred in respect of 2017-18 to the value of R842 550, incorrect allocation of electricity deposit to the value of R19 730 and overpayments of travel and subsistence allowances that needs to be recovered from the relevant employees to the values of R77 998.</li> <li>Total expenditure was understated with R465 064 since expenditure items were recorded inclusive of Value Added Tax (VAT) instead of exclusive of VAT as the municipality should have claimed the VAT and the municipality did not adequately account for the</li> </ul>	<ul style="list-style-type: none"> <li>Review and adjust the Annual Financial Statements for correctness</li> <li>Complete and review annual financial statements for correctness</li> </ul>

## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

Details	
<p>apportionment of VAT during the financial year under review.</p> <p>In addition, The AG was unable to obtain sufficient appropriate audit evidence and to confirm the following items by alternative means:</p> <ul style="list-style-type: none"> <li>Operational cost of R451 185 as included in the disclosed balance of R9 929 079.</li> <li>Contracted services of R268 509 as included in the disclosed balance of R8 613 606.</li> </ul>	
<p><b>Materiality uncertainty related to going concern:</b></p> <p>The AG draws attention to note 56 to the financial statements, which indicates that the Municipality is dependent on the approval from National Treasury to rollover the unspent portion of their conditional grants in order to spend monies on capital projects. As stated in note 56, these events or conditions, along with the basis for qualified opinion in paragraph 6, indicate that a material uncertainty exists that may cast significant doubt on the Municipality's ability to continue as a going concern.</p>	Financial Recovery Planning
<p><b>Material impairments:</b></p> <p>As disclosed in note 11 to the financial statements, the Municipality provided for the impairment of receivables from exchange transactions (consumer debtors) amounting to R2,2 million (2017-18: R2,3 million).</p> <p>As disclosed in note 12 to the financial statements, the Municipality provided for the impairment of receivables from non-exchange transactions amounting to R62,5 million (2017-18: R36,8 million). This mainly related to traffic fines issued</p>	Review of the financial statements for completeness and accuracy
<p><b>Material losses:</b></p> <p>As disclosed in note 60 to the financial statements, water and electricity losses of 63,48% and 11,15% amounting to R3 737 930 (2017-18: 61,36% amounting to R3 271 132) and R1 401 963 (2017-18: 9,19% amounting to R1 058 383) respectively were suffered during the year</p>	Review of the financial statements for completeness and accuracy

Table 162: AG Report 2018/19

# LIST OF ABBREVIATIONS, TABLES AND GRAPHS

## LIST OF ABBREVIATIONS

<b>AG</b>	Auditor-General	<b>LED</b>	Local Economic Development
<b>CAPEX</b>	Capital Expenditure	<b>LGSETA</b>	Local Government Skills Education Training Authorities
<b>CBP</b>	Community Based Planning	<b>MAYCOM</b>	Executive Mayoral Committee
<b>CFO</b>	Chief Financial Officer	<b>MFMA</b>	Municipal Finance Management Act (Act No. 56 of 2003)
<b>CIDB</b>	Construction Industry Development Board	<b>MIG</b>	Municipal Infrastructure Grant
<b>DLG</b>	Department of Local Government	<b>MM</b>	Municipal Manager
<b>DPLG</b>	Department of Provincial and Local Government	<b>MMC</b>	Member of Mayoral Committee
<b>DoRA</b>	Division of Revenue Act	<b>MSA</b>	Municipal Systems Act No. 32 of 2000
<b>DWAF</b>	Department of Water Affairs and Forestry	<b>MSIG</b>	Municipal Systems Improvement Grant
<b>EE</b>	Employment Equity	<b>MTECH</b>	Medium Term Expenditure Committee
<b>EPWP</b>	Expanded Public Works Programme	<b>NGO</b>	Non-governmental organisation
<b>FET</b>	Further Education and Training	<b>NT</b>	National Treasury
<b>FMG</b>	Finance Management Grant	<b>OPEX</b>	Operating expenditure
<b>GAMAP</b>	Generally Accepted Municipal Accounting Practice	<b>PACA</b>	Participatory Appraisal Competitive Advantage
<b>GRAP</b>	Generally Recognised Accounting Practice	<b>PMS</b>	Performance Management System
<b>GDP</b>	Gross Domestic Product of Region	<b>PT</b>	Provincial Treasury
<b>HR</b>	Human Resources	<b>SALGA</b>	South African Local Government Organisation
<b>IDP</b>	Integrated Development Plan	<b>SAMDI</b>	South African Management Development Institute
<b>IFRS</b>	International Financial Reporting Standards	<b>SANS</b>	South African National Standards
<b>IMFO</b>	Institute for Municipal Finance Officers	<b>SCM</b>	Supply Chain Management
<b>INEP</b>	Integrated National Electrification Programme	<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>KPA</b>	Key Performance Area	<b>SDF</b>	Spatial Development Framework
<b>KPI</b>	Key Performance Indicator	<b>VCP</b>	Vehicle Check Point
<b>LADAAG</b>	Laingsburg Anti-Drug and Alcohol Action Group		
<b>LASBA</b>	Laingsburg Small Business Association		





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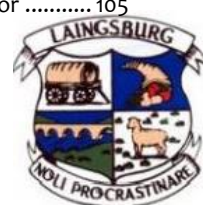
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# **ANNEXURE A: ANNUAL FINANCIAL STATEMENTS**

# **ANNEXURE B:**

## **AG REPORT**