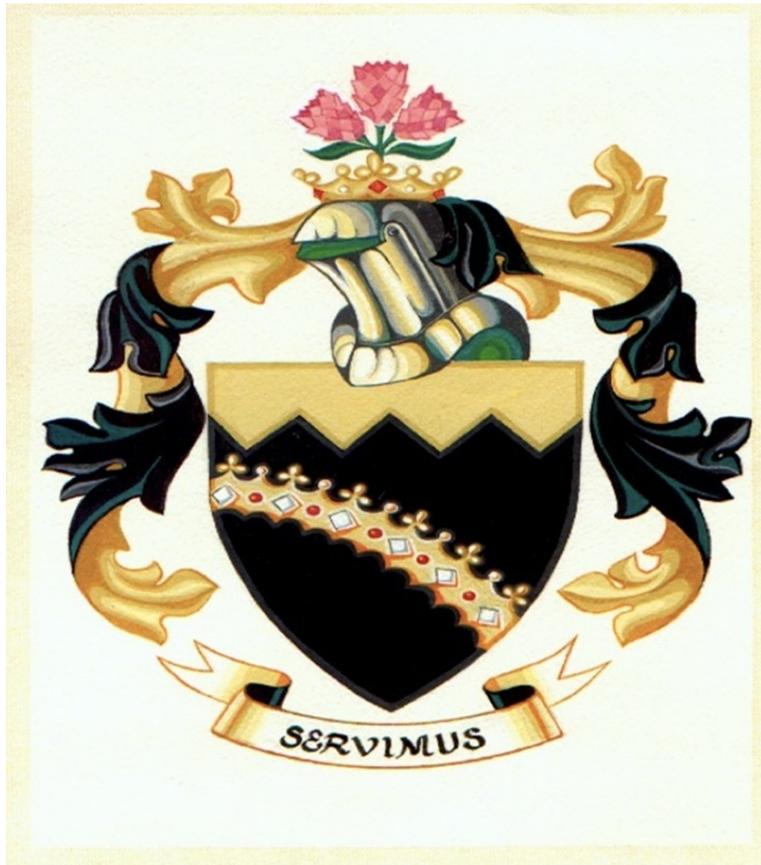


**DRAFT ANNUAL REPORT
PRINCE ALBERT MUNICIPALITY
2018/19**



DECEMBER 2019

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CHAPTER 1: Mayor's Foreword and Executive Summary

COMPONENT A: MAYOR'S FOREWORD



EXECUTIVE MAYOR: GOLIATH LOTTERING

As in years before Prince Albert Municipality has strived within its financial and administrative capacity, to create a stable and enabling environment for all residents based on the principles of transparency, good governance and good quality services.

During the 2017/18 financial year we lost our unqualified without matters status due to a technicality on local content in procurement. We worked hard to regain our unqualified without matters audit status and I am proud to say we succeeded. This is the result of hard work, dedication and a commitment to adhere to the service standards contained in our Service Charter.

Prince Albert Municipality was shortlisted as the tenth best municipality in the country and fifth in the Western Cape. With a staff establishment of 75 people, this is truly commendable and I wish to thank all councillors and staff for their support in achieving this accolade. It is definitely a high bench mark to build and improve upon.

With the country on a much talked-about fiscal cliff, with increasing unrest and the regrettable replacement of the individual's right above that of the community, it was imperative that we implement strict financial control, democratic accountable governance and sustainable services to our residents. With over-legislation hamstringing service delivery we need to be more innovative and actively seek partnerships that will improve the quality of life of our residents. Politicking will have to make way for professionalism and positive partnerships.

Prince Albert Municipality actively implement partnerships on various levels to provide better services to our communities. The national and provincial governments have become active partnerships in mitigating the drought that are still devastating our Karoo. With their assistance we have significantly improved our water demand management and they availed crucial funding for an iron removal plant and diversion structure to improve water quality and availability. This partnership has become a crucial factor in sustainable water management in our towns.

We work with government on implementing the Expanded Public Works Programme and the Community Works Programme to not only provide a poverty safety net to residents, but to ensure sustainable service delivery. We are fortunate to have two MISA interns with us, a graduate from the Department of Environmental Affairs as well

as numerous shared service endeavours to bolster our capacity and service delivery products while remaining affordable to our residents.

The success of these programmes can not only be seen in the fact that we obtained an unqualified audit report or being the fifth best Municipality in the Western Cape, but also in the recent study by Provincial Government that showed that Prince Albert Municipality is the municipality with the cheapest basket of services in the Western Cape. We are definitely one of the cleanest and most approachable municipalities in the Western Cape.

It is imperative that we not only continue to provide quality services, but grow our economy and attract investors. We need to stimulate our local economy by creating robust and inclusive local economies that exploit local opportunities, address local needs and contribute to national development objectives such as economic growth and poverty eradication. This is not a road that the Municipality can walk alone. Everyone in South Africa - in Prince Albert municipal region - will need to roll up their sleeves and commit to the future of our country or we will all suffer. It is time that we realise that we are the legacy of the 1994 democracy and it is up to us to make it work.

This means we will have to be more tolerant of each other, actively support our local economy by buying local and share our expertise with the same passion we share our opinions.

Prince Albert Municipality are continuing their efforts in meeting the nine objectives of the National Development Plan, eg. job creation, improving the quality of school education, eradicating spatial divides by inclusive development, improving infrastructure, creating a sustainable economy, improving public health, improving public services, eradicating corruption levels and improving social cohesion.

Prince Albert Municipality is leading the way in partnership with national and provincial government with a nearly R20 million investment in the upgrade of a sport precinct in Prince Albert as well as with the upgrade of the Waste Water Treatment Works in Klaarstroom. We work with provincial government to revitalise the Prince Albert town centre through the RSEP programme and is investigating a possible regional landfill site establishment in Leeu Gamka. We work with organisations such as the local tourism bureau and PACT to promote social cohesion and stimulate the local economy. We also partner with the Prince Albert Agricultural Association and Leesfees to promote our economy. These partnerships with the various stakeholders are actively pursued as it is realised that government alone cannot address the socio-economic challenges that our communities face today.

Without money we cannot fulfil our constitutional mandate regarding service delivery and governance. Though the debt collection ratio for the Municipality were at 86.45

%, the debt collection ratio for Klaarstroom and Leeu Gamka remains significantly lower than in Prince Albert. To address this unfortunate situation, debt collection campaigns continued but with poor results it is clear that stricter debt collection initiatives must be launched. In a last effort to support the community and improve payment the Municipality resolved in June of the reporting year to write off debt under certain conditions up to the end of December 2019. After this, the Municipality will revisit the results and debt collection and implement stricter measures. It is, however, imperative that national initiatives to conclude an agreement on debt collection with Eskom be prioritised. Without such an agreement rural municipalities' financial sustainability will always be at risk.

As a Municipality is a partnership between councillors, municipal staff and the community, effective public participation is paramount. During the reporting year several public engagements were undertaken, supported by the ward committees as connecting mechanism between the community and Council. A special word of thanks is extended to the ward committee members that assisted in the awareness campaigns on water saving. Your help was and remain invaluable.

Our Constitutional mandate remains Basic Service Delivery and the Municipality launched a Service Charter as an agreement of acceptable service standards. Though these standards cannot always be met, the set standards are the golden standards we aspire too and we encourage residents to hold the Municipal councillors and staff accountable to it.

I wish to thank Council for their continued efforts to ensure a sustainable and accountable government for our residents, as well as management and all staff for their dedicated efforts to ensure that we provide basic services and governance above the norm. My most sincere gratitude is expressed towards our residents, business and governmental stakeholders for their continued support. It remains a privilege to lead such a committed and dedicated community.

This annual performance report will be advertised and submitted for public scrutiny up to 15 January 2020. The comments received were taken into consideration with the final adoption of the annual report.

Sincerely

Goliath Lottering

EXECUTIVE MAYOR

Component B: Executive Summary

1.1 Municipal Manager's Overview

Prince Albert Municipality is a category B municipality performing the functions set out in The Constitution of the Republic of South Africa, Schedule 4 B and 5B.

Prince Albert Municipality remained a very stable municipality whose successes are built on positive partnerships. With communities demanding more and more of Municipalities and with the ongoing drought refusing to let go of the Karoo, these partnerships have become crucial in ensuring the continued sustainability of service delivery.

Foremost in these partnerships are the Department of Local Government who assisted the Municipality to improve their water demand management and availed funding for an iron removal plant, equipping of boreholes and telemetry as part of drought mitigation. On request of the Provincial Government the Municipality delayed the erection of a diversion structure to the current financial year and though this affected our capital expenditure negatively, Prince Albert Municipality ceded to the request with the stipulation that the funding should again be made available in the current financial year. The transfer of skills from the consulting engineers to the municipal employees must be commended and a special vote of thanks is extended to all participants.

The Municipality partook in a regional Drought Recovery Action Plan (DRAP) that allowed for the sharing of information and collaboration on drought projects. This approach will become the norm in future when the presidential roll-out of the district approach in development is implemented.

One of the cornerstones of successful, continued service delivery is systematic discipline. Prince Albert Municipality introduced the principle of consequence management with the launching of their service charter where residents hold the Municipality accountable if certain agreed upon service standards are not met. We are happy to report that the community embraced the service charter and regularly report a deviation from the agreed upon standards. While this is not a very comfortable position for employees and councillors to be in when there is a breach in the set standards, the Municipality stays firm in their commitment to the service charter standards as it improves service delivery and helps build the relationship between the community and Municipality.

A further element of consequence management includes effective revenue management, which includes timely debt collection, regular payment of suppliers and a well-structured and managed repairs and maintenance plan. While the

Municipality approved another round of debt to be written off, this will pave the way for stricter measures and litigation for those that do not honour their municipal commitments. The challenge on debt collection in Eskom service delivery areas must be addressed to ensure continued financial sustainability and viability of municipalities.

The Municipality does well with the payment of suppliers, but have been struggling with repairs and maintenance. Considering Prince Albert Municipality being the cheapest municipality in the Western Cape pertaining services, it must be considered that our services are too cheap and do not make provision for repairs and maintenance. Careful consideration must be given to ensuring not only affordability of tariffs, but sustainability of service infrastructure. It is not an easy balancing act that lays ahead.

With 50% of the South African population earning less than R45 per day and with ever increasing inequality, we face moral and social dilemmas that is threatening not only service delivery and good governance, but the very being of our existence.

Municipalities have inherited a system where promises are made of a better life for all that translated into a belief that government will do it all for you. Though this might sound good and commendable, it also resulted in removing human dignity, robbing us of the spirit of ubuntu and instead creating a culture of aggressive entitlement and unrealistic, untenable expectations, that when not met, results in protests and destruction. With a fiscal crisis crunching from all sides and government having to implement a 5% budget cut, municipalities – and communities – will suffer and we will come to live and operate in an increasingly violent atmosphere.

The key challenges that face South Africa and Municipalities today are inequality, resistance, resentment and a lack of reconciliation as well as the lack of leadership and institutional capacity. These challenges are most often laid at the door of municipalities but occurs in all spheres of government and in the private sector.

Prince Albert Municipality strives to address these challenges through partnerships with our community; through shared services amongst government and municipal partners and through agreements with partners such as our local tourism office, PACT, PAOS, the Local Farmers Association and even sports clubs. These partnerships aim to promote social cohesion, to stimulate the local economy and deliver on various objectives that will promote equal access in all spheres of our society.

The Municipality understands that there is no quick fix and that EPWP and CWP programmes, while extremely valuable in supplying a safety net to the indigent, is not a long-term solution. The Municipality worked hard to attract investment in our area and we are very proud of the upgrade of the sports fields, the upgrade of the waste water treatment in Klaarstroom, the RSEP programme and several other infrastructure projects that have been solicited in the reporting year. These projects will be

implemented in 2019/20 and will result in several job opportunities. It is imperative that the private sector and community members support these initiatives and add their own entrepreneurship to grow the municipal area.

Both Council and staff should be commended for obtaining an unqualified audit without matters during the reporting year. This achievement forms the basis to good governance and accountability.

Heinrich Mettler resigned as Municipal Manager on 30 November 2018. His leadership and expertise formed the basis for the success that the Municipality enjoys today and we are extremely grateful for his service to our area. The Chief Financial Officer and Snr Operational Manager acted in this vacancy up to April 2019. The Municipality thus acted with only two senior officials for five months before Ms Anneleen Vorster was appointed in the vacancy of Municipal Manager. A vote of thanks is extended by management to all municipal staff for their hard work and dedication; for going the extra mile to ensure that our community gets the quality of service they deserve. There is most definitely a reason why we are the fifth best Municipality in the Western Cape!

I am humbled to be trusted to lead the administration of this Municipality and I wish to extend a sincere vote of thanks to the Executive Mayor, Speaker, management, staff, ward committees and members of the public for their support through the year. Be assured that, with God's blessing, we will go from strength to strength because we are not only serving our community – we are part of our community!

It is my privilege to herewith present the draft Annual Report for the financial year 1 July 2018 to 30 June 2019 to you as a true reflection of the performance of Prince Albert Municipality, with the firm dedication that we could not have achieved any of this, without you, our community.

A Vorster

MUNICIPAL MANAGER

1.2 Municipal Overview

This report addresses the performance of the Prince Albert Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and accurate reporting on programme performance and the general state of affairs in their locality. The 2018/19 Annual Report reflects on the performance of the Prince Albert Municipality for the period 1 July 2018 to 30 June 2019.

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

1.2.1 Municipal Vision and Mission

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

Vision

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

Mission

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

1.3. Demography

1.3.1 Population

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

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

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

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

a) Total Population

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

2011	2012*	2013*	2014*	2015*	2016*	2017*	2018*	2019*	% growth
13 136	13 428	13 728	14 034	14 346	14 673	15 000	15345	15694	2.23%

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

b) Population profile

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

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

Table 2: Population profile (SEP report: 2018)

1.3.2 Households

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

Households	2014/15	2015/16	2016/17	2017/18	2018/2019
Number of households of in municipal area	2 511	2 536	2 554	2 809	2820
Number of indigent households in	687	951	872	893	1092

Households	2014/15	2015/16	2016/17	2017/18	2018/2019
municipal area					

Table 3: Total number of households

1.3.3 Socio Economic Status

The following table reflects key socio-economic statistics of the area as per 2018/19 Socio Economic Provincial report.

Prince Albert: At a Glance

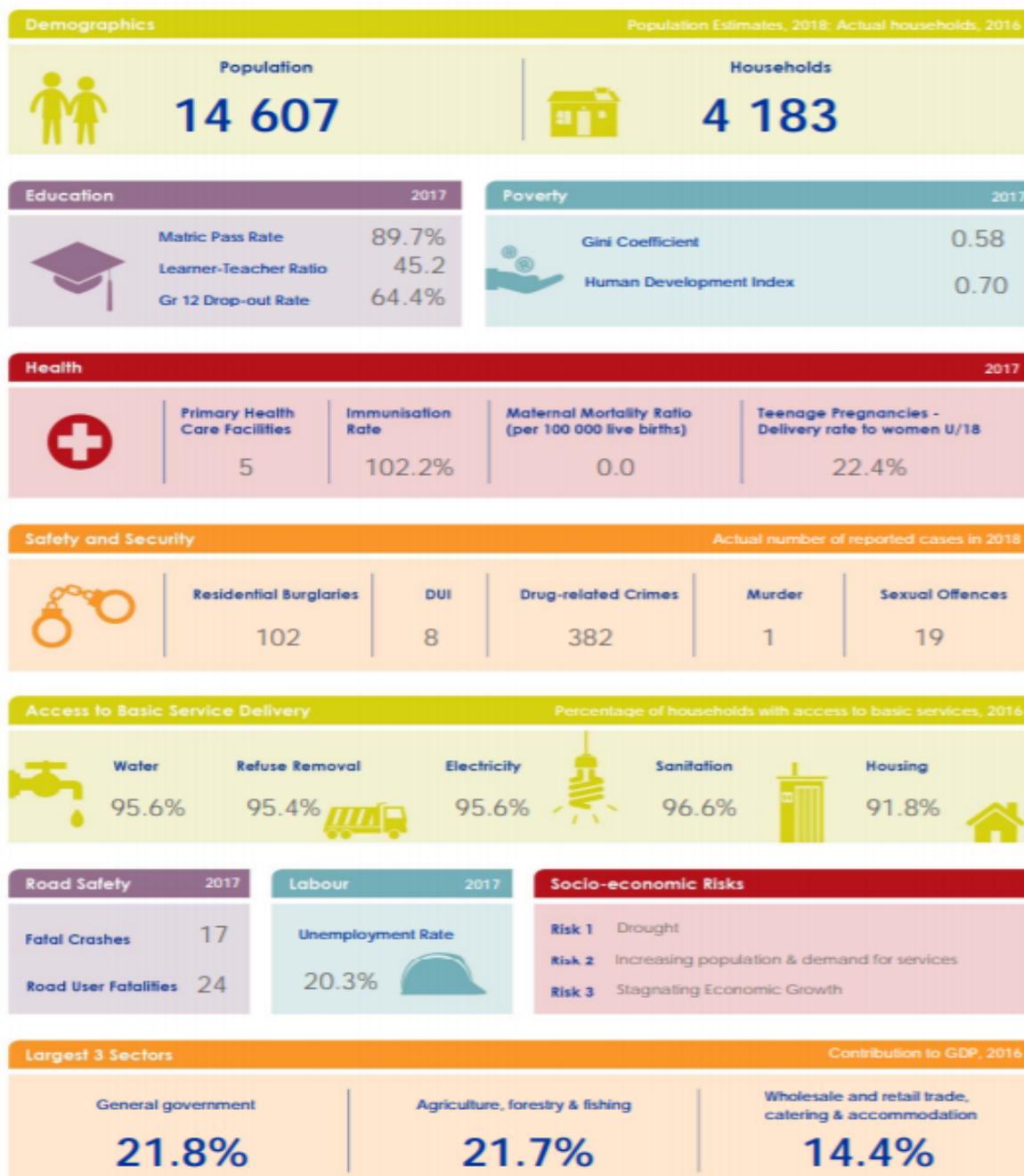


Table 4: Socio Economic Status

1.4 Service Delivery Overview

1.4.1 Basic services delivery performance highlights

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

Highlights	Description
Upgrading of sport facilities in Klaarstroom and Leeu Gamka	The ablution facilities have been upgraded and flood lights installed
Successful drought management	Strict demand management has been implemented resulting in continuous water supply
Improvement of water security	Equipping of boreholes to improve water security
Pavement upgrade in South End	Upgrading of pavements in portion of South End
Installation of speed calming devices	Erecting additional speed calming devices in wards
Improved efficiency on refuse removal	Utilisation of compactor truck for refuse removal
Building maintenance	Upgrade of municipal community halls in Klaarstroom and Leeu Gamka
Transformer maintenance	Transformers send for maintenance
Skills transfer on EPWP program	EPWP workers trained in pot hole repair

Table 5: Basic Services Delivery Highlights

1.4.2 Basic services delivery challenges

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

Ward	Challenge	Actions to address
All	Ensure quality water provision	Continuous training of water process controllers
All	Drought Management	Drought Recovery Programme implemented
All	Upgrade road infrastructure	Pothole repair programme developed
All	Improve and erect road signage and markings	Road markings to be established as per available budget
All	Improve access control at landfill sites	Appoint staff to improve access control
Ward 2, 3, 4	Upgrade electricity network	Budget for replacement of old network
All	Sewerage trucks not road worthy – high cost of service	Purchase new truck; investigate possibility to connect sewerage tanks to sanitation network
All	Waste Management	Recycling plant needed and improved law enforcement on littering

Table 6: Basic Services Delivery Challenges

1.4.3 Proportion of Households with access to Basic Services

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

Proportion of Households with minimum level of Basic services					
Detail	2014/15 (%)	2015/16 (%)	2016/17 (%)	2017/18 (%)	2018/19 (%)
Electricity service connections	100%	100%	100%	100%	100%
Water - available within 200 m from dwelling	100%	100%	100%	100%	100%
Sanitation - Households with at least VIP service	100%	88.8%	88.8%	88.88%	88.88%
Waste collection - kerbside collection once a week	100%	100%	100%	100%	100%

Table 7: Households with minimum level of Basic Services

1.5 FINANCIAL VIABILITY

1.5.1 Financial Viability Highlights

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

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

Table 8: Financial Viability Highlights

1.5.2 Financial Viability Challenges

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

Challenge	Action to address
Capacity constraints	Multi skilling of staff
mSCOA compliance	Financial support application

Challenge	Action to address
Debt collection – especially in Eskom areas;	Appointment of dedicated staff for debt collection
Increase in bad debt provision due to increase in outstanding water debtors	Municipality embarked on a debt write-off campaign that will be applicable from 1 July to 31 December 2019
Incompatibility of financial software system	Change from Abakus to VISTA – continuous engagement with service provider to ensure successful transfer of system
Tariffs not sustainable and not covering cost	While the tariffs for Prince Albert Municipality was found to be the cheapest in the Western Cape, the tariffs is not enough to cover the increased maintenance cost of the services

Table 9: Financial Viability Challenges

1.5.4 Financial Overview

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

Details	Original budget 2018/19	Adjustment Budget	Actual
	R'000		
Income			
Grants	53 853	53 853	34 417
Taxes, Levies and tariffs	23 044	28 044	26 714
Other	12 557	12 557	13 465
Sub Total	94 454	94 454	74 597
Less Expenditure	79 919	79 919	66 374
Net surplus/(deficit)	14 535	14 535	8 222

Table 10: Financial Overview

1.5.5 Total Capital Expenditure

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

Detail	2017/18	2018/19
	Original Budget	8 528
Adjustment Budget	17 383	19 543

Actual	10 841	12 192
% Spent	62%	62%

Table 11: Total capital expenditure.

1.6 Organisational Development Overview

1.6.1 Municipal Transformation and Organisational Development

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

Highlights	Description
Critical appointments made	Municipal Manager and Administrator to the Municipal Manager, Salary Clerk and Supply Chain Officer appointed.
Workplace Skills Plan submitted	Submitted within timeframe
HR policies reviewed	Several HR policies reviewed
Organisational review	Organisational review undertaken
Vacancy rate	Vacancy rate at 27.62% hampering service delivery.
Setting of service level standards	Adoption of Service Level Standard Charter and launching of said charter

Table 12: Municipal Transformation and Organisational Development Highlights

1.6.2 Municipal Transformation and Organisational Development Challenges

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

Description	Actions to address
Capacity constraints	27.62% vacancy rate in organisation – no funding to fill vacancies
Vacancy in top management	There was a vacancy in the top management for 7 months of the year
Limited skills base	Skills funding limited
Challenges attracting and retaining staff	Remuneration packages too low and geographical location hampering attraction and retention of staff
Performance management	Capacity constraints hampering implementing performance management to lowest level

Table 13: Municipal Transformation and Organisational Development Challenges

1.7 Auditor General Report

1.7.1 Audited Outcomes

The following table reflects the audited outcomes since 2010.

Year	2010/11	2011/12- 2015/16	2016/17	2017/18	2018/19
Opinion received	Qualified	Unqualified	Unqualified with no matters - clean audit	Unqualified with matters	

Table 14: Audit Outcomes

1.8 2018/19 IDP/Budget Process

The IDP/Budget time schedule is indicated in Addendum A for the 2018/19 IDP/Budget process.

COMPONENT B

Chapter 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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

2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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

Below is a table that indicates capital expenditure for the 2018/19 financial year. The capital expenditure was very low due to the fact that one of the projects on the drought scope of works was withdrawn at the last minute on request of the Provincial government. Another fact hampering efficient capital expenditure remains procurement. Government procurement processes takes very long and then most often the tenders submitted exceeds the available funding, thus forcing the municipality to go back and downscale projects before going out on tender again.

KPA & Indicators	Municipal Achievement				
	2014/15	2015/16	2016/17	2017/18	2018/19
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development	37	42	78.8%	74.7%	62.3%

KPA & Indicators	Municipal Achievement				
	2014/15	2015/16	2016/17	2017/18	2018/19
plan					

Table 15: Capital budget spend

2.2 Performance Highlights - Good Governance and Public Participation

Below is a table that indicates the highlights pertaining good governance and public participation for the 2018/19 financial year:

Highlight	Description
Ward committee functioning reviewed	Ward committee functioning reviewed annually
Ward committee training	Ward committees trained twice in financial year
Community meetings	Community meetings have high attendance numbers
Website upgraded and functioning	Website administration done internally
Service Charter adopted	Service Charter adopted and launched setting service standards
Bulk SMS messaging	Bulk SMS messaging provided with assistance of Department of Local Government
Municipal programme on Radio Gamkaland	Municipality hosts a municipal radio programme 4 times per week
Stakeholder engagements instituted	Municipality instituted a Stakeholder Engagement Forum to liaise with other sector departments to ensure maximum impact on service delivery
Community partnerships	Municipality has several partnerships to deliver on social cohesion such as with PACT, the Tourism Bureau, the Leesfees, Prince Albert Agricultural Association

Table 16: Good Governance and Public Participation Performance Highlights

2.3 Challenges - Good Governance and Public Participation

Below is a table that indicates the challenges pertaining good governance and public participation for the 2018/19 financial year:

Description	Actions to address
Not all ward committee members perform optimally	Training on ward committee role and municipal programmes
Ward committee activities to be strengthened	Ward committee summit and ad hoc engagements with ward committees on specific programmes
Limited communication tools for area	Use combination of communication tools – utilise Radio Gamkaland. Four hourly time slots per week
Quarterly feedback in wards not compliant in regularity	Ward feedback meetings scheduled under chairmanship of ward councillors
Meeting fatigue	To many meetings and engagements leads to meeting fatigue and disinterest within community
Political factions within community	Political factions in the community undermines good governance by spreading misinformation

Table 17: Good Governance and Public Participation Performance Challenges

Council

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

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

Table 18: Council per political affiliation

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

Meeting dates	Type of Council meeting	Council Meetings Attendance	Apologies for non-attendance
10/07/2018	Special	100%	0%
30/07/2018	General	100%	0%
30/08/2018	Special	100%	0%
8/10/2018	General	100%	0%
30/10/2018	Special	100%	0%
28/11/2018	Special	100%	0%
4/12/2018	Special	100%	0%
07/12/2018	General	100%	0%
19/12/2018	Special	86%	14%
16/01/2019	Special	86%	14%
21/01/2019	Special	57%	43%
22/01/2019	Special	86%	14%
28/01/2019	Special	100%	0%
11/03/2019	Special	100%	0%
14/03/2019	General	100%	0%
20/03/2019	Special	100%	0%
28/03/2019	Special	86%	14%
17/03/2019	Special	100%	0%
26/04/2019	Special	100%	0%
16/05/2019	Special	86%	14%
28/05/2019	Special	100%	0%
20/06/2019	General	86%	14%
<i>Numbers between brackets indicate non-attendance without apology</i>			

Table 19 Council meetings

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

Executive Mayoral Committee

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

a) **Portfolio Committees**

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

i) **Finance Committee**

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

Name of member	Capacity	Meeting dates
Cllr G Lottering	Chairperson	
Cllr M Jaftha	Member	
Cllr S Botes	Member	17/072018
Cllr M Steyn	Member	18/07/2018
Cllr L K Jaquet	Member	22/11/2018
Cllr E Maans	Member	06/03/2019
Cllr S Piedt	Member	03/06/2019

Table 20: Finance Committee

ii) **Personnel and Transformation Committee**

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

Name of member	Capacity	Meeting dates
Cllr M D Jafftha	Chairperson	16/07/2018 17/07/2018 20/11/2018 5/03/2019 4/06/2019
Cllr G Lottering	Member	
Cllr S Botes	Member	
Cllr M Steyn	Member	
Cllr L K Jaquet	Member	
Cllr E Maans	Member	
Cllr S Piedt	Member	

Table 21: Personnel and Transformation Committee

iii) Civil Services Committee

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

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

Name of member	Capacity	Meeting dates
M Steyn	Chairperson	17/07/2018 17/07/2018 22/11/2018 6/03/2019 17/04/2019 07/06/2019
Cllr M D Jafftha	Member	
Cllr S Botes	Member	
Cllr G Lottering	Member	
Cllr E Maans	Member	
Cllr S Piedt	Member	
Cllr L Jaquet	Member	

Table 22: Civil Services Committee

iv) **Community Services and Development Committee**

All councillors in Prince Albert Council form part of the respective Portfolio Committees. The following table reflects the attendance of the respective councillors in the finance committee meetings. The Community Services and Development Committee is under the chairmanship of Cllr L Jaquet and deals with community and land use matters.

Name of member	Capacity	Meeting dates
Cllr L K Jaquet	Chairperson	16/07/2018
Cllr M Steyn	Member	18/09/2018
Cllr M Jaftha	Member	20/11/2018
Cllr G Lottering	Member	5/03/2019
Cllr E Maans	Member	03/06/2019
Cllr S Piedt	Member	
Cllr S Botes	Member	

Table 23: Community Services and Development Committee

2.4.2 Administrative Governance Structure

The Municipal Manager is the Chief Accounting Officer of the municipality. He is the Head of the Administration and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team. Heinrich Mettler resigned with effect 30 November 2018 after which the Chief Financial Officer and Senior Operational Manager acted in this position till Ms Anneleen Vorster was appointed as Municipal Manager with effect 1 May 2019. The table below indicates the management structure of Prince Albert Municipality.

Name of Official	Department	Performance agreement signed
		(Yes/No)
Heinrich Mettler	Municipal Manager Resignation on 30 November 2018	Yes
Jannie Neethling	Chief Financial Officer	Yes
Anneleen Vorster	Senior Operational Manager	Yes
Anneleen Vorster	Municipal Manager 1 May 2019	Yes

Name of Official	Department	Performance agreement signed
		(Yes/No)
Vacancy	Senior Operational Manager	No

Table 24: Administrative Governance Structure

2.5 Intergovernmental Relations

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

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

2.5.1 Provincial Intergovernmental Structures

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

We participate in the following intergovernmental forums:

- ∞ Municipal Managers Forum where Municipal Managers engage on municipal matters
- ∞ Back to Basics Forum, both locally and regionally, that focus on governmental support to improve service delivery in Prince Albert
- ∞ Central Karoo Corporate Forum to collaborate on governance matters.
- ∞ Community Water Forum to raise awareness on water matters in the Prince Albert catchment area.

- ∞ CFO Forums where the CFO's of municipality engage on financial matters
- ∞ Central Karoo District Coordinating Forum where the municipalities in the Central Karoo District engage about shared matters. The Central Karoo District Coordinating Forum is preceded by a DCF Technical Forum where the technical aspects and implications of governance is discussed and prepared for the DCF.
- ∞ Central Karoo Communications Forum where municipalities in the Central Karoo engage on communication and public participation.
- ∞ Shared Service Forum focus on collaboration between municipalities to identify and utilise shared service options within the government sphere.
- ∞ Central Karoo IDP Forum where municipalities in the Central Karoo engage with each other on integrated development planning.
- ∞ Thusong Centre Provincial Forum where the Thusong Managers in the Province engage on shared service matters and programs.
- ∞ MIG Manager/Municipality Coordination Meetings – Western Cape Department of Local Government where municipalities and the Local Government engage on MIG spending and projects.
- ∞ Central Karoo Bilateral Meeting – Department of Water Affairs where the municipalities and Department engage on water service matters.
- ∞ The Provincial Transport Technical Committee (ProvTech) – Western Cape Department of Transport and Public Works where the municipalities engage on Technical matters.
- ∞ The Provincial Transport Committee (ProvCom) – Western Cape Department of Transport and Public Works where municipalities and the Department engage on integrated transport matters.
- ∞ Integrated Waste Management Forum – Western Cape Department of Environmental Affairs and Development Planning where the Department and municipality engage with each other on integrated waste matters.
- ∞ Western Cape Recycling Action Group – Western Cape Department of Environmental Affairs and Development Planning where municipalities and the department engage on recycling and raising awareness on such.
- ∞ SALGA Working Groups – SALGA where the municipalities in the Western Cape engage and workshop municipal infrastructure matters, Labour relations, local economic development etc.

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

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.6.1 Public Meetings

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

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

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

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators
Radio programme	Monday to Thursday every week	Not applicable	Two
SMS messaging	Continuous	Not applicable	One
Bulk e-mail distribution	Continuous	Not applicable	Two
CWP Referencing Committee	Once every two months	All	Two

Stakeholder Engagement	Twice a year	Four	One
Ward committee summit	Once a year	Four	Two
IDP meetings	Twice a year	All	Four
Indigent registration	June 2018	All	Two
Water restrictions	Continuous	All	Three
Thusong Outreach	One a year	All	Five
Debt Collection Campaigns and indigent registrations	Continuous during reporting year	All	Four
Housing update	Once a year	All	Four
Water Forum	Once a quarter	All	Four
Kweekvallei Water Association meetings	Once a month	One	Two
Small Farmer engagements	Twice a year	One	Two

Table 25: Public engagements

2.6.2 Ward Committees

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

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

Name of representative	Capacity representing	Dates of meetings
Cllr E Maans	Ward councillor	13 August 2018 ward committee meetings Door to Door in September 2018 11 October 2018 ward feedback meeting December Door to Door meetings 15 January 2019 ward committee meeting Door to door meetings in February 2019 Block meetings in March 2019 Door to door meetings in April 2019 Door to door meetings 13 June 2019 ward committee meeting
Anna Jonas	Block representative	
Ben Stols	Block representative	
R Lottering	Block representative	
D Steenkamp	Block representative	
P de Klerk	Block representative	
K Vister	Block representative	
G Booysen	Block representative	
N Baadjies	Block representative	
B Stols		
One vacancy		

Table 26: Ward 1 Committee Meetings

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

Name of representative	Capacity representing	Dates of meetings
Cllr L K Jaquet	Ward Councillor	August 2018 door to door outreach 20 September 2018 block meetings 11 October 2019 ward committee meetings November and December 2018 door to door outreaches 19 January 2019 ward committee meetings February door to door outreaches March block meetings April 2019 ward committee May budget imbizo Block meetings in June 2019
A Goosen	Block representative	
A Pienaar	Block representative	
J Plaatjies	Block representative	
S Makier	Business representative	
G van Hasselt	Farm representative	
P Gibson	Heritage representative	
Three vacancies		

Table 27: Ward 2 Committee Meetings

c) **Ward 3: Prince Albert**

Name of representative	Capacity representing	Dates of meetings
Cllr G Lottering	Ward Councillor	Ward committee August 2018
Fransiena Januarie	Block representative	Block meetings 20 September 2018
Jo Anne Blou	Block representative	Ward Committee 1 October 2018
Enid Griebelaar	Block representative	Report Back meeting 11 October 2018
Arnold Mackay	Block representative	November to December Door to door visits
Dawid Schroeder	Block representative	February door to door meetings
Shorida Windvogel	Block representative	Block meetings 13 March 2019
Beaudine Tock	Block representative	Ward committee meeting 3 April 2019
Vacancy	Block representative	Budget imbizo May 2019
Vacancy	Block representative	Block meetings 11 June 2019

Table 28: Ward 3 Committee Meetings

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

Name of Representative	Capacity Representing	Dates of meetings
Cllr M D Jaftha	Ward Councillor	15 July 2018 Door to Door
H Pieterse	Block representative	15 August 2018 Door to Door
K Koonthea	Block representative	Block meetings 17 September 2018
G Abrahams	Block representative	Ward committee meeting 16 October 2018
J Pietersen	Block representative	November to January Door to door meetings
Y van Wyk	Block representative	Block meeting in February 2019
J du Toit	Block representative	Door to Door in March 2019
J Pieterse	Block representative	11 April 2019 Ward committee meeting
3 vacancies	Block representative	May Budget imbizo
		Block meeting 18 June 2019

Table 29: Ward 4 Committee Meetings

2.6.3 Functionality of Ward Committee

The purpose of a ward committee is:

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

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

role in the development and annual revision of the integrated development plan of the area.

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

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

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

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

2.6.3 Functionality of Ward Committee

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

Table 30: Functioning of Ward Committees

2.6.4 Representative Forums

a) Labour Forum

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

Name of representative	Capacity	Meeting dates
Cllr S Botes	Chairperson	22/11/2018
C G Baadjies	IMATU	28/03/2019
B May	IMATU	26/04/2019
M D Jafftha	Councillor	18/06/2019
H Mettler till 30 November 2018 A Vorster since 1 December 2018	Employer	
D Mooneys	Employer	

Table 31: Labour Forum

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

2.7 Risk Management

The table below reflects the Risk Committee:

Member	Capacity	Department
1. H Mettler	Chairperson	Municipal Manager
2. J Neethling	Member / Champion	Finance
3. A Vorster	Member/ Champion	Corporate and Community Services
4. D Vermeulen	Member	Audit Committee member

Table 32: Risk Committee

COMPONENT D: CORPORATE GOVERNANCE

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

2.8 RISK MANAGEMENT

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

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

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

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

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

For the 2018/19 financial year the top 5 strategic and operational risks identified are as follows:

2.8.1 Strategic Risks

- The risk of financial sustainability for the immediate and longer term – Being addressed through the development of a long-term financial strategy.
- Legal compliance on MSCOA and waste management.

- Capital funding for projects decreasing, leading to increase in external funding required – Included in the long-term financial strategy.
- Replacing old dilapidated infrastructure network – MIG funding applications submitted
- Re-vitalise local economy – through Agri Parks projects, labour intensive capital projects, neighbourhood revitalization initiatives such as the establishment of Parks, upgrading of roads etc.

2.8.2 Operational Risks

- Lack of division of functions in employment corps – internal audit program to include spot checks
- Flat organisational structure with limited capacity – develop smarter ways to work.
- Outdated land use register – new register to be compiled.
- Limited air space and legal compliance on waste sites
- Drought
- Ageing infrastructure – business plan to be submitted via MIG and partnerships
- Retaining qualified professional staff – appoint key staff members

2.8.3 Anti-Corruption and Anti-Fraud

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

a) Developed Strategies

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

Name of strategy	Developed Yes/No	Date Adopted/Reviewed
Implementation Plan		

Table 32: Strategies

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

Name of representative	Capacity	Meeting dates
A Dippenaar	Chairperson	29/08/2018 22/11/2018 14/12/2018 27/06/2019
D Vermeulen	Member	
JC van Wyk	Member	
A Badenhorst	Internal Auditor	

Table 33: Members of the Audit Committee

Mr D Vermeulen was appointed as Audit Committee member in July 2018. The Audit Committee fulfils a critical role in ensuring accountable governance.

2.9 Internal Auditing

2.9.1 Annual Audit Plan

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

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

Table 34: Internal Audit Coverage Plan

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

Function
Risk analysis completed/reviewed
Risk based audit plan approved for 2018/19 financial year
Internal audit programme drafted and approved
Number of audits conducted and reported on
Grants
Performance management
mSCOA Review
Human Resources: Recruitment and Appointments

Table 35: Internal Audits

2.10 By-Laws and Policies

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

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Safety clothes and occupational safety	30 August 2018	No – internally via LLF
Cellphone and data use policy	30 August 2018	No – internally via LLF
Scarce skills policy	8 October 2018	No – internally via LLF
Budget Policy	28 May 2019	Yes
Funding and Reserves Policy	28 May 2019	Yes
Credit Control policy	28 May 2019	Yes
Asset Management policy	28 May 2019	Yes
Travel and Subsistence policy	20 June 2019	Yes
Tariff Policy	28 May 2019	Yes
Rates Policy	28 May 2019	Yes
Indigent Policy	28 May 2019	Yes

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Capital Contribution Policy	28 May 2019	Yes
Borrowings Policy	28 May 2019	Yes
B and I Policy	28 May 2019	Yes
Consultants Policy	28 May 2019	Yes
Internal Bursary Policy	28 May 2019	Yes
Fleet policy	20 June 2019	No – internally LLF
Sexual Harassment Policy	20 June 2019	No – internally LLF
Whistle Blowing Policy	20 June 2019	No – internally LLF
Vehicle Policy	20 June 2019	No – internally LLF
Nepotism Policy	20 June 2019	No – Internally LLF
Cost Containment Policy	27 June 2019	No – internally LLF

Table 36: Policies developed and reviewed

2.11 Communication

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

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

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

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

The Municipality made significant strides in keeping the community informed and involved. With the assistance of the Communication and Public Participation unit of the Department of Local Government a bulk sms messaging system was put in place. This allows the municipality to inform the community on service delivery issues but also reminds them to participate in planning and public meetings.

The Municipality also commenced with a weekly radio programme on Radio Gamkaland every Monday to Thursday from 12h00 to 13h00. This program is used to not only disseminate information, but to capacitate the community on municipal and government process that will encourage a more active involvement in municipal matters. The challenge remains that the radio station's coverage is very poor in Klaarstroom and also in some areas of Prince Albert.

Though it is understood that not everyone listens to Radio Gamkaland this medium enables the Municipality to reach the rural and farming areas and has made a significant improvement as it is mostly the affluent residents that purchase the local newspaper that only appears once a month. The radio programme enabled the Municipality to move from notices of meetings and service delivery disruptions towards citizen capacitation where the community is informed how to engage with the Municipality and departmental role players, the working of integrated development planning, performance management and how to keep the Municipality accountable. The Municipality re-prioritized their budget allocation and could not appoint a communication official. This will remain a priority in future budgets.

The Municipality drafted and launched a Service Charter communicating set agreed service standards to be used to promote accountability and foster consequence management.

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

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

Table 37: Communication platforms

2.13 Website

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

Documents published on the Municipal website	Published (Yes/No)
Current annual and adjustments budgets and all budget-related documents, including SDBIP	Yes
Tariff policy	Yes
Credit control policy	Yes
Valuation policy	Yes
Rates policy	Yes
SCM policy	Yes
Annual report for 2017/18 (Draft)	Yes
All service delivery agreements for 2018/19	No
All supply chain management contracts above the prescribed value for 2018/19	No
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2018/19	Yes
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2018/19	Yes

Table 38: Website Checklist

2.14 Supply Chain Management

2.14.1 Competitive Bids in Excess of R200 000

a) Bid Committee Meetings

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

Member	Percentage attendance
M April	100%
Donovan Plaatjies	100%
A America	100%

Table 39: Attendance of members of bid specification committee

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

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

Table 40: Attendance of members of bid evaluation committee

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

Member	Percentage attendance
Ms. D Mooneys	100%
Mr JD Neethling	100%
Ms A Vorster	100%

Table 41: Attendance of members of bid adjudication committee

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

b) Awards Made by the Bid Adjudication Committee

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

Bid number	Title of bid	Successful Bidder	Value of bid awarded
127/2018	Maintenance of IT System	Ubertech	R1 519 960.73
121/2018	SUPPLY AND DELIVERY OF 1X8TONNE CHASSIS CAB MANUAL TRUCK	SHORTS NISSAN	R680 913.85
136/2018	SUPPLY AND DELIVERY OF 1X20M3 SOLID WASTE COMPACTION VEHICLE	SHORTS NISSAN	R 1 804 999.75
157/2018	INSTALLATION OF	JAN NEL ELEKTRIES	R76 289.62

Bid number	Title of bid	Successful Bidder	Value of bid awarded
	BOREHOLE PUMPS: KLAARSTROOM		
172/2018	UPGRADING OF THE STORMWATER IN NORTH END, PRINCE ALBERT AND UPGRADING OF STREETS AND STORMWATER IN BITTERWATER, LEEU GAMKA	URHWEBO E-TRANSAND	R3 801 483.39
155/2018	DRILLING OF 1X PRODUCTION BOREHOLE FOR THE PRINCE ALBERT MUNICIAPALITY	STEYNS DRILLING TRUST	R351 441.15
08/2019	SUPPLY AND INSTALLATION OF BOREHOLE PUMPS, PIPELINES AND TELEMETRY: LEEU GAMKA	DE JAGERS LOODGIETERS KONTRAKTEURS	R2 273 026.13
68/2018	<i>Short term insurance</i>	LATERAL UNISON	R611 030.00
81/2019	<i>Provision of Collaborator and support services</i>	BUSINESS ENGINEERING	TRANSVERSAL

Table 42 Ten highest bids awarded by bid adjudication committee

c) Awards Made by the Accounting Officer

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

a) Appeals lodged by aggrieved bidders

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

2.14.2 Deviation from Normal Procurement Processes

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

Type of deviation	Number of deviations	Value of deviations	Percentage of total deviations value
Sole suppliers	0	R 0.00	0%

Type of deviation	Number of deviations	Value of deviations	Percentage of total deviations value
Emergency	9	R 263 755.92	46,90%
Impractical	12	R 298 574.81	53.10%
Total	13	R 181 470.00	100%

Table 43: Summary of deviations

2.14.3 Logistics Management

As at 30 June 2019, the value of stock at the municipal stores amounted to R568 795.

The system of disposal management must ensure the following:

- immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
- movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
- Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
- Immovable property is let at market related rates except when the public plight of the poor demands otherwise;
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

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

CHAPTER 3

Service Delivery Performance (Performance Report Part I)

Introduction

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

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

Component A: Basic Services

Introduction to Basic Services

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

3.1 Water Provision

Introduction to Water Provision

Prince Albert Municipality is the water service provider for the towns of Klaarstroom, Prince Albert, Prince Albert Road and Leeu Gamka. Prince Albert's bulk water supply is provided from nine boreholes with varying supply levels. These boreholes draw water from the Table Mountain, Bokkeveld and Witteberg Group aquifers. The boreholes are in a good condition and frequent maintenance is carried out. The total licensed abstraction for these boreholes is 0.229 million m₃/a. This supply is augmented by a steady stream (bergbron) from the Drops River which is the only surface water source to the town. The licensed abstraction from this source is 0.471 million m³/ annum and supplies water irrigation through a furrow network to South End in Prince Albert. The Municipal water allocation is 17 hours of scheduled irrigation water per week, in Prince Albert town. The water is purified at the Prince Albert Water Treatment Works. The water supply system had insufficient capacity to supply the future water requirements

for future developments. Water constraints within Prince Albert are a significant and pressing issue, particularly during the drier months of the year where water flow from the Dorps River is very low and therefore the Municipality embarked on a focused demand management initiative from November 2017 and reduced water use per consumer to 90 liters per person per day which are still applicable.

Leeu-Gamka and Klaarstroom have no surface water allocations and is solely dependent on its boreholes. The Transnet borehole was added to the Leeu Gamka water supply system with a potential abstraction rate of 300m³ per day, thus augmenting the other two boreholes in Leeu Gamka. Three additional boreholes were sunk, two was equipped and connected to the main water network. A reverse osmosis plant to purify the water in Leeu Gamka to ensure that it is potable was established and resulted in significant improvement in the water quality of Leeu Gamka. In Klaarstroom three additional boreholes were constructed and completed to augment the two current boreholes in. One of the boreholes is being utilised for sport field irrigation.

The boreholes in Prince Albert town provide water to the treatment plant by a combined 160 mm diameter PVC pipe and 100 mm diameter AS-pipe supply system. Boreholes 1 to 6 have a low iron content compared to boreholes 7 to 9's high iron content. Western Cape Department of local Government has allocated R 1 500 000.00 for the 2019/20 financial year for an iron removal plant project.

Currently only water from boreholes 7, 8 and 9 are being purified by means of an iron removal plant, as the capacity of the plant is limited. The low iron content wells and mountain source delivers water directly to the existing three raw water balancing dams with a total capacity of 2147 kl at the treatment plant.

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

The Municipality wish to thank the Kweekvallei Water Board for their support in providing emergency water relief to the Municipality during the height of the drought in December 2018 and January 2019. Despite increasing pressure Prince Albert Municipality was able to manage and provide an adequate supply of water to the areas within its jurisdiction, mostly due to curbing the allowed water use to 90 liters per

person per day. Prince Albert municipality is also a member of the Western Cape Drought Relief Action Plan (DRAP) which was launched on 11 April 2019 in Prince Albert by MEC Anton Bredell. This body convenes quarterly to give feedback on progress regarding the projects that was implemented in the different municipalities.

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

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

The Municipality is using this exemption to establish a conversion structure in the Dorps River to divert river run-off into the irrigation/ surface water supply furrow of the Kweekvallei Irrigation Board. This project is still ongoing.

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

- Prince Albert: Dorps River and eight boreholes.
- Leeu-Gamka: Three boreholes
- Klarstroom: Three boreholes
- Prince Albert Road: Boreholes

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

Water losses are restricted to the minimum. Water losses for 2017/18 was 16.74%, with 2018/19's losses at 25.08%. These losses are measured from the source to the sector meters and include the losses in the purification works. The Municipality must emphasise that the watering of the sport fields is not metered separately from the construction supply and is reflected as non-revenue water. A meter was installed at the sport facilities during the 18/19 financial year. The Municipality curbed water losses by means of a door to door campaign where they repaired water leakages on private property. This was done not only to curb water losses but to mitigate the drought conditions prevailing in the area. The water losses have increased significantly during the 2018/19 financial year. The municipality is still investigating the high-water losses through the billing system as well as testing the accuracy of the data.

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

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

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

a) Highlights: Water Services

Highlights in respect of Water services are indicated below.

Highlights	Description
Boreholes drilled	Eight additional boreholes were drilled within the Prince Albert Municipal area. Three of the borehole's yields were not sustainable.
Leak detection programme	The Municipality launched a door to door leak detection and repair programme as part of their demand and drought relief strategy.
Effective Drought management during summer months	Water restrictions was implemented. Careful water monitoring was done over the dry season thus avoiding any service interruptions.

Drought relief	Funding was secured for emergency drought relief in the form of additional boreholes and farmers were also supported with feed for their animals. Funding was procured to do diversion as well as the extension of the borehold field the Dorps River, but this is still in the early stages.
Water process controllers	Water process controllers appointed in all towns and currently undergoing training.
Reverse osmosis plant	A reverse osmosis plant was established and put into operation in Leeu Gamka, improving water quality. Through the establishment of the osmosis plant the network was redesigned to accommodate raw and treated water storage units.
Cleaning of reservoirs	The reservoirs were cleaned.
Water Forum	A Water Forum was established for the Municipal area with public representation as well as sector representation.
Funding for additional raw water storage	The upgrading of the reservoirs in Prince Albert was completed in November 2018.
Upgrading of telemetry system	The town of Prince Albert's telemetry system has been upgraded.

Table 42: Water Services Highlights

b) Challenges: Water Services

Description	Actions to address
Water loss monitoring	Water losses reflected significantly higher than the previous financial year. This is due to pressure control connected to the drought leading to more burst pipes. Meters to be installed to account for water used.
Improve water quality and capacity in Leeu Gamka	Additional boreholes sunk in Leeu Gamka and Klarstroom. Reverse osmosis plant put into operation
Pollution of Ground water (Septic tanks)	Lobby for funding to eradicate 400+ conservancy and septic tank. Install if possible waterborne sewerage systems in the Prince Albert Town area.
Misuse of water by residents	Implement an awareness campaign on responsible water use
Drought conditions	Water restrictions implemented and careful water demand management to take place
Blue drop compliance and reporting	Monthly submissions will be done and will be done by the incident clerk.

Table 43: Water Services Challenges

c) Water Service (piped water) Delivery Levels

The following table indicates the Municipality's performance in supplying water within the minimum service level as prescribed by the national government. Please note that the increase in units serviced is allocated to the new housing development in Prince Albert.

Description	2015/16	2016/17	2017/18	2018/19	
	Actual	Actual	Actual	Actual as per census – including farms	Actual as serviced by Municipality
	No.	No.		No	No
Water: (above min level)					
Piped (tap) water inside dwelling/institution	2536	2554	2 495	2809	2820
Piped (tap) water inside yard	0	0	93	28	20
Piped (tap) water on community stand: distance less than 200m from	28	28	93	34	26
Minimum Service Level and Above sub-total	2564	2582	3 518	2871	2866
Minimum Service Level and Above Percentage	100%	100%	98.3%	100%	100%
Water: (below min level)					
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	0	0	0	0	0
Using public tap (more than 200m from dwelling), distance between 500m and 1000m (1km) from dwelling /institution	0	0	0	0	0
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	0	0	0	0	0
No access to piped (tap) water	0	0	0	0	0
Below Minimum Service Level sub-total	0	0	60	0	0
Below Minimum Service Level Percentage	0	0	0	0	0
Total number of households	2564	2582	3578	2871	2866
	Included in the above table: Formal residential, Informal residential, Traditional residential Farms, Parks and recreation Collective living quarters, Industrial Small holdings, Commercial <i>The above table 2018/19 are populated as per the Census 2011 data for Source of Water, Type of dwelling and includes all dwellings</i>				

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

Access to free basic water:

Number /Proportion of households receiving 6 kl free #		
2016/17	2017/18	2018/19
2364	2809	2820

Table 45: Source: PAMUN SDBIP – 2018/19

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

Service delivery indicators

The table below reflects the municipality's performance pertaining basic service provision within the 2018/19 financial year.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comment
					Target	Actual	R	
TL19	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	All	2 809	2 554	2 820		The over performance is due to the housing project in Prince Albert.
TL20	Provide 6kl free basic water per household per month to registered indigent account holders	No of registered indigent account holders receiving 6kl of free water	All	893	1 100	1 092		This application is dependent. Awareness and outreach campaigns were held in support
TL30	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klaarstroom	% of test results complying with SANS 241	All	81.47%	80%	87.3%		Water quality improved due to appointment of water process controller and osmosis plant in Leeu Gamka.
TL33	Develop the Water Service Development	Plan approved by council by	All	0	1	0		Plan could not be compiled due to

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comment
					Target	Actual	R	
	Plan and submit to Council for approval by the end of June 2019	end of June						capacity constraints. Dept of Water Affairs agreed to assist with funding, but withdrew the offer.
TL34	Limit water losses to not more than 15% {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100}	% Water losses achieved (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100}	All	16.74%	15%	25.08%		Water losses increased with 10%+. This was due to the drought with reduced water use and also due to burst pipes corresponding to reduced water pressure.

Table 46: Service delivery indicators: Water services

d) Employees: Water Services

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

Job Level	2016/17	2017/18	2018/19	Vacancies (as a % of total posts)
	Employees	Employees	Employees	
	No	No	No	
0 – 3	0	0	0	
4 – 6	1	1	2	33%
7 – 9	1	1	0	
10 – 12	0	0	1	0%
13 – 15	0	0	0	
16 – 18	0	0	0	

19 – 20	0	0	0	
Total	2	2	3	28.57

Table 47: Employees: Water Services

e) Capital: Water Services

The following table reflects the municipality's capital expenditure for the 2018/19 financial year in respect of water services.

Capital Expenditure 2018/2019: Water Services					
R'000					
Capital Projects	2018/2019				
	Budget	Adjustment	Actual	Variance	Total
		Budget	Expenditure	from original budget %	Project Value
Water management	4 975	4 618	4 418	4%	
Waste water management	900	1 081	1 104	-2%	
Total	5 875	5 699	5 522		-

Table 48: Capital Expenditure 2018/19: Water Services

3.2 Waste water (sanitation) provision

Introduction to Sanitation Provision

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

Klaarstroom

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

Leeu-Gamka

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

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

Prince Albert

The Prince Albert WWTW, a pond system was designed to treat 623 kl/day (with the final effluent being used for irrigation at the adjacent nursery and farm. The treated effluent conforms to irrigation standards. The WWTW in Prince Albert was upgraded to handle current and future flows for the 20-year design horizon and to efficiently remove screenings, grit, rags, stones and other foreign objects and prevent them from entering the maturation pond system.

The sanitation system consists of a waterborne system as well as septic tanks. These septic tanks are serviced by means of a sanitation team with appropriate equipment and vehicles who collect sewerage and deposit it into a pump network that is connected to the waterborne network. This division came under immense pressure during the reporting year due to the natural wear and tear on the vehicle fleet that runs 7 days a week for about 14 hours per day. The Municipality thus resolved to purchase a new honey sucker vehicle in the 2018/19 financial year. The Municipality also drafted a business plan to change the conservancy tank system into a sanitation reticulation network. Due to the high cost of this proposed project, it will have to be phased in depending on available funding.

The sewerage tariff for the septic and conservancy tank removal was well below actual cost and therefore the tariff was increased with 15% for the 2018/19 financial year. Extensive public participation took place in preparation of the increase. This service is still subsidised by the Municipality and further increases is forthcoming.

a) Highlights: Waste Water (Sanitation) Provision

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

Highlights	Description
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Approvals and installations of new connections	More people connected to waterborne systems.
Upgrade of Prince Albert Waste Water Treatment Works	New aerators installed. Outlet allows for chlorination.
License for sewerage water re-use in Prince Albert	A license for the re-use of treated sewerage water was procured in Prince Albert
Future planning for waterborne system	Costing of installation for a waterborne system in South End in Prince Albert completed. Currently sourcing funding
Funding allocation to support honey sucker service	New honey sucker to be purchased in 2018/19
Water process controllers	Process controllers appointed and in training to improve compliance and reporting

Table 49: Waste Water (Sanitation) Provision Highlights

b) Challenges: Waste Water (Sanitation) Provision

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

Description	Actions to address
Licensing of WWTW's	Currently operating under general authorisation. Funding to be sourced
Septic and Conservancy tanks in South End	Source funding to connect to waterborne system. Tariffs to be brought in line with cost of service
Scheduled sewerage suction hampered by breakages on honey sucker due to aged vehicles	Scheduled maintenance on equipment with Leeu-Gamka's equipment as standby but breakages occurred often and put this service under extreme pressure. A new honey sucker purchased in the 2018/19 financial year
Need to eradicate bucket system in Transnet areas	Funding needed to address bulk infrastructure shortcomings and to connect Transnet areas to sanitation network

Table 50: Waste Water (Sanitation) Provision Challenges

c) Sanitation Service Delivery Levels

The table below depicts the sanitation service levels for the 2018/19 financial year in comparison to the previous financial year. It must be noted that the census numbers include the farming areas where the Municipality do not supply a direct service.

Please note that the increase in flush toilets serviced is allocated to the new housing development in Prince Albert.

Households					
Description	2015/16	2016/17	2017/18	2018/19	
	Outcome	Outcome	Outcome	Actual as per Census 2011	Actual as Serviced by municipality
	No.	No.	No.	No.	No.
Sanitation/sewerage: (above minimum level)					
Flush toilet (connected to sewerage)	2085	2081	2411	2274	2340
Flush toilet (with septic tank)	315	330	330	645	361
Chemical toilet	0	0	0	3	0
Pit toilet with ventilated (VIP)	0	0	0	175	0
Pit toilet without ventilated	0	0	0	62	0
Other toilet provisions (above min.service level)	0	0	0	0	0
Minimum Service Level and Above sub-total	2400	2411	2 741	3159	2701
Minimum Service Level and Above Percentage	98.9%	98.9%	98.7%	88%	98.0%
Sanitation/sewerage: (below minimum level)					
Bucket toilet	36	36	36	148	36
Other	0	0	0	125	0
No toilet provisions	0	0	0	148	0
Below Minimum Service Level sub-total	36	36	36	421	36
Below Minimum Service Level Percentage	1.2%	12%	1.3%	1.5%	1.3%
Total households	2436	3 580	98.70	2447	98.0%
The above table 2018/19 are populated as per the Census 2011 data for Toilet Facilities by Type of dwelling and include all dwellings					

Table 51: Sanitation levels

Service Delivery Indicators Waste Water (Sanitation)

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

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
TL21	Provision of sanitation services to residential properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service,	No of residential properties which are billed for sewerage in accordance to the	All	2 681	2 416	2 701		The Municipality overperformed in this KPI due to the addition of the new housing development in Prince Albert

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
	irrespective of the number of water closets (toilets).	financial system.						
TL22	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	All	893	1 100	1 092		The Municipality could not reach this target. This target is based on applications and the Municipality launched awareness campaigns and outreaches to address the short coming
TL31	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom)	% of Lab Results complying with SANS Irrigation standards.	All	81.25%	90%	76.4%		This target could not be reached due to capacity constraints. Water process controllers were appointed.

Table 52: Service delivery indicators: Waste Water

Employees: Sanitation Services

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

Job Level	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	0	4	0	2	50%
7 – 9	1	1	1	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	4	11	4	5	45%

Table 53: Employees Waste Water (Sanitation) Provision

d) Capital: Sanitation Services

There was no capital expenditure on sanitation services during the reporting year.

3.3 Electricity

Introduction to Electricity

The municipality provides a reliable service within NERSA specified limits within the area of supply. In the areas of Klaarstroom and Leeu-Gamka, electricity is directly supplied by ESKOM, thus impacting on revenue collection and the implementation of Prince Albert Municipality's credit control and debt collection policy. This is detrimental to the municipality's sustainability as is evident in the low payment rate in these areas. Several efforts have been made by the Municipality to conclude a credit collection agreement with ESKOM but this was unsuccessful. SALGA is currently driving this process and have obtained a legal opinion stating that electricity distribution is a municipal function as per the Constitution and that Eskom can only provide said services by agreement. This proposed agreement will then include a clause on debt collection and can have a major positive change in the finances of especially rural municipalities. The Municipality and Eskom engaged and confirmed the current service delivery boundary determination for each entity. The Municipality will in future explore the possibility to service the electricity network for new housing developments in Klaarstroom and Leeu-Gamka so as to improve their credit control initiatives. A learner electrician was appointed by Prince Albert Municipality and underwent training to improve the human resource capacity in this division. Transformers was repair and restored as part of the maintenance programme and proceed in the 2019/20 financial year. An electrical engineer from MISA is providing support to PAM in term of planning and maintenance.

a) Highlights: Electricity

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

Highlights	Description
Electricity Master plan	Electricity Master Plan completed in June 2018 and provides the background for the implementation of the electricity maintenance programme
Transformer re-installed	A transformer was re-installed in Prince Albert

Transformers repaired	Transformers were repaired and can be used as back-up
Electricity losses reduced	Electricity losses was curbed at 11.9%
Electrification of new houses	243 houses connected to the electricity grid in Prince Albert
Dark spots addressed	Some dark spots that were a safety concern were addressed by strategic lighting
High Mast lightning	High mast lighting was installed in Leeu-Gamka

Table 55: Electricity Highlights

b) Challenges: Electricity

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

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

Table 56: Electricity Challenges

c) Electricity Service Delivery Levels

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

Households						
Description	2014/15	2015//16	2016/17	Census 2011	2017/18	2018/19
	Actual	Actual	Actual		Actual as Serviced by municipality	Actual as Serviced by municipality
	No.	No.		No		
Energy: (above minimum level)						
Electricity (at least min.service level)	309	282	490	278	246	267

Households						
Description	2014/15	2015//16	2016/17	Census 2011	2017/18	2018/19
	Actual	Actual	Actual		Actual as Serviced by municipality	Actual as Serviced by municipality
	No.	No.		No		
Electricity - prepaid (min.service level)	1812	1992	1 948	2072	1879	2326
Minimum Service Level and Above sub-total	2121	2274	2 438	2350	2125	2579
Minimum Service Level and Above Percentage	100	100	100	100	100	100
Energy: (below minimum level)						
Electricity (< min.service level)	0		9	0	0	0
Electricity - prepaid (< min. service level)	0	0	0	0	0	0
Other energy sources	0	0	0	0	0	0
Below Minimum Service Level sub-total	0	0	9	0	0	0
Below Minimum Service Level Percentage	0	0	0	0	0	0
Total number of households	2 121	2 274	2 348	2350	2125	2579

Table 57: Electricity Service Levels

Service Delivery Indicators

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

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
TL15	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	All	2 559	2 110	2 578		Target was over achieved due to housing project in Prince Albert
TL16	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal	No of indigent account holders receiving free basic electricity which are	All	893	1 100	1 092		This KPI is application based. The Municipality launched

	and Eskom electrical infrastructure network	connected to the municipal and Eskom electrical infrastructure network						awareness campaigns and outreaches in support.
TL35	Limit electricity losses to not more than 15% {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated} × 100}	% Electricity losses achieved (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100	All	13%	15%	11.9%		Electricity losses was improved on previous year with meter auditing and monitoring.

Table 58: Electricity KPI's

d) Employees: Electricity

Job Level	2014/15	2015/16	2017/18	2018/19			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0	0	
4 – 6	0	2	0	0	0	0	
7 – 9	0	1	0	1	1	1	
10 – 12	0	1	0	0	0	0	
13 – 15	0	0	0	0	0	0	
16 – 18	0	0	0	0	0	0	
19 – 20	0	0	0	0	0	0	
Total	0	4	0	1	1	1	

Table 59: Employees: Electricity services

Capital Expenditure 2018/2019: Electricity Services					
R' 000					
Capital Projects	Budget	2018/2019			
		Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
		budget			
Electricity RDP Houses	2 250	2 500	2 500	0%	2 500
Total	2 250	2 500	2 500	0%	2 500

Capital Expenditure 2018/19: Electricity Provision

3.4 Waste management

Introduction to Waste Management

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

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

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

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

The Municipality will purchase a compactor for refuse removal in the 2018/19 financial year and is in operation in all three towns. The Municipality will have to secure funding

for the environmental and planning processes in the extension of the landfill sites or the identification of alternative sites, as well as the rehabilitation of the existing sites. The Municipality did embark on a shared service initiative to investigate the possible establishment of a regional landfill site in Leeu Gamka.

Highlights: Waste Management

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

Highlights	Description
Compactor truck	A compactor truck was purchased
Regional landfill site investigation	A regional landfill site investigation is underway for establishing a regional site in Leeu Gamka
Reshaping and compacting of Prince Albert landfill site	At least two to three years were added to the landfill site's lifespan

Table 60: Waste Management Highlights

Challenges: Waste Management

The challenges pertaining waste management for the 2018/19 financial year is depicted below with transport and recycling as matters that must be addressed with urgency.

Description	Actions to address
Transport still a challenge	A compactor will be purchased in 2018/19 financial year
2 Bag system	An awareness campaign must be launched to increase public buy-in
Recycling	Management of transport from Oudtshoorn. Tonnage too low to cover transport and haulage costs. Recyclables in many cases not processed after collection. Recycling project to be extended to include North End, Prince Albert Road, Leeu Gamka and Klarstroom. The project is currently non-operational due to capacity constraints from the municipality's side. Council will need to take a decision to put this out on tender for external parties.
Gate control and numerous entry points	Investigate security on premises.; Fencing of premises to deter uncontrolled access
Illegal dumping	Stricter control measure needs to be implemented.
Litigation	Litigation was instituted against the Municipality – the Municipality is contesting the matter

Windblown litter	Establish a Material Recovery Facility
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Table 61: Waste Management Challenges

Waste Management Service Delivery Levels

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

Description	2017/18	Census 2011	2018/19
	Actual	Actual	Actual as serviced by
	No	No.	No.
Removed at least once a week	2726	1 989	2737
Minimum Service Level and Above sub-total	2726	1 989	2737
Minimum Service Level and Above percentage	100%	100%	100%
Removed less frequently than once a week	0	0	0
Using communal refuse dump	0	0	0
Using own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
Below Minimum Service Level sub-total	0	0	0
Below Minimum Service Level percentage	0	0	0
Total number of households	2726	1989	2737

Table 62: Waste Management Service Delivery Levels

Service Delivery Indicators

The service delivery indicators below reflect the performance of the solid waste management for the 2018/19 financial year. The recycling unit was destroyed in a fire and must be restored.

Ref	KPI	Unit Measurement of	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
TL17	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of households for which refuse is removed at least once a week	All	2 726	2 480	2 737		Please note that the increase in units serviced is allocated to the new housing development in Prince Albert.
TL18	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	All	893	1 100	1 092		This KPI is application based. The Municipality launched awareness campaigns in support of KPI

Employees: Waste Management

The table below reflects the staff component for solid waste management in the reporting year, compared to 2014/15 to 2018/19. It must be noted that staff perform dual functions and thus the staffing table below cannot be read in isolation.

Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts)
		No.	No.	No.	%
0 – 3	3	7	3	4	57.14%
4 – 6	2	2	2	0	
7 – 9	0	0	0	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	5	9	5	4	44.44%

Table 64: Employees: Waste Management Services

Capital: Solid Waste Management

The table below indicates the capital expenditure on roads.

Capital Expenditure 2018/19: Waste Management					
R'000					
Capital Projects	2018/19				
	Budget	Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
			budget		
Refuse Truck	2 400	1 800	1 805	100%	1 800
Rehabilitation of Landfill Site	288	288	254	88%	288
Total	2 688	2 088	2 059	99%	2 088
Table 116: Capital Expenditure 2018/19: Waste Management					

3.5 Housing

Prince Albert Municipality supports the following objectives in respect of housing

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

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

Prince Albert Municipality has a housing waiting list in excess of 1132 persons awaiting assistance in terms of government housing subsidies. The housing waiting list is updated annually during community outreaches, that includes radio talks, visits to farms and Thusong Outreaches. Applicants also have the opportunity to apply continuously without the year and may also update their submitted details on a continuous basis.

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

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

According to Circular 10 the following principles is agreed upon:

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

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

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

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

The title deed restitution programme commenced in the reporting year and resulted in all but one household in the new West End development received their title deeds. Community outreach was held in Leeu-amka and Klaarstroom where more than 200 historic title deeds were handed over. The fact that the SDF review has not yet been completed by the Provincial Government held back the review of the Integrated Human Settlement plan. The draft SDF has been approved by Council in June 2019, with a two-month comment period, with completion of this review process the IHSP will be review.

Informal Settlements

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

Klaarstroom

The Klaarstroom Informal Settlement is the biggest in the municipal area with 36 structures as on 30 June 2019 with an average 4-5 residents per structure. Residents have access to two communal taps and water at these taps adhered to the bacteriological standards of SANS 241. Residents shared three flush toilets amongst themselves. Some of the structures use solar panels for energy, but most use wood. Storm water ditches and intakes are present with adequate drainage. No health nuisances were reported by the Environmental Health Officer of the Central Karoo District. The Municipality assigned their housing implementing agent, ASLA, to prepare an application for emergency housing to provide formal housing to the residents of Klaarstroom Informal Settlement, but not all of the residents will qualify for formal housing subsidies.

Prince Albert

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

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

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

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

Table 65: Housing Pipeline

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

Highlights: Housing

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

Highlights	Description
Updating of housing waiting list	Housing waiting list was updated in all towns with newest information
Data cleansing	Housing waiting list was cleansed and have no duplications
Compilation of Integrated Human Settlement Plan	Plan adopted in June 2018
Title deed restitution programme	Over 400 title deeds were handed over

Basic services improvement in informal Settlement (Tortelduif)	Municipal funds were used.
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Table 66: Housing Highlights

Challenges: Housing

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

Description	Actions to address
R 21 million still needed for the Transnet bulk infrastructure and upgrade of Transnet houses	Apply to province for more funding.
Housing application for people below 35 years and people not qualifying for subsidies	Funding applications to Province
Need for middle class housing is sharply increasing	Apply for CRU funding instead of GAP funding
Toilets outside houses	Municipality to prepare business plan and secure funding
Re-location of Klaarstroom transit area	ASLA tasked to prepare application

Table 67: Housing Challenges

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

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

Table 68: Households with access to basic housing

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

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

Table 69: Housing waiting list

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

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

Table 70: Housing Funding spend

The following table indicates service delivery performance in respect of housing. Please note that no changes were made to the Integrated Human Settlement Pipeline and a plan was not drafted as this will form an integral part of the Spatial Development Framework that will be compiled with the new 5-year Integrated Development Plan in order to align all plans as prescribed in Local Government: Municipal Systems Act, 2000.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19		
					Target	Actual	R
TL13	Review the Integrated Human Settlement Plan by June 2019	Plan completed by the end of June	All	0	1	0	

3.6 Free Basic Services and Indigent Support

Introduction

A debtor is considered indigent if the total monthly household income is equal to two times the amount of state funded social pensions or less (currently R 3 500 per month). All indigent households individually receive 6 kl water and 50kWh electricity free each

month. Furthermore, an indigent debtor also receives a subsidy on refuse removal and sewerage, rates and the availability charge in respect of water.

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

The table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than R3 500 per month will receive the free basic services as prescribed by national policy.

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

The table below indicates that 38.29 % of the total number of households received free basic services in 2013/14 financial year whilst it increased to 29.63 % in the 2014/15 financial year; 37.50% in the 2015/16 financial year and 34.14% in the 2016/17 financial year. 31.79% of households received indigent support during the 2018/19 financial year.

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

Table 71: Free basic services to indigent households

Free Basic Electricity									
Financial year	Indigent Households			Non-indigent households			Indigent Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value
			R'000			R'000			R'000
2013/14	568	50	247	1273	0	0	222	50	158
2014/15	465	50	271	1631	0	0	222	50	142
2015/16	952	50	328	1 585	0	0	334	50	65

2016/17	607	50	322	1 478	0	0	265	50	140
2017/18	629	50	374	1916	0	0	264	50	157
2018/19	629	50	374	1916	0	0	264	50	157

Table 72: Free basic electricity services to indigent households

Water						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kl)	Value	No. of HH	Unit per HH (kl)	Value
			R'000			R'000
2013/14	790	6 kl	292	1 273	6 kl	451
2014/15	687	6 kl	237	1 631	6kl	562
2015/16	951	6 kl	399	1 383	6kl	580
2016/17	872	6 kl	383	1 492	6 kl	656
2017/18	893	6kl	391	1594	6kl	698
2018/19	1092	6kl	478	1792	6kl	856

Table 73: Free basic Water services to indigent households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2013/14	790	77.25	675	1273	0	0
2014/15	687	83.43	641	1 631	0	0
2015/16	951	97.31	901	1585	0	0
2016/17	872	110.93	993	1539	0	0
2017/18	893	119.74	1048	1788	0	0
2018/19	1092	192.24	1205	1989	0	0

Table 74: Free basic sanitation services to indigent households

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Service per HH per week	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2013/14	790	47.45	435	1273	0	0
2014/15	687	51.25	394	1 631	0	0
2015/16	951	97.31	901	1 585	0	0
2016/17	872	67.83	570	1 608	0	0
2017/18	893	73.22	645	1833	0	0

2018/19	1092	84.33	824	1989		
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Table 75: Free basic Refuse Removal services to indigent households per type of service

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

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

Financial Performance 2018/19: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2017/2018	2018/2019			
	Actual	Budget	Adjustment	Actual	Variance to
			Budget		Budget
R'000					
Water	1 088	1 465	1 465	1 297	11%
Waste Water (Sanitation)	1 048	1 377	1 377	1 398	-2%
Electricity	531	600	600	656	-9%
Waste Management (Solid Waste)	645	903	903	855	5%
Total	3 313	4 345	4 345	4 206	1%

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

Service delivery indicators

The following table shows the municipality's performance against the set targets in respect of indigent support for the 2018/19 financial year. The targets in the table below not reached can be contributed to the fact that the KPI's are application based. The Municipality launched several awareness campaigns and outreaches to reach the targets.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance 2018/19 for		
					Target	Actual	R
TL16	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	893	1100	1092	
TL18	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	All	893	1100	1092	

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19		
					Target	Actual	R
TL20	Provide 6kl free basic water per household per month to registered indigent account holders	No of registered indigent account holders receiving 6kl of free water	All	893	1100	1092	
TL22	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	All	893	1100	1092	

Table 77: Indigent support performance

Component B: Roads

3.7 Roads

Introduction to Roads

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

All of the towns within the municipal boundary are accessible either by road or by railway. Leeu-Gamka and Welgemoed are primarily accessible by the national railway and the N1 (connecting to the R353) passing through their jurisdictions. Prince Albert and Klaarstroom have no access to railway transportation. The main town of Prince Albert can only be accessed by main roads, e.g. the R328 (46 km from the N1) and R353 (40 km from the N1) and several secondary roads. The town of Klaarstroom can be reached by making use of the N12, R407 and other secondary roads. Secondary roads provide access to the other rural areas within the municipal area. These roads are mostly gravel roads.

Other provincial roads in our area include the:

- R407 that runs on an east-west axis from Willowmore, through Klaarstroom, on to Prince Albert and in a north-westerly direction to Prince Albert Road, where it connects to the N1. This road is paved all the way from Klaarstroom to Prince Albert Road.

- R328 from Oudtshoorn, a gravel road that runs over the Swartberg Pass, connecting with the R407 at Prince Albert.
- R353, a gravel road that runs from Prince Albert northwards to the N1, close to Leeu-Gamka.

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

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

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

a) Highlights: Roads

The following highlights in respect of the roads division are reflected for the 2018/19 financial year.

Highlights	Description
Training sessions with personnel to effectively repair potholes	Potholes repairs and effective use of equipment.
Upgrade of main road in Prince Albert	Provincial upgrade of main road in Prince Albert
Upgrade of provincial road between Prince Albert and Prince Albert Road	Provincial upgrade of provincial road between Prince Albert and Prince Albert Road. This created a lot of job opportunities within the local community.
Road construction in North- End	Road construction in Prince Albert North were undertaken.
Speed calming measures	Speed humps erected within communities

Table 78: Roads Highlights

b) Challenges: Roads

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

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

Table 79: Roads Challenges

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

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

Table 80: Tarred road infrastructure

Service Delivery Indicators

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

Financial performance on roads

The table below indicates the capital expenditure on roads.

Capital Expenditure 2018/19: Roads					
R'000					
Capital Projects	2018/19				
	Budget	Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
			budget		
Roads Infrastructure	1 760	1 760	1 663	94%	1 760
Side Walks Klaarstroom	250	–		0%	–
Side Walks Prince Albert	1 001	–		0%	–
Upgrade Storm Water Prince Albert	842	1 899	1 910	101%	1 899
Upgrade Storm Water Leeugamka	514	514	534	104%	514
CRR: Spoedverdragingsmeganismes Wyk 3	–	30	27	91%	30
CRR: Voetpad deurdrift straat Wyk 2	–	420	380	91%	420
Total	4 366	5 061	4 514	53%	5 061

Table 83: Capital Expenditure 2018/19: Roads

c) Employees: Roads

The table below reflects the staffing component of the Roads department of the 2018/19 financial year as compared to previous years. Again, it must be noted that staff perform dual functions and are not allocated to the Roads division specifically.

Job Level	2017/18		2018/19		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No	No.	No.	No.	%
0 – 3	4	4	4	4	100%
4 – 6	2	3	2	2	33%
7 – 9	0	0	0	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	7	7	7	7	

Table 82: Employees: Roads

Component C: Planning and Local Economic Development

3.8 Planning

Introduction to Planning

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

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

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

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

Highlights: Planning

The following highlights in respect of the planning division for the 2018/19 financial year are reported below.

Highlights	Description
Planning by law enforcement	Collaboration with Tourism office to identify and enforce compliance on illegal land use activities

Strengthening the institutional knowledge on land use	New procedures and control measures were instituted to ensure compliance and shared with the public at community meetings and on radio
MISA student appointed	MISA student appointed as town planner
Improved building control	Building Inspections done as per legislation

Table 85: Planning Highlights

a) Challenges: Planning

The table beneath reflect the challenges in respect of Planning for the 2018/19 financial year.

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

Table 86: Planning Challenges

Service Delivery Indicators

The table below reflects the planning division's performance in respect of the 2018/19 financial year. The challenges in approving planning applications within the 120-timeframe has been previously explained elsewhere in the report.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19		
					Target	Actual	R
TL37	Preparation of the draft IDP review for submission to council to ensure compliance with legislation	IDP reviewed by 31 March annually	All	1	1		

	by 31 March annually			(Adopted before 31 March)			
T38	Preparation of the final IDP review for submission to Council to ensure compliance with legislation by 31 May annually	Final IDP review completed to submit to Council by 30 May 2018	All	1 (Adopted by 30 May)	1	1	

Table 87: Planning indicators

b) Service Statistics: Land Use Development

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

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

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

Service delivery indicators

The table below reflects the planning division's performance in respect of the 2018/19 financial year. The target in TL 10 could not be reached due to the fact that the Municipality do not have a registered town planner and is supported by the Western Cape Provincial Department of Planning that are also suffering under capacity constraints and could not complete the review in time. The draft review of the SDF was adopted in June 2019.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19		
					Target	Actual	R
TL10	Review the spatial development framework and submit to council by end June	Reviewed SDF submitted to Council by end June	All	0	1	0	

3.9 Local Economic Development

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

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

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

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

In the Prince Albert municipal area, the agriculture, forestry and fishing sector make up almost 20.0 per cent of the GDP, making this area heavily reliant on this sector and thus very vulnerable to any changes, on a national and global scale, that impact this sector, including the drought, rising fuel, maize and feed prices, changes in consumer demand as well as local pests, diseases and predation prevalent in livestock. The other main economic sectors include the wholesale, catering and accommodation sector and the general government sector.

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

Source: Quantec Research, 2017 (e denotes estimate)

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

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

With regard to local economic development, the Department of Economic Affairs and Tourism assisted the Municipality in developing a PACA LED strategy which was included in the IDP as possible areas for development. This strategy was enhanced by the Municipality's participation in the Small-Town Regeneration Programme. SALGA's Small Towns Regeneration (STR) Programme was launched in 2013. Through road

shows and workshops in each province the conceptual approach of the programme highlighting the importance and role of small towns in SA's space economy was facilitated. As a result, various municipalities opted to participate in the programme particularly in the North West, Mpumalanga, KZN, Eastern Cape, Western Cape and the Northern Cape. SALGA subsequently hosted its inaugural national Small Towns Regeneration Conference in October 2015 (Mangaung, Free State) which focused on the challenges and opportunities agriculture, tourism, transport and logistics and mining towns. Subsequent to the conference, the Central Karoo District Municipality requested SALGA to host an exploratory dialogue on issues common to the Karoo towns and municipalities within the District. It was soon realised that many of the neighbouring municipalities and towns in the Karoo are faced with common threats and opportunities and would therefore benefit from exploring these issues collectively. For this reason, the invitation to dialogue was extended to all municipalities neighbouring Central Karoo, spanning four provinces.

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

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

Large parts of the Karoo have seen a growth in value-added activities including game farming. Food production and processing for the local and export market has also been growing. The economy of a large part of the Karoo depends on sheep farming, while the Karakul pelt industry is important in the Gordonia region. But the agricultural sector is small compared with the mining especially diamond mining and now the newly Renewable Energy Independent Power Producer projects. The potential of mining uranium with a recoverable amount of approximately 31 000 tons. Mining companies are in the process of conducting EIA's in the Eastern Cape and Western Cape areas for uranium mining.

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

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

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

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

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

Broadband

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

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

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

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

In the Central Karoo, 24.51 per cent of households had access to the internet in 2011. In comparison, 27.87 per cent of households in Prince Albert have access to

the internet - the highest penetration rate in the District. This high rate bodes well for enhanced economic growth by improving access, readiness and usage of the Internet.

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

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

a) Highlights: LED

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

Highlights	Description
Community gardens and subsistence farming on Treintjiesrivier and commonage	Small subsistence farming by several emerging businesses on commonage and Treintjiesrivier
Access Centre	Operation of 5 Access Centres in Prince Albert.
EPWP workers employed	203 employment opportunities were established via the EPWP program, while Council facilitated additional labour job opportunities during the establishment of the parks project mentioned above
Agri Parks project planned	Agri Park satellite to be launched in Prince Albert with one area for apricot plantations that was fenced during the reporting year
Capacitating SMME's	Workshop held with emerging contractors and SMME's on municipal procurement
Signing of service delivery agreement on funding for skills development	External service provider employed to secure funding for skills development in Prince Albert municipal area

Table 91: LED highlights

b) Challenges: LED

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

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

Table 92: Challenges LED

c) LED Strategy

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

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

The Municipality is also leading the Agri Parks initiatives in the Central Karoo and is awaiting specialist environmental studies before the final application and public participation processes to establish an apricot plantation in Prince Albert. The Agri-parks initiative has stalled due to a lack of funding to finance the specialist environmental studies. Urgent clarification must be provided by the National and provincial department in this regard.

Service Delivery Indicators

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

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
TL39	Implementation of the Local Economic Development Strategy	Number of LED interventions/ activities / programmes implemented	All	4	4	4		
TL29	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period.	Number of people temporary appointed to be in the EPWP programs	All	164	50	203		The Municipality overperformed. The Municipality availed additional funding in the adjustment budget to support this KPI.

Table 93: LED performance

In the table below the Expanded Public Works participants are reflected in respect of the 2017/18 financial year, compared to the 2018/19 financial year. The Municipality availed additional funding to support this KPI during the adjustment period.

Expanded Public Works Programme (EPWP)

Job creation through EPWP projects		
Details	EPWP Projects	Jobs created through EPWP projects
		# of Work Opportunities Created
2017/18	Infrastructure repair & Maintenance (Prince Albert, Klarstroom & Leeu Gamka) Roads & Stormwater Manintenance (Prince Albert, Klarstroom & Leeu Gamka) Parks & Town Beautification (Prince Albert, Klarstroom & Leeu Gamka) Waste Collection – Prince Albert Facility Maintenance – Prince Albert	164

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

Table 94: Job creation through EPWP* projects

Component D: Community and Social Services

3.11 Libraries

Introduction

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

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

a) Highlights: Libraries

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

Highlights	Description
Library Week 2019	Morning tea for users over 60 years

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

Table 95: Libraries Highlights

b) Challenges: Libraries

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

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

c) Service statistics for Libraries

The following statistics in respect of the libraries are reflected below

Type of service	2014/15	2015/16	2016/17	2017/18	2018/19
Library members	3 572	3 933	4 050	5 080	3 000
Books circulated	2 8317	76 892	84 508	75 386	57 768
Exhibitions held	24	20 year	24 per year	24 per year	24
Internet users	average of 20 per day	Average of 20 per day	Average of 20 per day	Average of 12 per day	Average of 11 per day
New library service points or Wheelie Wagons	1	0	0	0	0
Children programmes	4/month	2 per month	2 per month	2 per month	2 per month
Visits by school groups	Average 12/month	Average of 12 per month	Average 12 per month	Average 15 per month	Average 18 per month
Book group meetings for adults	2/year	4 per year	4 per year	4 per year	4 per year
Primary and Secondary	12/year	12 per year	12 per year	12 per year	12 per year

Table 97: Service statistics for Libraries

d) Employees: Libraries

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

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

Table 98: Employees: Libraries

3.12 Cemeteries

Introduction

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

a) Highlights: Cemeteries

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

Table 99: Cemeteries Highlights

b) Challenges: Cemeteries

The following challenges in respect of cemeteries were identified.

Description	Actions to address
Cemetery required for Klaarstroom, Leeu Gamka and Prince Albert	Available land to be identified and zoned accordingly
Prince Albert Road in need of Cemetery	No land available – share site in Prince Albert and Leeu Gamka

Vandalism	Albution facilities vandalised at all cemeteries
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Table 100: Cemeteries Challenges

c) Employees: Cemeteries

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

Job Level	2017/18	2018/19			
	Employees	Posts	Employeees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No	No.	%
0 – 3	0	6	0	2	
4 – 6	2	3	2	2	33%
7 – 9	0	0	0	0	
10 – 12	1	1	1	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	6	10	6	4	66%

Table 101: Employees: Cemeteries

Component E: Environmental Protection

3.14 Air Quality Control

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

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

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

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

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

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

Highlights: Air Quality Management

Highlights	Description
Air Quality Plan	Plan reviewed in May 2018
Noise control	Noise control is undertaken on an ad hoc basis
Air Quality Control Officer	Manager: Corporate and Community Services appointed
Environmental Intern	Environmental intern has been appointed for three years by National Department of Environmental affairs.

Table 102: Cemeteries Highlights

Challenges: Air Quality Control

The following challenges in respect of cemeteries were identified.

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

Table 103: Air Quality Control Challenges

Component F: Health

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

Component G: Security and Safety

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

3.15 Law Enforcement

Law enforcement is performed by two permanent traffic officers who also operate the DTLC and they are supported by one Clerk of the Court. One of the Law Enforcement Officers was appointed as Management Representative of the DLTC

The Department of Community Services entered into an agreement with the Municipality to train youth from the community as Law Enforcement Officers on the EPWP program. Eight youngsters were trained with two youth whose contracts had to be cancelled and another three who have resigned. Two of these youths were trained as Fire Fighters but resigned after training. Three of the earlier eight youth enrolled in the Law Enforcement Programme still remains and are actively involved in law enforcement activities. The following table indicates the law enforcement function in respect of the reporting year compared to the 2017/18 to 2018/19 financial years

Details	2017/18	2018/19
Animals impounded	0	0
Number of by-law infringements attended	5	8
Number of officers in the field on an average day	2	2
Number of officers on duty on an average day	4	4

Table 104: Law Enforcement Data

3.15.2 Traffic Services

Two law enforcement officials tended to Traffic Services, with the one Clerk of the Court providing back-office assistance. One of the Traffic Officials has been placed on sick leave till December 2019. This has placed severe pressure on the traffic department as we are already facing capacity constraints. We have advertised an additional post on a temporary basis.

GRAP principles require all traffic fines issued to be calculated as income, while the norm income collected in local government (for traffic fines) reflects only 20%. The income from fine collection for the reporting year was R3 168 463.66.

a) Highlights: Traffic Services

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

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

Table 105: Traffic Services Highlights

b) Challenges: Traffic Services

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

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

Table 106: Traffic Services Challenges

c) Performance Service statistics for Traffic Services

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

Details	2015/16	2016/17	2017/18	2018/19
Motor vehicle licenses processed	R1 303 898.35	R1 3749 36.75	R1 584 505	R1 663 410.90
Learner driver licenses processed	377	257	248	103
Driver licenses processed	275	260	267	234
Driver licenses issued	275	204	231	294

Fines issued for traffic offenses	3 716 850	12 192 100	R7 236 350	R6 732 600
R-value of fines collected	595 486.01	1 620 310	R751 030	R3 168 463.66
Roadblocks held	88	18	14	7
Complaints attended to by Traffic Officers	6	6	4	10
Awareness initiatives on public safety	3	2	2	1
Number of road traffic accidents during the year	33	27	24	21
Number of officers in the field on an average day	1	1	1	2
Number of officers on duty on an average day	1	1	2	4

Table 107: Additional performance Service Statistics for Traffic Services

d) Employees: Traffic Services

The table below indicates the traffic service staff establishment for the reporting year, in comparison with 2018/19

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	
4 – 6	1	1	1	1	50%
7 – 9	0	2	0	2	100%
10 – 12	2	2	2	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	2	6	2	3	

Table 108: Employees: Traffic Services

3.16 Fire Services and Disaster Management

In terms of Schedule 4 Part B of the Constitution, Fire Fighting Services is a municipal function. The Prince Albert Municipality does not have a formal, full-time Fire Services Unit. The Fire Fighting function is coordinated by the Fire Officer in the Municipality who is also responsible for occupational health and safety. Eight officials, at the level

of labourers, previously received training in the basics of Fire Fighting and provides additional capacity when needed. They perform dual functions and are not specifically allocated to fire services. Protective clothing and sufficient equipment remain a challenge for these officials. Fire Services are delivered by means of a vehicle with 1 000 litre water tank and a fire-fighting truck. Several training exercises in collaboration with Breede-Valley Municipality and the Provincial Government were undertaken where the local firefighting officials received training.

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

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

The Municipality reviewed their Disaster Management Plan in May 2019.

Highlights: Fire Services and Disaster Management

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

Table 109: Fire Services and Disaster Management Highlights

a) Challenges: Fire Services and Disaster Management

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

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

Veld fires	An integrated approach towards veld fires (C-function) must be developed
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Table 110: Fire Services and Disaster Management Challenges

b) Service statistics for Fire Services

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

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

Table 111: Fire Services and Disaster Management Data

c) Employees: Fire Services and Disaster Management

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

Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a %)
	No	No.	No.	No.	%
0 – 3	0	0	0	0	
4 – 6	0	0	0	0	
7 – 9	2	2	1	1	50%
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	

Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a %)
	No	No.	No.	No.	%
19 – 20	0	0	0	0	
Total	2	2	1	1	50%

Table 112: Employees: Fire services and Disaster Management

Capital Expenditure

The table below indicates the capital expenditure on disaster management.

Capital Expenditure 2018/19 Disaster Management					
R'000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
None	0	0	0	0	0
Total	0	0	0	0	0

Table 83: Capital Expenditure 2018/19: Disaster Management

Component H: Sport and Recreation

Introduction

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

3.17 Sport and Recreation

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

Seven public parks were maintained.

Prince Albert Municipality adopted a Sport Plan for the development of a sport precinct in Prince Albert. An application for funding was submitted after the approval of said sport plan. This plan is the first phase of the sport plan development for the municipal area with further development for the outer towns.

a) Highlights: Sport and Recreation

Highlights	Descriptions
Holiday programmes	Several holiday programmes took place
Swimming pool	Half Olympic size swimming pool opened
Life Saving courses	Several youngsters were trained in first aid and life saving
Fencing at sport fields	The fences around the sport fields were improved
Lighting at sport fields	Lighting established at Klaarstroom and Leeu Gamka sport fields
Upgrading of Klaarstroom sport field	Extended cloak rooms were built

Table 113: Sport and Recreation highlights

b) Challenges: Sport and Recreation

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

Challenges	Actions to overcome
Insufficient equipment and maintenance budget to maintain facilities	Equipment must be maintained via maintenance plan and control measures implemented
Funding for sporting codes and facilities needed	Funding proposals for external funding prepared
Security at facilities	Security at facilities must be improved to protect assets – especially in Klaarstroom – community asked to report vandalism
Overuse of facilities	Due to a lack of suitable facilities, some of the fields are overused – lighting needed

Table 114: Sport and Recreation Challenges

c) Service statistics for Sport and Recreation

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

Type of Service	2015/16	2017/18	2018/19
Community Parks			
Number of parks with play park equipment	7	7	7
Number of wards with community parks	4	4	4
Sport fields			
Number of wards with sport fields	4	4	4
Number of sport associations utilizing sport fields	3	3	3

Table 115: Additional performance information for Sport and Recreation

d) Capital: Sport and Recreation Services

The capital expenditure in respect of sport and recreation for the reporting financial year can be seen below.

Capital Expenditure 2018/19: Sport and Recreation					
R'000					
Capital Projects	2018/19				
	Budget	Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
			budget		
CRR: Sportgronde Klaarstroom	–	210	198	0%	210

MIG: Leeu Gamka Sport	500	500	499	100%	500
Total	500	710	697	#DIV/0!	710

Component I: Corporate Policy Offices and Other Services

Introduction

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

3.18 Executive and Council

Executive and Council

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

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

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

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

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

a) Highlights: Executive and Council

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

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

Table 117: Executive and Council Highlights

b) Challenges: Executive and Council

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

Table 118: Executive and Council challenges

3.19 Financial Services

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

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

a) Highlights: Financial Services

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

Highlights	Description
Cash Surplus	Cash available exceed the cash commitments
Unqualified Audit opinion with findings	Municipality will strive to accomplish operation clean audit

Table 119: Financial Services Highlights

b) Challenges: Financial Services

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

Description	Actions to address
Grant Dependent	We need funding from National and Provincial Government to comply to legislative requirements
MSCOA compliance	Changing from the ABAKUS financial system to the VISTA financial system to ensure MSCOA compliance
Expand income base	Verify income sources to ensure all services are correctly levied
Low payment percentage in Klaarstroom and Leeu-Gamka	Continue with debtor payment awareness programs, and petition SALGA and COGTA to salvage the Eskom delivery area dilemma

Table 120: Financial Services Challenges

c) Debt recovery statistics

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

d) Employees: Financial Services

The financial service department's staff establishment for 2017/18 and 2018/19 financial year is depicted on the next page. The municipality has one of the smallest finance departments in the country and do not have the prescribed Budget Office. The Municipality built on its efforts of the previous year to draft their annual financial

statements in house with an oversight done by the Internal Auditors, Mubesko and the Audit Committee.

Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a %)
	No	No.	No.	No.	%
0 – 3	0	0	0	0	
4 – 6	4	5	4	1	20%
7 – 9	1	3	3	0	
10 – 12	0	0	0	0	
13 – 15	1	0	1	0	
16 – 18	0	0	0	0	
19 – 20	1	1	1	0	
Total	6	7	6	1	16.66%

Table 122: Employees: Financial services

Service Delivery Indicators

The following table portrays the service delivery indicators for the financial function in respect of the reporting year.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
TL15	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	All	2 559	2 110	2 578		This KPI was overperformed due to the establishment of the new housing development in Prince Albert
TL16	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	893	1100	1092		This KPI could not be reached as it is application driven. The Municipality did embark on awareness campaigns in support of this KPI

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
TL17	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of households for which refuse is removed at least once a week	All	2 726	2 480	2 737		This KPI was overperformed due to the establishment of the new housing development in Prince Albert
TL18	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	All	893	1 100	1 092		This KPI could not be reached as it is application driven. The Municipality did embark on awareness campaigns in support of this KPI
TL19	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	All	2 809	2 554	2 820		This KPI was over performed due to the establishment of the new housing development in Prince Albert
TL20	Provide 6kl free basic water per household per month to registered indigent account holders	No of registered indigent account holders receiving 6kl of free water	All	893	1100	1092		This KPI could not be reached as it is application driven. The Municipality did embark on awareness campaigns in support of this KPI
TL21	Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets). [Number of Households receiving sanitation services	All	2 681	2 416	2 701		This KPI was over performed due to the establishment of the new housing development
TL22	Provision of free basic sanitation services to registered indigent account holders which are connected	No of indigent account holders receiving free basic sanitation	All	893	1 100	1 092		This KPI could not be reached as it is application driven. The

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
	to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	in terms of Equitable share requirements.						Municipality did embark on awareness campaigns in support of this KPI
TL23	Maintain a Year to Date (YTD) debtor's payment percentage of 85% over a twelve-month period	Payment percentage (%) of debtors over 12 months rolling period	All	86%	85%	86.45%		The Municipality over performed due to debt collection initiatives, but debt collection should be improved
TL24	Maintain a financially unqualified audit opinion for the 2017/18 financial year	Financial statements considered free from material misstatements as per Auditor General report	All	1	1	1		None
TL25	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-grants received)/debt service payments due within the year)	((Total operating revenue-grants received)/debt service payments due within the year)	All	641	362.1	767.7		The target was not reached due to the limited rates base of the municipality
TL26	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	(Total outstanding service debtors/ revenue received for services) X100	All	13%	62%	11%		This target was over performed on due to excellent budget control.
TL27	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Available cash+ investments)/ Monthly fixed operating expenditure)	All	4.4%	1.2%	5.0%		This target was over performed on due to excellent cost containment and budget control.
TL28	Develop action plans to address the top 10 risks by the end of	Number risk mitigation plans	All	10	10	10		None

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
	June	submitted to the Audit Committee by the end of June						

Table 123: Financial performance

3.20 Human Resource Services

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

Highlights: Human Resources

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

Highlights	Description
Review of organogram	Organogram reviewed in April 2019
EPWP contracts concluded for 203 persons	Contract administration in respect of EPWP workers successfully undertaken
Improved oversight on over time	Stronger control measures implemented
8 Officials appointed	8 Appointments made
Electrician appointed	Electrician appointed
Full functioning of LLF	LLF meetings every 2 months

Table 124: Human Resources Highlights

a) Challenges: Human Resources

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

Description	Actions to address
HR policies are out-dated.	Policies reviewed – to be tabled at LLF
High vacancy rate is 27.62%	Vacancy rate needs to be addressed within financial constraints

Description	Actions to address
Individual performance agreements to be concluded	PMS agreements to be cascaded to lower levels

Table 125: Human Resources Challenges

Service Delivery Indicators

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

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2018/19			Comments
					Target	Actual	R	
TL11	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	% of training budget spent as at 30 June 2019	All	99%	100%	24%		Unfortunately, scheduled training was postponed and the full allocation could not be spend.
TL14	The number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data	Number of people employed (appointed)	All	2	3	1		This target is dependent on vacancies.
TL44	To cascade performance management to lower levels by June 2019	Number of signed individual performance agreements with permanent personnel within the directorate annually before July 2019	All	New KPI	75	52		The target was set incorrectly. Future targets should be realistic

Table 126: Service delivery indicators: Human Resources

d) Employees: Human Resources

The table below indicates the staff establishment for the HR function in respect of the reporting year.

Job Level	2017/18	2018/19

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

-Table 127: Employees: Human Resource services-

Component J: Miscellaneous Municipal Farm

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

Summary of Agricultural Assets

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

Table 128: Treintjiesrivier use

New lease agreements were concluded with the emerging farmers on Treintjiesrivier and the commonage. Workshops were held with the emerging farmers of Prince Albert, Klaarstroom and Leeu Gamka to identify assistance required and future objectives. The Municipality provided support to the emerging farmers on the procurement of additional live stock; emergency drought relief and obtaining identifying marks on live stock. The South African Police assisted the Municipality and farmers with the counting of livestock and advised on legal compliance in respect of livestock theft and movements. Two ladies from Treintjiesrivier won the best agricultural garden award in the Western Cape for their garden on Treintjiesrivier. Uncontrolled access and theft remains a big challenge for emerging farmers.

Component K: Organisational Performance Scorecard

[Organisational Performance Management and Top-Level SDBIP Report](#)

The performance system followed for 2018/19

The performance management system that was implemented and followed for the 2018/19 financial year is described below:

a) Approval of the Top Level SDBIP 2018/19

The SDBIP for 2018/19 were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on 25 June 2018.

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

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

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned.
- The budget must address the strategic priorities.
- The SDBIP should indicate what the municipality is going to do during the next 12 months.

- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP process.

b) Adoption of a Performance Management Framework

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

The IDP and the budget

The 2018/19 IDP was approved together with the 2018/19 budget by Council on 30 May 2018. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

c) Performance Agreements

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

d) Audit Committee

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

Municipal Public Accounts Committee (MPAC)

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

e) Quarterly Performance Reporting to Council

Reporting on the Top-Level SDBIP for 2018/19 has been submitted to Council in terms of Section 52 (d) of The Local Government: Municipal Finance Management Act, No 56 of 2003, but not always within the prescribed time-frame due to capacity constraints.

f) Annual Reporting to Council

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

The municipal scorecard (Top Layer SDBIP)

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

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

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

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

Actual performance

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

3.21 Performance against the National Key Performance Indicators

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

3.21.1 Municipal Transformation and Institutional Development

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

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2017/18	Municipal Achievement 2018/19	Comments
TL11	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	99%	24%	The target could not be reached as training was postponed at the last minute
TL12	Review following the required policies (vehicle allowance, vehicle use, bursary policy, sexual harassment, Whistle blowing, Prevention of nepotism) and submit to council for approval	5	6	Policies was approved within timeframe
TL14	The number of people from employment equity target groups employed in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data	2	1	Target was not reached – this is vacancy based and subject to applications.
TL40	Ensuring performance by the timeous development and signing of the Section 57 performance agreements in adherence to the Performance Framework	3	3	Target was reached.
TL41	To ensure that formal evaluations per section 57 employee is completed bi-annually	1	1	Due to capacity constraints, the target could not be reached.
TL44	To cascade performance management to lower levels by June 2019	NEW KPI	52	The target was erroneously set.

Table 129: Municipal transformation and institutional development performance

Only one person of the targeted group was in service of the Municipality on the three highest levels. This was due to the resignation of the Municipal Manager and the vacancies at present. The position was filled by one of the other section 56 appointees and left her position vacant.

The training budget was under-spent. Due to service providers not providing the invoices timeously.

3.21.2 Basic Service Delivery

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

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2017/18	Municipal Achievement 2018/19	Comments
TL10	Review the spatial development framework and submit to council by end June 2019	0	0	The KPI could not be achieved due to capacity constraints in the Provincial Department spearheading this project.
TL13	Review the Integrated Human Settlement Plan	1	0	This target was reached, due to SDF alignment
TL15	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 559	2 578	This target was over performed due to the housing project in Prince Albert.
TL17	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	2 726	2 737	This target was over performed due to the housing project in Prince Albert
TL19	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	2 809	2 820	This target was over performed due to the housing project in Prince Albert
TL21	Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	2 681	2 701	This target was over performed due to the housing project in Prince Albert
TL30	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for	81.47%	87.3%	Water quality was good due to appointment of process

	Prins-Albert, Leeu-Gamka and Klaarstroom.			controllers and establishment of osmosis plant.
TL31	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom)	81.25%	76.4%	We have capacity constraints as we have no dedicated staff appointed at the WWTW.
TL32	% of the maintenance budget for Roads spent [(Actual expenditure divided by the total approved budget)x100]	78.38%	90.0%	The budget expenditure improved due to budget monitoring.
TL33	Develop the Water Service Development Plan and submit to council for approval by the end of June 2019	0	0	This target could not be reached due to capacity constraints. The Department of Water Affairs offered funding to do this, but this financial offer has since been withdrawn.
TL34	Limit water losses to not more than 15% $\{(\text{Number of Kiloliters Water Purchased or Purified} - \text{Number of Kiloliters Water Sold}) / \text{Number of Kiloliters Water Purchased or Purified} \times 100\}$	16.74%	25.08%	Water losses increased with approximately 10%. This was due to drought conditions that resulted in less water use by consumers and more burst pipes due to pressure management.
TL35	Limit electricity losses to not more than 15% $\{(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated} \times 100\}$	13%	11.9%	This target was reached due to meter auditing and monitoring.

TL36	Draft an Integrated Infrastructure Asset Management Plan	0	0	This target could not be reached due to financial constraints
TL42	Implementation of programs and awareness initiatives held in terms of social welfare as per project plan signed off by MM	24	24	Most of these projects were ongoing such as sms messaging and facebook, radio programmes.
TL43	Develop an Alien invasive Plan by end of June 2019	New KPI	1	This plan will help to eradication of invasive plants
TL45	To develop a Management Plan for Treintjiesrivier by end of June 2019	New KPI	1	This plan will assist with the management of Treintjiesrivier

Table 130: Basic Service Delivery Performance

3.2.1.3 Local Economic Development

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

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2017/18	Municipal Achievement 2018/19	Comment
TL29	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period.	164	203	The Municipality over performed on this KPI as the Municipality allocated additional funding at the adjustment budget.
TL39	Implementation of the Local Economic Development Strategy	4	4	The Municipality focus on systems and not necessarily projects.

Table 131: Temporary jobs created

3.21.3 Municipal Financial Viability and Management

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

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2017/18	Municipal Achievement 2018/19	Comments
TL1	Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August	1	1	Draft performance report submitted within timeframe.
TL3	The % of the Municipality's capital budget spent on capital projects identified in the IDP, measured as the Total actual Year to Date (YTD) Capital Expenditure/ Total Approved Annual or Adjusted Capital Budget x 100	74.7%	62.3%	Capital expenditure monitored through budget control. Due to capacity constraints not all projects allocated in the adjustment budget could be completed.
TL5	The main budget is approved by Council by end of May 2019	1	1	The main budget was approved by the end of May 2019.
TL8	The adjustment budget is approved by Council by end of February 2019	1	1	The adjustment budget was approved by the end of February 2019
TL24	Maintain a Year to Date (YTD) debtor's payment percentage of 85%, excluding traffic services	86.45%	86%	The debtor's payment percentage was reached but more must be done to improve debt collection.
TL25	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	641	767.7	Target met adequately
TL26	Financial viability measured in terms of the outstanding service debtors (Total outstanding service	13%	11%	Target was met adequately, but outstanding debtors remains a challenge.

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2017/18	Municipal Achievement 2018/19	Comments
	debtors/ revenue received for services)			
TL27	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	4.76	5.0	The Municipality improved its financial position due to cost containment initiatives.
TL28	Develop action plans to address the top 10 risks before end of June 2019	10	10	The Municipality developed the action plans within the allowed timeframe.

Table 132: Financial Viability Indicators

3.21.4 Good Governance and Public Participation

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

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2017/18	Municipal Achievement 2018/19	Comments
TL2	Submit the Mid- Year Performance Report in terms of sec72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary	1	1	The mid-year report was submitted before the legislative timeframe.
TL4	Risk based audit plan approved by Audit Committee for 2018/19	1	1	The risk-based audit plan was approved.
TL6	Effective functioning of Council meetings	3	5	Council meetings were held regularly.
TL7	Effective functioning of Councils committee system	4	5	Committee meetings were held regularly.
TL9	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	1	1	The TL SDBIP as approved within the allowed timeframe.
TL37	Preparation of the draft IDP review for submission to council to ensure compliance	1	1	The draft IDP review was approved by 31 March.

	with legislation 31 March annually			
TL38	Preparation of the final IDP review for submission to council to ensure compliance with legislation by 31 May annually	1	1	The final IDP was approved by 31 May.

Table 133: Capital budget expenditure according to IDP

3.22 Overall performance per Municipal KPA

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

3.22.1 Basic service delivery & infrastructure development

Ref	IDP Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-To-Date as at June 2019		
						Target	Actual	R
TL10		Review the spatial development framework and submit to council by end June	Reviewed SDF submitted to Council by end June	0	1	1	0	
TL13		Review the Integrated Human Settlement Plan by June 2019	Plan completed by the end of June	0	1	1	0	
TL15		Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 559	2 110	2 110	2 578	
TL16		Provide 50kwh free basic electricity to registered indigent account holders connected to	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	893	1 100	1 100	1 092	

		the municipal and Eskom electrical infrastructure network						
TL17		Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of households for which refuse is removed at least once a week	2 726	2 480	2 480	2 737	
TL18		Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	893	1 100	1 100	1 092	
TL19		Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	2 809	2 554	2 554	2 820	
TL20		Provide 6kl free basic water per household per month to registered indigent account holders	No of registered indigent account holders receiving 6kl of free water	893	1 100	1 100	1 092	
TL21		Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are	Number of Households receiving sanitation services	2 681	2 416	2 416	2 701	

		billed for sewerage service, irrespective of the number of water closets (toilets).						
TL22		Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	893	1 100	1 100	1 092	
TL30		Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klarstroom	% of test results complying with SANS 241	81.47%	80%	80%	87.3%	
TL31		Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klarstroom)	% of Lab Results comply with SANS Irrigation standards.	81.25%	90%	90%	76.4%	

TL32		% of the maintenance budget for Roads spent [(Actual expenditure divided by the total approved budget)x100]	% of Road maintenance budget actually spent	78.38%	100%	100%	90.0%	
TL33		Develop the Water Service Development Plan and submit to Council for approval by the end of June 2019	Reviewed Plan approved by council by end of June	0	1	1	0	
TL34		Limit water losses to not more than 15% {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100}}	% Water losses achieved (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100)	16.74%	15%	15%	25.08%	
TL35	143	Limit electricity losses to not more than 15% {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100}}	% Electricity losses achieved (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100	13%	16%	15%	11.9%	
TL36		Draft the Integrated Infrastructure Asset Management Plan	Completed plan by end of June 2019	0	0	1	0	

TL42		Implementation of programmes and awareness initiatives held in terms of social welfare as per project plan signed off by MM	Number of programmes and initiatives implemented	24	24	24			
TL43		Develop an Alien invasive Plan by end of June 2019	Developed alien invasive plan submitted to Council by end June 2019	New KPI	1	1	1		
TL45		To develop a Management Plan for Treintjiesrivier by end of June 2019	Approved Management plan for Treintjiesrivier	New KPI	1	1	1		

Table 134: Municipal performance according to Key Performance Indicators

3.22.2 Economic Development

Ref	IDP Ref	Pre-determined Objectives	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2019		
							Target	Actual	R
TL29		To develop and grow LED and particularly SMME opportunities	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programs for the period.	Number of people temporary appointed to be in the EPWP programs	164	50	50	203	
TL39		To develop and grow LED and particularly	Implementation of the Local Economic	Number of LED interventions/ activities / programmes	4	4	4	4	

		SMME opportunities	Development Strategy	implemented					
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Table 135: Municipal performance according to Economic Development Key Performance Indicators

3.22.3 Financial sustainability & development

Ref	Pre-determined Objectives	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2019		
						Target	Actual	R
TL1	To promote a culture of good governance	Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August	Draft annual performance report submitted by 30 August annually	1	1	1	1	
TL3	To deliver services in terms of agreed service levels	The % of the Municipality's capital budget spent on capital projects identified in the IDP, measured as the Total actual Year to Date (YTD) Capital Expenditure/ Total Approved Annual or Adjusted Capital Budget x 100	The percentage (%) of a municipality's Annual or Adjusted capital budget spent on capital projects identified in the IDP for the 2018/19 financial year	74.7%	90%	90%	62.3%	
TL5	To promote a culture of good governance	The main budget is approved by Council by end of May 2019	Approval of Main Budget before the end of May annually	1	1	1	1	
TL8	To promote a culture of good governance	The adjustment budget is approved by Council by end of February 2019	Approval of Adjustments Budget before the end of February 2019	1	1	1	1	
TL23	To implement mechanisms to improve debt collection	Maintain a Year to Date (YTD) debtors payment percentage of 85% over a twelve month period	Payment percentage (%) of debtors over 12 months rolling period	86%	85%	85%	86.4%	

TL24	To promote a culture of good governance	Maintain a financially unqualified audit opinion for the 2018/19 financial year	Financial statements considered free from material misstatements as per Auditor General report	1	1	1	1	
TL25	To implement mechanisms to improve debt collection	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	((Total operating revenue-operating grants received)/debt service payments due within the year)	641	362.1	362.1	767.7	
TL26	To improve financial reporting	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	(Total outstanding service debtors/ revenue received for services)X100	13%	62%	62%	11%	
TL27	To improve financial reporting	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Available cash+ investments)/ Monthly fixed operating expenditure)	4.76	1.2	1.2	5.0	
TL28	To promote a culture of good governance	Develop action plans to address the top 10 risks	Number risk mitigation plans submitted to the Audit Committee by the end of June	10	10	10	10	

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

3.22.4 Good governance and public participation

Ref	IDP Ref	Pre-determined Objectives	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2019		
							Target	Actual	R
TL2		To promote a culture of good governance	Submit the Mid-Year Performance Report in terms of Section 72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary	Mid-year report submitted to council and treasury by end of January annually	1	1	1	1	
TL4		To promote a culture of good governance	Risk based audit plan approved by Audit Committee for 2018/19 by February	Risk based audit plan approved by February 2019	1	1	1	1	
TL6		To promote a culture of good governance	Ensure that all Council meet once every quarter	Number of ordinary council meetings	3	4	4	5	
TL7		To promote a culture of good governance	Ensure that all Council's section 80 committees meet once every quarter	Number of Council sec 80 committee meetings	4	4	4	5	
TL9		To improve financial reporting	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved by the Mayor within 28 days after the main budget has been approved	1	1	1	1	
TL37		To promote a culture of good governance	Preparation of the draft IDP review for submission to council to ensure compliance with legislation by 31 March annually	IDP reviewed by 31 March annually	1	1	1	1	
TL38		To promote a culture of good governance	Preparation of the final IDP review for submission to Council to ensure compliance with legislation by 31 May annually	Final IDP review completed to submit to Council by 30 May 2019	1	1	1	1	

Not on TL	153	To promote a culture of good governance	Submit final Annual Report and oversight report to council before legislative deadline	Final Annual Report and oversight report submitted to council	100%	100%	100%	100%	
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Table 137: Municipal performance according to Good Governance and Public Participation Key Performance Indicators

3.22.5 Institutional development & transformation

Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2019		
					Target	Actual	R
TL11	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	% of training budget spent as at 30 June 2018	99%	100%	100%	24%	
TL12	Review the following required policies (vehicle allowance, vehicle use, bursary policy, sexual harassment, Whistle blowing, Prevention of nepotism) and submit to council for approval	Number of reviewed policies approved by council by the end of June	5	6	6	6	
TL14	The number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data	Number of people employed (appointed)	2	3	3	1	

TL40	Ensuring performance by the timeous development and signing of the Section 57 performance agreements in adherence to the Performance Framework	Number of signed performance agreements of Section 57 managers within 14 days of approval of the SDBIP	3	3	3	3	
TL41	To ensure that formal evaluations per section 57 employee is completed bi-annually	Number of formal evaluations completed per Section 57 employee	-	2	2	1	
TL44	To cascade performance management to lower levels by June 2019	Number of signed individual performance agreements with permanent personnel within the directorate annually before July 2019	-	75	75	52	

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

3.23 Top-Layer Service Delivery and Budget Implementation (SDBIP) Scorecard: 2018/19 per Strategic Objectives

The following tables reflect the Municipality's performance for 2018/19 according to the Municipality's Strategic Objectives:

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

Ref	KPI	Unit of Measurement	Previous year	Target	Actual	R	Performance Comment	Corrective measures
TL11	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	% of training budget spent as at 30 June 2019	99%	100%	24%		Target not reached	Training needs to be scheduled according to WSP.
TL12	Review following the required policies (vehicle allowance, vehicle use, bursary policy, sexual harassment, Whistle blowing, Prevention of nepotism) and submit to council for approval	Number of reviewed policies approved by council by the end of June	6	6	6		Policies reviewed by June 2019	None needed
TL14	The number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data	Number of people employed (appointed)	2	3	1		The target is dependent on vacancies and available skills	
TL40	Ensuring performance by the timeous development and signing of the Section 57 performance agreements in adherence to the Performance Framework	Number of signed performance agreements of Section 57 managers within 14 days of approval of the SDBIP	3	3	3		The signed agreements were signed within the timeframe.	

TL41	To ensure that formal evaluations per section 57 employee is completed bi-annually	Number of formal evaluations completed per Section 57 employee	1	2	1		Target not met due to capacity constraints	Council will need to prioritize critical post and budget accordingly to fill these positions
TL44	To cascade performance management to lower levels by June 2019	Number of signed individual performance agreements with permanent personnel within the directorate annually before July 2019	NEW KPI	75	52		The target was erroneously set.	Realistic targets needs be set when formulating KPI's in future

b) To enhance participatory democracy

Ref	KPI	Unit of Measurement	Previous year performance	Year-To-Date as at June 2019				
				Target	Actual	R	Performance Comment	Corrective Measures
TL2	Submit the Mid-Year Performance Report in terms of Section 72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary	Mid-year report submitted to council and treasury by 25th January annually	1	1	1		Mid-Year report was submitted by legislative time	None needed
TL4	Risk based audit plan approved by Audit Committee for 2018/19 by February	Risk based audit plan approved by February 2019	All	1	1		Plan was Approved	
TL6	Effective functioning of Council meetings	Number of Council general meetings	All	4	5		Council meetings held quarterly	
TL7	Effective functioning of Councils committee system	Number of Council Section 80 committee meetings per operational area meet once every quarter	All	4	5		Council committee meetings held regularly.	None needed

TL9	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved by the Mayor within 28 Days after approval of Main Budget	All	1	1		SDBIP approved within timeframe	None needed
TL37	Preparation of the draft IDP review for submission to council to ensure compliance with legislation by 31 March annually	IDP reviewed by 31 March annually	1	1	1		Approved in March 2018	None needed
TL38	Preparation of the final IDP review for submission to Council to ensure compliance with legislation by 31 May annually	Final IDP review completed to submit to Council by 30 May 2019	1	1	1		Approved in May 2019	None needed

c) To promote the general standards of living

Ref	IDP Ref	KPI	Unit of Measurement	Previous year	Year-to-Date as at June 2019				
					Target	Actual	R	Performance Comment	Corrective Measures
TL42		Implementation of programs and awareness initiatives held in terms of social welfare as per project plan signed off by MM	Number of awareness initiatives and programs launched within community	24	24	24			Strive to fulfill obligations within available capacity.

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

Ref	KPI	Unit of Measurement	Wards	Previous year	Year-to-Date as at June 2019				
					Target	Actual	R	Performance Comment	Corrective Measures
TL1	Draft annual performance report available for submission to Auditor-General together with Annual	Draft annual performance report submitted by 30 August annually	All	1	1	1		Target reached	None

	Financial Statements by not later than 31 August								
TL3	The % of the Municipality's capital budget spent on capital projects identified in the IDP, measured as the Total actual Year to Date (YTD) Capital Expenditure / Total Approved Annual or Adjusted Capital Budget x 100	The percentage (%) of a municipality's Annual or Adjusted capital budget spent on capital projects identified in the IDP for the 2018/19 financial year	All	74.7%	100%	62.3%		Target not reached due to capacity constraints	Commence earlier with capital projects
TL5	The main budget is approved by Council by end of May 2019	Approval of Main Budget before the end of May annually	All	1	1	1			None needed
TL8	The adjustment budget is approved by Council by end of February 2019	Approval of Adjustments Budget before the end of February 2019	All	1	1	1		Adjustment budget approved by Council by February 2019	None needed
TL23	Maintain a Year to Date (YTD) debtors payment percentage of 85%	Payment percentage (%) of debtors over 12 months rolling period	All	86%	85%	86.4%		Debt collection needs to be improved in outer towns	None needed

	over a twelve month period								
TL24	Maintain a financially unqualified audit opinion for the 2018/19 financial year	Financial statements considered free from material misstatements as per Auditor General report	All	1	1	1		Unqualified obtained	Implement remedial action in management report
TL25	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	((Total operating revenue-operating grants received)/debt service payments due within the year)	All	641	362.1	767.7		To be confirmed with AFS	
TL26	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	(Total outstanding service debtors/ revenue received for services)X100	All	26.33%	62%	11%		Achieved	None needed

TL27	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Available cash+ investments)/ Monthly fixed operating expenditure)	All	4.76	1.2	5.0		Municipality has sufficient cash to cover expenditure	None needed
TL28	Develop action plans to address the top 10 risks	Number risk mitigation plans submitted to the Audit Committee by the end of June	All	10	10	10		Risk mitigation addressed in May	None needed
Not on TL	Submit final Annual Report and oversight report to council before legislative deadline	Final Annual Report and oversight report submitted to Council	All	100%	100%	100%		Submitted in time	None needed

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

Ref	KPI	Unit of Measurement	Wards	Previous Year	Year-to-Date as at June 2019				
					Target	Actual	R	Performance Comment	Corrective Measures
TL10	Review the spatial development framework and submit to council by end June	Reviewed SDF submitted to Council by end June	All	0	1	0		The Western Cape Provincial Government to assist in reviewing the SDF. SDF to be table to council by end of November 2019	SDF to be tabled to council by end of November 2019
TL13	Review the Integrated Human Settlement	Plan completed by the end of June	All	0	1	0		The review is aligned to the SDF and SDF will only be	Plan will be reviewed when SDF is tabled.

	Plan by June 2019							tabled in November 2019	
TL43	Develop an Alien invasive Plan by end of June 2019	Developed alien invasive plan submitted to Council by end June 2019	All	NEW KPI	1	1		Plan was developed and submitted to Council for approval	Target met. None needed.
TL45	To develop a Management Plan for Treintjiesrivier by end of June 2019	Approved Management plan for Treintjiesrivier	All	NEW KPI	1	1		Plan was developed and submitted to Council for approval	Target met. None needed.

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

Ref	KPI	Unit of Measurement	Previous performance	Year-to-Date as at June 2019				
				Target	Actual	R	Performance Comment	Corrective Measures
TL15	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 559	2 110	2 578		Target exceeded due to housing development in Prince Albert	None needed
TL16	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	893	1 100	1 092		Target not reached. Subsidies are application based and beyond municipal control	Indigent outreach were held and will continue to ensure maximum participation

TL17	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of account holders for which refuse is removed at least once a week	2 726	2 480	2 737		Target exceeded due to housing development in Prince Albert	None needed
TL18	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	893	1 100	1 092		Target not reached. Subsidies are application based and beyond municipal control	Indigent outreached were held and will continue to ensure maximum participation
TL19	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	2 809	2 554	2 820		Target exceeded due to housing development in Prince Albert	None needed
TL20	Provide 6kl free basic water per household per month to registered indigent account holders	No of registered indigent account holders receiving 6kl of free water	893	1 100	1 092		Target not reached. Subsidies are application based and beyond municipal control	Indigent outreached were held and will continue to ensure maximum participation

TL21	Provision of sanitation services to residential properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of residential properties which are billed for sewerage in accordance to the financial system.	2 681	2 416	2 701		Target exceeded due to housing development in Prince Albert	None needed
TL22	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	893	1 100	1 092		Target not reached. Subsidies are application based and beyond municipal control	Indigent outreached were held and will continue to ensure maximum participation
TL30	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klaarstroom	% of Lab Results complying with SANS 241.	81.47%	80%	87.3%		Lab Results for drinking water	Water process controllers appointed and in training

TL31	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom	% of Lab Results complying with SANS Irrigation standards.	81.25%	90%	76.4%		Target not reached due to capacity constraints	Water process controllers appointed and in training, SOP's to be developed
TL32	% of the maintenance budget for Roads spent [(Actual expenditure divided by the total approved budget)x100]	% of Road maintenance budget actually spent	78.38%	100%	90%		Target not reached due to capacity constraints	Monthly budget control to be undertaken
TL33	Develop a Water Service Development Plan and submit to council for approval by the end of June 2019	Plan approved by council	0	1	0		No funding available	DWS has withdrawn the funding.
TL34	Limit water losses to not more than 15% {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100}}	% Water losses achieved (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100)	16.74%	15%	25.08%		Target not reached due to drought conditions with limited use during drought and more burst pipes due to pressure control.	Implement meters at sport fields and install more valves to improve water loss control.
TL35	Limit electricity losses to not more than 15% {(Number of Electricity Units Purchased and/or	% electricity losses achieved (Number of Electricity Units Purchased and/or Generated -	13%	15%	11.9%		Target exceeded due to monitoring and meter audit.	None needed

	Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100}}	Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100						
TL36	Develop an Integrated Infrastructure Asset Management Plan	Completed plan by end of June 2019	1	1	0		No funding available	Council has approved an infrastructure policy. Infrastructure Asset Management will be done accordingly until funding becomes available.

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

Ref	KPI	Unit of Measurement	Wards	Previous performance	Year-to-Date as at June 2019				
					Target	Actual	R	Performance Comment	Corrective Measures
TL39	Implementation of the Local Economic Development Strategy	Number of LED interventions/ activities / programmes implemented		4	4	4		Target reached. Municipality concentrate on systems rather than projects.	None needed
TL29	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes	Number of people temporary appointed to be in the EPWP programmes	All	164	50	203		Target exceeded due to additional funding made available during the adjustment budget.	None needed

	for the period.								
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3.24 Service Providers Strategic Performance

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

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

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

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

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

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

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

a) Office of the Municipal Manager

Description of services rendered	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
Internal Audit and Risk Management.	3 years	Provision of internal audit, compliance and risk management support services.	Good	Shared services agreement with Beaufort West, CKDM and Laingsburg. Service provider, Meyer Otto	Skills transfer on lower level in the absence of qualified internal
Study by University of Stellenbosch	Duration of Project	Develop innovative governance model	Excellent Service	n/a	n/a

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

b) Financial Services

Description of services rendered	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
Mubesko	3 years	Review of AFS	Excellent Service	n/a	n/a
Syntell	3 years	Licence Fees for prepaid Electricity			
Ubertech	3 years	IT Support	Excellent Service	n/a	n/a

Table 144: Service Providers Performance – Financial Services

c) Infrastructure Services -

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

Description of services rendered	Term of contract	Performance Areas	Performance Rating	Performance Comment	Corrective measures
GEOS	3 years	Consulting Engineer	Excellent Services	n/a	n/a
Element	3 years	Consulting Engineer	Excellent Services	n/a	n/a
Royal Haskoning	3 years	Consulting Engineer	Excellent Services	n/a	n/a
Makuhane t/a CVW	3 years	Consulting Engineer	Excellent Services	n/a	n/a

SRK Consulting	3 years	Consulting Engineer	Excellent Services	n/a	n/a
Jan Nel Elektries	3 Year	Electricity Contractor	Excellent Services	n/a	n/a
Weskaap Laboratorium dienste	1 year	Water and waste water testing lab	Excellent Services	n/a	n/a
Conlog	When needed	Prepaid Meters	Excellent Services	n/a	n/a
Jan Nel Elektries	1 month	BoreHole Equipment	Excellent Services	n/a	n/a
National Garage	When needed	Fuel	Excellent Service	n/a	
Klein Karoo Kooperasie	When needed	Supply & delivery of material & equipment	Excellent Services		n/a
Cash Build	When needed	Supply & delivery of material & equipment	Excellent Services		n/a
VSR Digging	When needed	Hire of TLB	Excellent Services		
Auto Tech	When needed	Service of vehicles	Excellent services	n/a	

Table 145: Service Providers Performance – Infrastructure Services

d) Corporate & Community Services

Description of services rendered	Term of contract	Performance Areas	Performance Rating	Performance Comment	Corrective measures
Radio gamkaland	September 2016	Communication with community	Good	Contract ended on 30 June	New SLA with successful
TVS	Contract commenced 30 June 2016	Traffic Management System	Good	SLA agreement reached	SLA agreement concluded

Business Solutions	1 June to be renewed annually	Records Management	Good	Project ongoing	None
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Table 146: Service Provider Performance – Strategic & Community Services

e) Development & Strategic Support

Description of services rendered	Term of contract	Performance Areas	Performance Rating	Performance Comment	Corrective measures
Ignite Advisory Services	1 year	Performance Management, Complaints assist	Satisfied with services rendered	n/a	n/a

Chapter 4

Organisational Development Performance

Component A: Introduction to the Municipal Personnel

Introduction

The Prince Albert Municipality currently employs 55 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the Municipality's objectives. Tables below includes 55 permanent employees, 16 contract workers, 3 financial interns and 2 water meter readers.

4.1 Employee Totals, Turnover and Vacancies

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

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	0	0	1	0	0	0	1	2
Senior management	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid- management	0	2	0	1	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	22	0	0		20		2	44
Semi-skilled and discretionary decision making	0	5	0	1	0	0	0	0	6
Unskilled and defined decision making	0	14	0	1	0	5	0	0	20
Total permanent	0	32	0	2	0	20	0	1	55
Non- permanent employees	0	12	0	2	0	5	0	2	21
Grand total	0	44	0	4	0	25	0	3	76

Table: Occupational levels:

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

KPA & Indicators	Municipal Achievement	Municipal Achievement
	2017/18	2018/19
The number of people from employment equity target groups permanently employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	2	2
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	99%	20.8%

National KPIs– Municipal Transformation and Organisational Development

4.2.1 Employment Equity

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

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

Occupational Categories	Male				Female				Total
	A	C	I	W	A	C	I	W	
Legislators, senior officials and managers	0	1	0	2	0	0	0	1	4
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	2	0	0	0	0	0	0	2
Clerks	0	22	0	0	0	20	0	2	44
Service and sales workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	5	0	1	0	0	0	0	6
Elementary occupations	0	14	0	1	0	5	0	0	20
Total permanent	0	32	0	2	0	20	0	1	55
Non-permanent	0	12	0	2	0	5	0	2	21
Grand total	0	44	0	4	0	25	0	3	76

Occupational Categories

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

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	0	2	0	0	0	0	0	1	3
Strategic Services	0	12	0	0	0	15	0	2	29
Technical and Electrical Services	0	25	0	2	0	2	0	0	29
Financial Services	0	5	0	2	0	8	0	0	15
Total permanent	0	32	0	2	0	20	0	1	55
Non- permanent	0	12	0	2	0	5	0	2	21
Grand total	0	44	0	4	0	25	0	3	76

Department - Race

4.2.2 Vacancy Rate

The approved organogram for the municipality reflected 105 posts for the 2018/19 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 29 Posts were vacant at the end of 2018/19, resulting in a vacancy rate of 27.62%.

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

Per Task Level		
Task level	Filled	Vacant
MM & MSA section 57 & 56	2	1
Middle management (T14-T19)	2	0
Admin Officers (T4-T13)	39	15
General Workers (T3)	29	12
Grant remuneration outside TASK level	4	0
Total	76	29
Per Functional Level		
Functional area	Filled	Vacant
Office of the Municipal Manager	4	0
Corporate & Community Services	44	15
Technical and Electrical Services	28	10
Financial Services	11	3
Appointments from Grants	4	1
Total	76	29

Vacancy rate per post and functional level

4.2.3 Turnover rate

Small, rural municipalities find it difficult to attract and retain skilled staff as they cannot compete with bigger municipalities in terms of salary, skills transfer and opportunities. This results in a high turn-over of staff. A high turnover rate for staff member's impacts negatively on a municipality as it may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate is estimated at 14.66% and is mainly due to retirement and financial interns that resign after they are trained to seek opportunities elsewhere. This high turnover rate show case the need for staff retention and the challenges faced by isolated rural municipalities.

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

Financial year	Total no appointments at the end of each Financial Year	New appointments	No Terminations during the year	Turn-over Rate
2013/14	67	12	9	14.52
2014/15	68	5	3	11.76
2015/2016	63	5	10	23.80
2016/17	72	22	12	16.66
2017/18	75	14	11	14.66
2018/19	76	8	13	17.91

Table 154: Turnover Rate

Component B: Managing the Municipal Workforce

Introduction

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

4.2 HR Policies and Plans

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

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

Approved policies	
Name of policy	Date approved/ revised
Employment Policy	2003
Internal Conditions of Service	2003
Sexual harassment	2007
Subsistence and Travelling	May 2017
Training & Development	2014
Language	2015
Support Staff	2007
Cell Phone	2018
Induction Training and Staff Orientation	2007
Internal control: Salaries and grants	2007
Study	2014
IT	2007
HIV/AIDS	2007
Induction programme	2008
Recruitment and Selection	2018
Employment Equity	2018
Incapacity / Ill-Health	2012
Substance Abuse	2018
Smoking Policy	2018
Overtime	June 2017
Retirement Planning	2012
Unauthorized Absence	2012
Uniform Protective Clothing	2018
Employment on 5/8 basis	2012
Policy on imprisoned employees	2012
Scarce skills policy	2012
Extended medical aid contribution policy	June 2017

Table 155: HR policies and plans

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

4.3 Injuries, Sickness and Suspensions

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

The Municipality appointed Workplace Safety Representatives within the municipality for the respective departments as required by legislation. These employees are:

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

SALGA was requested to provide training to the officials in respect of workplace safety. Workplace health and safety training took place during the reporting year and awareness around occupational health and safety has improved among the work force. Four workplace injuries were reported during 2018/19, of which one is an EPWP worker.

Sick Leave

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

The total number of employees that have taken sick leave during the 2018/19 showed a significant increase and the majority of sick leave taken was due to an official suffering serious illness.

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

Department	2016/17	2017/18	2018/19
Office of the Municipal Manager	7	30	19
Strategic Services and Corporate	120	151	200
Technical and Electrical Services	165	175	206
Financial Services	41	54	68
Total	333	410	493

Table 156: Sick Leave

Component C: Capacitating the Municipal Workforce

4.4 Skills Development and Training

Section 68(1) of the Local Government: Municipal Systems Act, 2000 (MSA) states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable manner. For this purpose, the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

MFMA Competency Levels Training

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

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

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

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

Senior managers	0	0	0	0
Any other financial officials	7	1 busy with MMC	0	0
Supply Chain Management Officials				
Heads of supply chain management units	0	0	0	0
Supply chain management senior managers	2	1 Busy with Minimum Competency	0	0
TOTAL	11	4	2	2

Table 157: Budget allocated and spent for skills development

Component D: Managing the Municipal Workforce Expenditure

Introduction

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

4.5 Employee Expenditure

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

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

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

Financial year	2017/18	2018/19		
Description	Actual	Original	Adjusted	Actual
		Budget	Budget	
	R,000	R,000	R,000	R,000
Councillors (Political Office Bearers plus Other)				
Basic Salary & Wages	2 084	2 775	2 775	2 189
Pension & Medical Aid Contributions		-	-	
Motor vehicle allowance	533	-	-	533
Cell phone allowances	311	311	311	311
Housing allowances		-	-	-
Other benefits or		-	-	-

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

B-BBEE Compliance Performance Information

SCORECARD ELEMENTS

1. MANAGEMENT CONTROL

CATEGORIES	% NUMBER FOR EACH CATEGORY	RACE CLASSIFICATION (INDICATE NUMBER IN TERMS OF F & M)	CLASSIFICATION (INDICATE NUMBER IN TERMS OF F & M)	AGE (PROVIDE NR IN CHRONOLOGICAL ORDER)	LOCATION (INDICATE NUMBER IN EACH PROVINCE)	DISABILITY (INDICATE NUMBER IN TERMS OF F & M)
BOARD						
EXEC DIRECTORS						
NON-EXEC DIRECTORS						
SENIOR MANAGEMENT						

MIDDLE MANAGEMENT						
JUNIOR MANAGEMENT						
DIVIDENDS DECLARED						

(NB: A-AFRICANS, C-COLOUREDS, & I-INDIANS)

2.SKILLS DEVELOPMENT

TOTAL LEVIABLE AMOUNT:							
CATEGORIES	NUMBER FOR EACH CATEGORY	RACE CLASSIFICATION (INDICATE NUMBER IN TERMS OF A, C & I)	GENDER CLASSIFICATION (INDICATE NUMBER IN TERMS OF F & M)	AGE (Provide number in chronological order)	Location (indicate number in each province)	Disability (indicate number in terms of F & M)	Total amount spend

3. ENTERPRISE AND SUPPLIER DEVELOPMENT

Total procurement spend/budget and number of enterprise and supplier development beneficiaries and value thereof by providing relevant information below:

Total Procurement Spend:				
Total number of suppliers	Total value spend			
Total number of EME supplier	Total value spend	% Black ownership	%Black women ownership	
Total number of QSE supplier	Total value spend	% Black ownership	%Black women ownership	

Total number of large suppliers	Total value spend	% Black ownership	%Black women ownership			
Total value of 2% NPAT or 0.2% of allocated budget:						
Total number of EMEs	Total value spend	% Black ownership	%Black women ownership	Location	Sector	
Total number of QSEs	Total value spend	% Black ownership	%Black women ownership	Location	Sector	
Total value 1% NPAT or 0.1% of allocated budget:						
Total number of EMEs	Total value spend	% Black ownership	%Black women ownership	Location	Sector	
Total number of EMEs	Total value spend	% Black ownership	%Black women ownership	Location	Sector	

CHAPTER 5: FINANCIAL PERFORMANCE

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

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

Description	2017/18	2018/19			2018/19 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Financial Performance						
Property rates	3 766	4 414	4 414	4 076	-8%	-8%
Revenue cost of free services provided: Property rates	(600)	-	-	(645)	#DIV/0!	#DIV/0!
Service charges	24 516	28 607	28 607	27 490	-4%	-4%
Revenue cost of free services provided: Service charges	(3 313)	(4 976)	(4 976)	(4 206)	-15%	-15%
Investment revenue	2 588	2 830	2 830	2 835	0%	0%
Transfers recognised - operational	24 028	41 155	41 155	26 165	-36%	-36%
Other own revenue	14 922	9 750	9 750	10 672	9%	9%
Total Revenue (excluding capital transfers and contributions)	65 907	81 779	81 779	66 387	-19%	-19%
Employee costs	19 429	21 935	21 935	20 038	-9%	-9%
Remuneration of councillors	2 928	3 086	3 086	3 033	-2%	-2%
Depreciation & asset impairment	5 461	3 288	3 288	5 274	60%	60%
Finance charges	1 709	1 181	1 181	1 799	52%	52%
Materials and bulk purchases	7 929	10 500	10 500	10 393	-1%	-1%
Repairs and Maintenance	282	2 105	2 105	1 543	-27%	-27%
Other expenditure	29 740	37 824	37 824	24 294	-36%	-36%
Total Expenditure	67 478	79 919	79 919	66 374	-17%	-17%
Surplus/(Deficit)	(1 571)	1 860	1 860	13	-99%	-99%
Transfers recognised - capital	(10 564)	(12 675)	(12 675)	(8 210)	-35%	-35%
Surplus/(Deficit) after capital transfers & contributions	8 993	14 535	14 535	8 222	-43%	-43%

Transfers recognised - capital	(10 564)	(12 675)	(12 675)	(8 210)	-35%	-35%
Total sources of capital funds	(10 564)	(12 675)	(12 675)	(8 210)	-35%	-35%
Total current assets	34 822	23 400	37 504	40 237	72%	7%
Total non-current assets	141 564	121 802	130 664	148 795	22%	14%
Total current liabilities	8 150	8 404	8 454	27 402	226%	224%
Total non-current liabilities	25 341	25 659	24 635	10 513	-59%	-57%
Net cash from (used) financing						
Cash/cash equivalents at the year end	142 894	111 139	135 079	151 117	36%	12%
Cash and investments available	25 367	19 042	30 400	33 084	74%	9%
Application of cash and investments						
Balance - surplus (shortfall)						
Asset management						
Asset register summary (WDV)	128 966	121 802	130 664	139 179	14%	7%
Depreciation & amortisation	2 296	3 288	3 288	5 274	60%	60%
Renewal of Existing Assets	-	-	-	-	0%	0%
Repairs and Maintenance	292	2 355	2 355	1 590	-32%	-32%
Free services						
Cost of Free Basic Services provided	3 913	4 976	4 976	4 851	-3%	-3%
Revenue cost of free services provided	3 913	4 976	4 976	4 851	-3%	-3%
Households below minimum service level						
Water:	0	0	0	0	0	0
Sanitation/sewerage:	0	0	0	0	0	0
Energy:	0	0	0	0	0	0
Refuse:	0	0	0	0	0	0

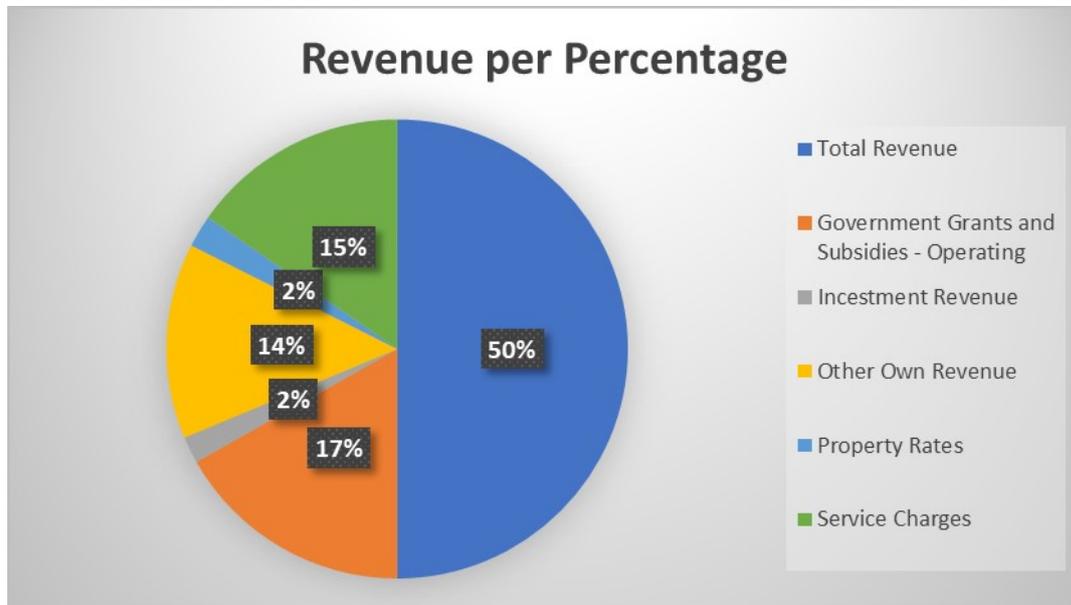
The table below shows a summary of performance against budgets:

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

Performance against budgets

The following graph indicates the various types of revenue items in the municipal budget for 2018/19

Revenue per percentage



Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2018/2019

5.1.1 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	Adjustments Budget
	R'000				%	
1.1 - MUNICIPAL MANAGER	–	21 202	21 202	20 022	-6%	-6%
1.2 - COUNCIL GENERAL EXPENSES	17 682	23	23	42	84%	84%
2.1 - FINANCIAL SERVICES	15 429	12 786	12 786	8 050	-37%	-37%
2.2 - PROPERTY RATES	3 166	3 703	3 703	3 431	-7%	-7%
3.1 - IDP	–	–	–	–	#DIV/0!	#DIV/0!
3.2 - STRATEGIC SERVICES	74	74	74	59	-20%	-20%
3.3 - CORPORATE SERVICES	745	1 148	1 148	525	0%	0%
4.1 - CEMETRIES	14	11	11	11	1%	1%
4.2 - LIBRARY	1 510	1 605	1 605	1 568	0%	0%
4.3 - DISASTER MANAGEMENT	52	50	50	34	0%	0%
4.4 - COMMUNITY HALLS	210	200	200	331	0%	0%

4.5 - GALLERY	-	-	-	-	#DIV/0!	#DIV/0!
4.5 - TRAFFIC CONTROL	6 769	3 730	3 730	6 666	79%	79%
4.6 - HOUSING	-	12 462	12 462	-	0%	0%
4.7 - SPORT AND RECREATION	41	40	40	21	-46%	-46%
4.8 - TOURISM	-	-	-	-	#DIV/0!	#DIV/0!
4.9 - COMMUNITY DEVELOPMENT WORKERS	-	-	-	-	0%	0%
4.10 - SOCIAL SERVICES	-	-	-	-	0%	0%
5.1 - ELECTRICITY SERVICES	13 441	15 172	15 172	14 324	0%	0%
5.2 - WATER SERVICES	10 709	16 085	16 085	12 357	-23%	-23%
5.3 - SEWERAGE	2 906	3 319	3 319	3 385	2%	2%
5.4 - REFUSE	1 537	1 753	1 753	1 654	0%	0%
5.5 - PUBLIC WORKS	2 187	1 093	1 093	2 115	93%	93%
Total Revenue by Vote	76 471	94 454	94 454	74 597		

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

5.1.2 Revenue collection by Source

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

Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Property rates	3 166	3 703	3 703	3 431	-7%	-7%
Service Charges - electricity revenue	13 939	15 600	15 600	14 940	-4%	-4%
Service Charges - water revenue	4 407	5 185	5 185	5 316	3%	3%
Service Charges - sanitation revenue	3 954	4 483	4 483	4 684	4%	4%
Service Charges - refuse revenue	2 182	2 525	2 525	2 509	-1%	-1%
Less: Subsidy to Indigent Households	(3 313)	(4 345)	(4 345)	(4 206)	-3%	-3%
Public contributions	-	-	-	-	0%	0%
Rentals of facilities and equipment	487	468	468	501	7%	7%
Interest earned - external investments	2 588	2 830	2 830	2 835	0%	0%
Interest earned - outstanding debtors	573	825	825	836	1%	1%
Contributed assets	2 538	-	-	-	0%	0%
Fines	6 507	3 510	3 510	6 403	82%	82%
Licences and permits	262	220	220	264	20%	20%
Service in Kind	3 411	2 900	2 900	2 081	-28%	-28%
Transfers recognised - operational	24 053	41 178	41 178	26 208	-36%	-36%

Transfers to CRR	–	–	–	–	0%	0%
Third Party Payments	–	–	–	–	0%	0%
Other revenue	889	2 597	2 597	526	-80%	-80%
Gains on disposal of PPE	–	–	–	–	0%	0%
Actuarial Gains	264	100	100	59	0%	0%
Total Revenue (excluding capital transfers and contributions)	65 907	81 779	81 779	66 387	-19%	-19%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						

5.1.3 Operational Services Performance

The table below indicates the Operational services performance for the 2018/19 financial year:

Operational Services Performance						
Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Operating Cost						
Water	3 337	4 783	4 783	4 391	-8%	-8%
Waste Water (Sanitation)	2 401	3 164	3 164	2 969	-6%	-6%
Electricity	11 417	12 547	12 547	11 915	-5%	-5%
Waste Management	5 006	3 489	3 489	5 036	44%	44%
Component A: sub-total	22 161	23 984	23 984	24 310	1%	1%
Roads	6 477	6 352	6 352	6 894	9%	9%
Component B: sub-total	6 477	6 352	6 352	6 894	9%	9%
Planning	344	537	537	452	-16%	-16%
Housing	–	372	372	–	-100%	-100%
Component C: sub-total	344	909	909	452	-50%	-50%
Community & Social Services	2 955	3 219	3 219	2 814	-13%	-13%
Executive and Council	6 958	8 524	8 524	6 487	-24%	-24%
Finance and Administration	15 474	24 979	24 979	11 193	-55%	-55%
Security and Safety	7 881	4 920	4 920	8 103	65%	65%
Sport and Recreation	698	1 071	1 071	1 016	-5%	-5%
Corporate Policy Offices and Other	4 530	5 961	5 961	5 105	-14%	-14%
Component D: sub-total	38 496	48 674	48 674	34 718	-29%	-29%
Total Expenditure	67 478	79 919	79 919	66 374	-17%	-17%
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

5.2 Financial Performance per Municipal Function

5.2.1 Water Services

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	3 319	7 117	7 117	4 597	-35%
Expenditure:					
Employees	827	1 231	1 231	992	-19%
Repairs and Maintenance	–	425	425	289	-32%
Depreciation	719	720	720	810	13%
Other	–	–	–	–	0%
Total Operational Expenditure	1 546	2 376	2 376	2 092	-12%
Net Operational (Service)	1 773	4 741	4 741	2 505	-47%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

5.2.2 Waste Water (Sanitation)

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	2 906	3 319	3 319	3 385	2%
Expenditure:					
Employees	619	804	804	704	-12%
Repairs and Maintenance	40	190	190	174	-8%
Depreciation	829	770	770	782	2%
Other	–	–	–	–	#DIV/0!
Total Operational Expenditure	1 488	1 764	1 764	1 661	-6%
Net Operational (Service)	1 418	1 555	1 555	1 724	11%
Expenditure					

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

5.2.3 Electricity

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	13 441	15 172	15 172	14 324	-6%
Expenditure:					
Employees	176	169	169	108	-36%
Bulk purchases	7 929	10 500	10 500	10 393	-1%
Repairs and Maintenance	43	275	275	56	-80%
Depreciation	207	170	170	249	47%
Other	–	–	–	–	0%
Total Operational Expenditure	8 355	11 114	11 114	10 807	-3%
Net Operational (Service) Expenditure	5 086	4 058	4 058	3 517	-13%

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

Financial Performance: Electricity

5.2.4 Waste Management

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	1 537	1 753	1 753	1 654	-6%
Expenditure:					
Employees	675	844	844	807	-4%
Repairs and Maintenance	44	130	130	98	-24%
Depreciation	2 272	395	395	1 873	374%
Other	1 140	991	991	1 190	0%
Total Operational Expenditure	4 131	2 360	2 360	3 968	68%
Net Operational (Service)	(2 594)	(608)	(608)	(2 313)	281%

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

5.2.5 Roads and storm water

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	1 187	1	1	1 073	107188%
Expenditure:					
Employees	3 288	3 879	3 879	3 490	-10%
Repairs and Maintenance	-	770	770	665	-14%
Depreciation	725	610	610	864	42%
Other	-	-	-	-	0%
Total Operational Expenditure	4 013	5 259	5 259	5 018	-5%
Net Operational (Service)	(2 826)	(5 258)	(5 258)	(3 945)	-25%
Variations are calculated by dividing the difference between the actual and original budget by the actual.					

Financial Performance: Roads and storm water

5.2.6 Security and Safety

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	6 821	3 780	3 780	6 700	77%
Expenditure:					
Employees	1 374	1 550	1 550	1 398	-10%
Repairs and Maintenance	24	-	-	-	#DIV/0!
Depreciation	272	75	75	233	0%
Other	-	-	-	-	0%
Total Operational Expenditure	1 670	1 625	1 625	1 632	0%
Net Operational (Service)	5 151	2 155	2 155	5 069	135%
Variations are calculated by dividing the difference between the actual and original budget by the actual.					

Financial Performance: Security and Safety

5.2.7 Sport and Recreation

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	41	40	40	21	-46%
Expenditure:					
Employees	534	794	794	769	-3%
Repairs and Maintenance	75	155	155	134	-13%
Depreciation	–	–	–	–	0%
Other	–	–	–	–	0%
Total Operational Expenditure	609	949	949	903	-5%
Net Operational (Service)	(569)	(909)	(909)	(882)	-3%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Financial Performance: Sport and Recreation

5.2.8 Executive and council

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	17 682	21 225	21 225	20 065	-5%
Employees	5 067	4 942	4 942	4 358	-12%
Repairs and Maintenance	–	–	–	–	#DIV/0!
Depreciation	41	13	13	45	249%
Other	–	–	–	–	0%
Total Operational Expenditure	5 108	4 955	4 955	4 403	-11%
Net Operational (Service)	12 574	16 270	16 270	15 661	-4%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Financial Performance: Executive and council

5.2.9 Financial Services

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	27 425	39 356	39 356	20 390	-48%
Expenditure:					
Employees	4 766	4 257	4 257	4 245	0%
Repairs and Maintenance	–	75	75	12	-84%
Depreciation	247	240	240	250	4%
Other	569	190	190	609	0%
Total Operational Expenditure	5 582	4 762	4 762	5 116	7%
Net Operational (Service)	21 844	34 593	34 593	15 275	-56%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Financial Performance: Financial Services

5.2.10 Planning & Development (IDP)

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	–	–	–	–	#DIV/0!
Expenditure:					
Employees	293	329	329	317	-4%
Repairs and Maintenance	–	40	40	66	64%
Depreciation	–	–	–	–	0%
Other	50	167	167	69	-58%
Total Operational Expenditure	344	537	537	452	-16%
Net Operational (Service)	(344)	(537)	(537)	(452)	-16%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Financial Performance: IDP

5.2.11 Corporate Services

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	304	430	430	417	-3%
Expenditure:					
Employees	2 344	3 759	3 759	3 506	-7%
Repairs and Maintenance	–	20	20	3	-85%
Depreciation	61	75	75	46	-39%
Other	2 125	2 108	2 108	1 551	-26%
Total Operational Expenditure	4 530	5 961	5 961	5 105	-14%
Net Operational (Service)	(4 226)	(5 531)	(5 531)	(4 688)	-15%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

5.2.12 ICT

Description	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	1 808	1 890	1 890	1 969	4%
Expenditure:					
Employees	2 395	2 461	2 461	2 376	-3%
Repairs and Maintenance	55	25	25	46	86%
Depreciation	89	220	220	122	-45%
Other	416	514	514	270	-47%
Total Operational Expenditure	2 955	3 219	3 219	2 814	-13%
Net Operational (Service)	(1 146)	(1 329)	(1 329)	(845)	-36%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Financial Performance: ICT

5.2.13 Operating Transfers and Grants

Description	2017/18	2018/19			2018/19 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Operating Transfers and Grants						
National Government:	28 961	22 684	22 184	22 434		
Equitable Share	17 652	19 317	19 317	19 317	0%	0%
Local Government Financial Management Grant	1 700	1 700	1 700	1 700	0%	0%
Municipal Infrastructure Grant	7 609	375	375	375	0%	0%
EPWP	1 000	1 042	1 042	1 042	0%	0%
Integrated National Electrification Program	1 000	250	(250)	–	0%	0%
Provincial Government:	14 218	21 116	17 038	2 999		
WC Financial Management Improvement Grant	1 430	–	1 510	505	0%	0%
CDW	74	74	74	59	-20%	-20%
Financial Capacity - Capacity building	120	360	360	–	-100%	-100%
Financial Capacity - AFS	–	–	84	84	#DIV/0!	0%
Financial Capacity - Internship	60	–	72	56	#DIV/0!	-22%
Housing Beneficiaries	10 739	18 590	12 462	–	-100%	-100%
Western cape suction grant	–	–	99	99	#DIV/0!	0%
Capacity Building (Rollover)	240	–	240	108	#DIV/0!	-55%
Mscosa Grant	–	330	330	330	0%	0%
Road Maintenance	50	50	50	–	-100%	-100%
Library Grant	1 505	1 602	1 602	1 602	0%	0%
Thusong centre	–	110	110	110	0%	0%
Financial Capacity - SDBIP	–	–	46	46	#DIV/0!	0%
District Municipality:	125	–	–	–		
Financial Capacity - MSCOA training	125	–	–	–	#DIV/0!	#DIV/0!
Other grant providers:	23	–	–	–		
Total Operating Transfers and Grants	43 327	43 800	39 222	25 433	-42%	-35%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						
Grant Performance for 2018/19						

5.3 Grants

5.3.1 Grant Performance

Description	2017/18	2018/19			2018/19 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Operating Transfers and Grants						
National Government:	28 961	22 684	22 184	22 434		
Equitable Share	17 652	19 317	19 317	19 317	0%	0%
Local Government Financial Management Grant	1 700	1 700	1 700	1 700	0%	0%
Municipal Infrastructure Grant	7 609	375	375	375	0%	0%
EPWP	1 000	1 042	1 042	1 042	0%	0%
Integrated National Electrification Program	1 000	250	(250)	-	0%	0%
Provincial Government:	14 218	21 116	17 038	2 999		
WC Financial Management Improvement Grant	1 430	-	1 510	505	0%	0%
CDW	74	74	74	59	-20%	-20%
Financial Capacity - Capacity building	120	360	360	-	-100%	-100%
Financial Capacity - AFS	-	-	84	84	#DIV/0!	0%
Financial Capacity - Internship	60	-	72	56	#DIV/0!	-22%
Housing Beneficiaries	10 739	18 590	12 462	-	-100%	-100%
Western cape suction grant	-	-	99	99	#DIV/0!	0%
Capacity Building (Rollover)	240	-	240	108	#DIV/0!	-55%
Mscosa Grant	-	330	330	330	0%	0%
Road Maintenance	50	50	50	-	-100%	-100%
Library Grant	1 505	1 602	1 602	1 602	0%	0%
Thusong centre	-	110	110	110	0%	0%
Financial Capacity - SDBIP	-	-	46	46	#DIV/0!	0%
District Municipality:	125	-	-	-		
Financial Capacity - MSCOA training	125	-	-	-	#DIV/0!	#DIV/0!
Other grant providers:	23	-	-	-		
EPWP						
Total Operating Transfers and Grants	43 327	43 800	39 222	25 433	-42%	-35%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Grant Performance for 2018/19

5.3.2 Conditional Grants (Excluding MIG)

Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
	R'000			%		
Equitable Share	19 317	19 317	19 317	0%	0%	
Local Government Financial Management Grant	1 700	1 700	1 700	0%	0%	
EPWP	1 042	1 042	1 042	0%	0%	
Integrated National Electrification Program	250	(250)	–	-100%	-100%	
WC Financial Management Improvement Grant	–	1 510	505	#DIV/0!	-67%	
CDW	74	74	59	-20%	-20%	
Financial Capacity - Capacity building	360	360	–	-100%	-100%	
Financial Capacity - AFS	–	84	84	#DIV/0!	0%	
Financial Capacity - Internship	–	72	56	#DIV/0!	-22%	
Housing Beneficiaries	18 590	12 462	–	-100%	-100%	
Western cape suction grant	–	99	99	#DIV/0!	0%	
Capacity Building (Rollover)	–	240	108	#DIV/0!	-55%	
Mscosa Grant	330	330	330	0%	0%	
Road Maintenance	50	50	–	-100%	-100%	
Library Grant	1 602	1 602	1 602	0%	0%	
Thusong centre	110	110	110	0%	0%	
Financial Capacity - SDBIP	–	46	46	#DIV/0!	0%	
District Municipality:						
Financial Capacity - MSCOA training	–	–	–	#DIV/0!	#DIV/0!	
Other grant providers:						
Skills Development Fund Levy	–	–	–	#DIV/0!	#DIV/0!	
Total	43 425	38 847	25 058			
* This includes any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in par 5.3.1. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

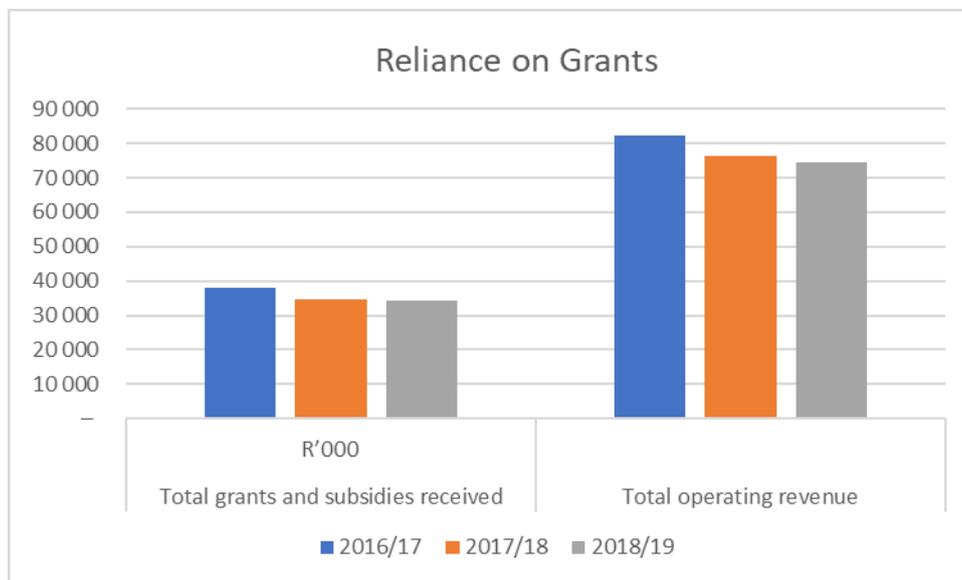
Conditional Grant (excl. MIG)

5.3.3 Level of Reliance on Grants & Subsidies

Financial year	Total grants and subsidies received	Total operating revenue	Percentage
	R'000		%
2016/17	38 116	82 168	46,39%
2017/18	34 617	76 471	45,27%
2018/19	34 417	74 597	46,14%

Reliance on grants

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



5.4 Asset Management

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

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

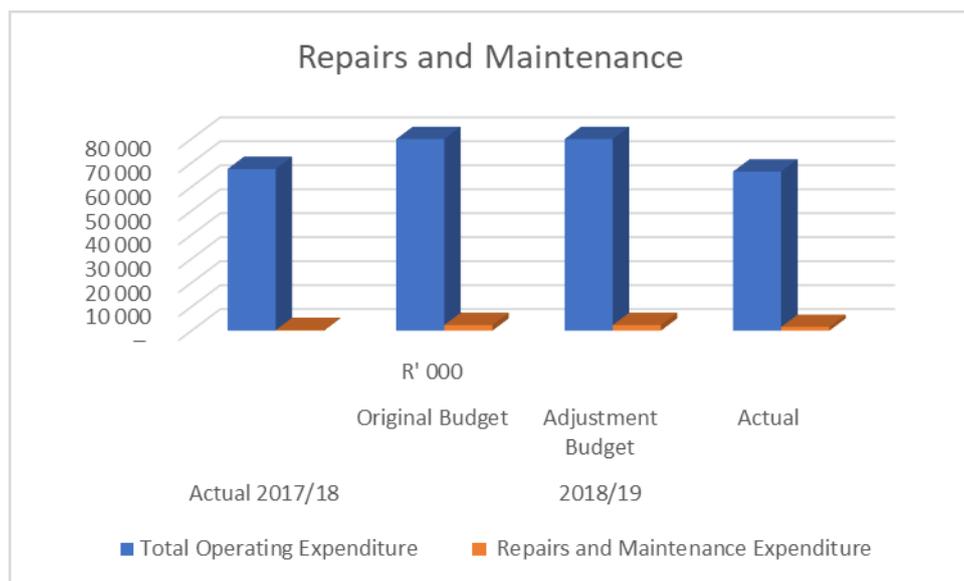
The key elements of the Asset Management Policy represent:

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

5.4.1 Repairs and Maintenance

Description	Actual 2017/18	2018/19			
		Original Budget	Adjustment Budget	Actual	Budget variance
		R' 000			
Total Operating Expenditure	67 478	79 919	79 919	66 374	-17%
Repairs and Maintenance Expenditure	292	2 355	2 355	1 590	-32%
% of total OPEX	0,43%	2,95%	2,95%	2,40%	

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



Repairs & Maintenance v/s Operational Expenditure

5.5 Financial Ratios Based on Key Performance Indicators

5.5.1 Liquidity Ratio

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Audited Outcome
Current Ratio	Current assets/current liabilities	2,71	4,27	3,8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2,38	3,35	4,9
Liquidity Ratio	Monetary Assets/Current Liabilities	2,19	3,1	3,1

Liquidity Financial Ratio

5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments – Unspent Grants)/monthly fixed operational expenditure	4,84	4,44	5,06
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	9%	13%	11%
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) X 365	5,49	581,00	767,68

KPAs Financial Viability National

5.5.3 Employee costs

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Audited outcome
Employee costs	Employee costs / (Total Expenditure)	23%	29%	30%

Employee Costs

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 Sources of Finance

Details	2017/18	2018/19				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance	Actual to OB Variance
Capital Expenditure: Funding Sources						
Description	R'000				%	
Grants and subsidies	10 564	12 400	14 488	8 210	-34%	-43%
Own funding	817	3 300	5 155	3 589	9%	-30%
Total	11 381	15 700	19 643	11 799	-25%	-40%
Capital expenditure						
Description	R'000				%	
Water and sanitation	4 236	4 975	7 624	582	-88%	-92%
Electricity	3 042	2 250	2 700	1 211	-46%	-55%
Waste water management		900	2 700	960	7%	-64%
Waste Management	441	2 688	1 126	1 790	-33%	59%
Roads and storm water	1 756	4 366	5 158	4 737	8%	-8%
Sport and recreation	–	500	710	198	-60%	-72%
Governance and administration	518	–	–	–	0%	0%
Other	849	20	236	304	1418%	29%
Total	10 841	15 700	20 255	9 783	-38%	-52%
Percentage of expenditure						
Water and sanitation	37%	32%	39%	5%		
Electricity	27%	14%	14%	10%		
Roads and storm water	15%	28%	26%	40%		
Other	7%	0%	1%	3%		

5.7 Capital Spending on 5 Largest Projects

Projects with the highest capital expenditure in 2018/19

Name of Project	2018/19				
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment variance
	R'000			%	
Roads and storm water	4 366	5 158	4 737	0,00%	-8,16%
Waste water management	900	2 700	960	0,00%	-64,43%
Electricity	2 250	2 700	1 211	0,00%	-55,16%

Capital Expenditure by Source

5.8 Basic Service and Infrastructure

5.8.2 Municipal Infrastructure Grant (MIG)

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

Municipal Infrastructure Grant (MIG)* Expenditure 2018/19 on Service backlogs					
Details	Budget	Adjustment	Actual	Variance	
		Budget		Budget	Adjustments
	R'000			%	%
Roads Infrastructure	1 760	1 760	1 663	-5,53%	-5,53%
Water Reservoir	1 975	1 975	1 975	-0,03%	-0,03%
Upgrade Storm Water Prince Albert	842	1 899	1 910	126,76%	0,58%
Upgrade Storm Water Leeugamka	514	514	534	3,89%	3,89%
Rehability of Landfill Site	288	288	254	-11,83%	-11,83%
MIG: Leeu Gamka Sport	500	500	499	-0,29%	-0,29%
WWTW Klarstroom	-	194	194	#DIV/0!	-0,01%
				#DIV/0!	#DIV/0!
				#DIV/0!	#DIV/0!
			-	#DIV/0!	#DIV/0!
Total	5 879	7 130	7 027		

* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Component C: Cash Flow Management and Investments

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

5.9 Cash Flow

Description	2017/18	2018/19		
	Audited Outcome	Original Budget	Adjustment Budget	Actual
	R'000			
Cash flow from operating activities				
Receipts				
Ratepayers and other	25 445	28 639	27 002	32 235
Government - operating	23 891	43 823	42 395	25 475
Government - capital	10 726	12 400	14 468	8 942
Interest	3 162	2 873	3 531	3 671
Dividends				
Payments				
Suppliers and employees	(53 049)	(71 363)	(67 906)	(48 466)
Finance charges	(1 181)	(55)	(55)	(1 199)
Transfers and Subsidies	(380)	–	(1 236)	(428)
Net cash from/(used) operating activities	8 613	16 317	18 199	20 229
Cash flows from investing activities				
Purchase of Property, Plant and Equipment	(11 031)	(15 584)	(21 961)	(11 938)
Disposal of Fixed Assets	449	–	–	–
Purchase of Intangible Assets	(21)	–	–	(33)
Net cash from/(used) investing activities	(10 603)	(15 584)	(21 961)	(11 972)
Cash flows from financing activities				
Loans repaid	(69)	–	–	(61)
Increase in Consumer Deposits	15	39	27	32
Net cash from/(used) financing activities	(54)	39	27	(30)
Net increase/ (decrease) in cash held	(2 044)	29 653	29 210	17 139
Cash/cash equivalents at the year begin:	27 412	747	(3 796)	8 228
Cash/cash equivalents at the year-end:	25 367	30 400	25 414	25 367

5.10 Gross Outstanding Debtors per Service

Financial year	Rates	Trading services	Economic services	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)		
(R'000)					
2017/18	1 142	4 922	3 169	446	9 678
2018/19	1 378	6 718	4 890	577	13 562
Difference	236	1 796	1 721	131	3 884
% movement year on year	17,13%	26,74%	35,19%	22,77%	

Gross outstanding debtors per service

5.11 Total Debtors Age Analysis

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	(R'000)				
2016/17	859	630	466	3 262	5 217
2017/18	999	682	508	7 489	9 678
2018/19	1 146	768	601	11 047	13 562
Difference	148	86	93	3 558	3 884
% growth year on year	13%	11%	15%	32%	29%
Note: Figures exclude provision for bad debt					

Service debtor age analysis

5.12 Borrowing and Investments

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

5.12.1 Actual Borrowings

Instrument	2016/17	2017/18	2018/19
	R'000		
Financial Leases	135	66	5
Total	135	66	5

5.12.2 Municipal Investments

Balance type type	2016/17	2017/18	2018/19
	Actual	Actual	Actual
	R'000	R'000	R'000
Deposits - Bank	27 412	25 414	33 084
Total	27 412	25 414	33 084

Municipal Investments

Component D: Other Financial Matters

5.13 GRAP Compliance

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

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

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

Chapter 6

6.1 Auditor General Report

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

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

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

Performance audits may also be performed to determine whether resources have been procured economically and are used effectively and efficiently.

The Auditor General stated that the Annual Financial Statements for 2018/19 were represented fairly, in all material respects, the financial performance and cash flows for the year ended in accordance with the South African Standards of GRAP and the requirements of the MFMA and DORA. An unqualified audit opinion with matters but no findings has been expressed. The Auditor General indicated that the financial statements of the Municipality were fairly represented in all material aspects as it reflects the financial position of the Prince Albert Municipality as at 30 June 2019 and its financial performance and cash flows for the year then ended, in accordance with the SA Standards of GRAP and the requirements of the MFMA and DORA.

The following matters have been emphasised:

- No material findings were raised on the usefulness and reliability of the reported performance information for the selected objectives, however material misstatements in the annual performance report submitted for auditing were identified, but corrected by management and thus no material findings on the usefulness and reliability of the reported performance information were found.
- The financial statements present fairly, in all material respects, the financial position of the Prince Albert Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA).

- The full report is available as an annexure C to the Annual Report.