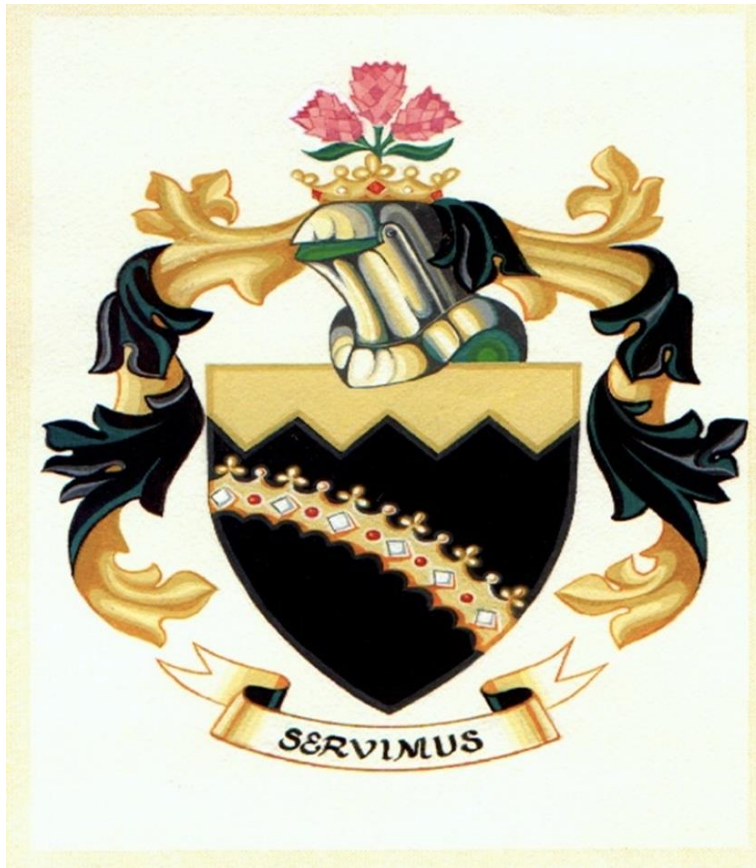


**DRAFT ANNUAL REPORT  
PRINCE ALBERT MUNICIPALITY  
2020/21**



**JANUARY 2022**

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# CHAPTER 1: Mayor's Foreword and Executive Summary

## COMPONENT A: MAYOR'S FOREWORD

### EXECUTIVE MAYOR: MAGRIETHA JAFTHA

It is my privilege to present to you the draft annual report on the 2020/21 financial year. The operations for the 2020/21 financial year was based on the needs of the community identified during our public participation processes as well as legislative requirements that was harnessed via our budget and Integrated Development Plan to deliver on the constitutional responsibilities assigned to municipalities according to section 152 of our Constitution.

The reporting year, however will be remembered for the arrival of the Covid-19 pandemic. As with the private sector, Covid-19 had a debilitating impact on our municipality. Even during these difficult times we managed to implement almost all of our capital projects. Covid-19 brought us up short and though we could not deliver on our capital and operational expenditure and income targets, we are very proud to report that our basic service delivery was not compromised at any stage.

A survey that was conducted by *Out of Order Index*, before the 1 November 2021 local government elections has ranked Prince Albert municipality under the top 15 best run municipalities in South Africa. We will strive to better this achievement, whilst we ensure financial sustainability and service delivery. Prince Albert has achieved a clean audit for the 2019/20 financial year and we intend to maintain the status quo for the 2020/21 financial year.

The Municipality continued to support registered indigent and poor households in the form of a monthly subsidy on their household accounts to cover the basic fees with regard to sewerage, refuse removal, water and electricity. Indigent households received 50 kWh of free electricity, 6 kl of water per month, free refuse removal per month, free access to sanitation and free rates if the value of the property is less than R80 000.

Vandalism and theft is unfortunately also a growing problem in parts of the municipal area and is costing the Municipality a substantial amount annually. The time has come for a major educational drive to address this problem and to convince communities that vandalism is to their own detriment. The assistance and co-operation of ward councillors and ward committee members can be invaluable in this regard.

Prince Albert Municipality was one of the lucky beneficiaries of the Regional Socio Economic Programme (RSEP). Where the existing Thusong Centre was extended to

move the Municipal Buildings closer to the communities as part of Councils spatial integration initiatives. The first phase of the building is completed. The Finance Department will be the first to move to the new space, followed by the Technical, Corporate and Community Services Departments once the other phases is completed.

In respect of job creation, 234 job opportunities were created through the Municipality's registered Expanded Public Works Programme (EPWP) in the 2020/2021 financial year. Council has also contributed R680 000.00 from its own funding towards EPWP and job creation, as well as own capital projects in the amount of R6 570 000.00, which also created additional working opportunities.

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

I would like to conclude by thanking my fellow-councillors as well as the management for keeping Prince Albert Municipality at the forefront of service delivery, management excellence and dedication. Thank you for your loyal support and for remaining positive.

**EXECUTIVE MAYOR**

**MAGRIETHA JAFTHA**

## Component B: Executive Summary

### **1.1 Municipal Manager's Overview**

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

The operating environment for municipalities has been difficult and complex for several years and the 2020/2021 financial year was no less challenging than the previous years. However, I believe that we can once again look back on another good year with some notable achievements. The Municipality performed well overall and detailed information can be obtained throughout this annual report.

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

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

Personnel costs as a percentage of total expenditure amounted to 34.3% in 2020/2021, compared to 33.3% in 2019/20. This is well within the national norm of between 25 to 40% and shows that personnel costs were well under control. The challenge is to keep this under control with the increasing demand of expectations regarding improved service delivery.

The Chief Financial Officer (CFO) resigned during February 2021 and since then the municipality has been without a CFO and senior staff within the finance Department. This in turn had huge capacity constraint within the department in terms of leadership and the day to day management of the department. We could not meet the legislative deadline in submitting the Annual Financial Statements at 30 August and could only submit by 30 October 2021. As a result of the late submission of the AFS, the Auditor General is still busy with the 2020/21 audit.

The former Municipal Manager, ms Anneleen Vorster also resigned in October 2021 and Council appointed myself, Aldrick Hendricks as acting Municipal Manager as from 2 November 2021 – 31 January 2022 to ensure there is a smooth transitions until a permanent MM is appointed.

With a reduction in trade services sold due to the lockdown, job losses and reduced income all around, the payment ratio target of 85% could not be reached and have still not recovered. The municipality reached an 81.7% payment ratio of services compared to 76.5% in the 2019/20 financial year. While the economic circumstances of the public are recognised, the Municipality will have to implement strict credit control to continue to need the basic service delivery demands of the community. Prudent financial expenditure will be of the utmost importance.

To support the struggling economy Council has resolved to undertake in house capital projects based on labour intensive practices, in order to create temporary jobs during these difficult times.

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

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

**ALDRICK HENDRICKS**

**ACTING 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 2020/21 Annual Report reflects on the performance of the Prince Albert Municipality for the period 1 July 2020 to 30 June 2021.

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 South End, Ward three includes the portion of Prince Albert North End surrounding the Pentecostal Protestant Church, while ward 4 includes the area of Rondomskrik and West end in Prince Albert.

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 2km<sup>2</sup>.

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:

2017*	2018*	2019*	2020*	2021*	% growth
14 346	14 673	15 000	15345	16 054	2.23%

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

**b) Population profile**

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

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

*Table 2: Population profile (SEP report: 2019)*

**1.3.2 Households**

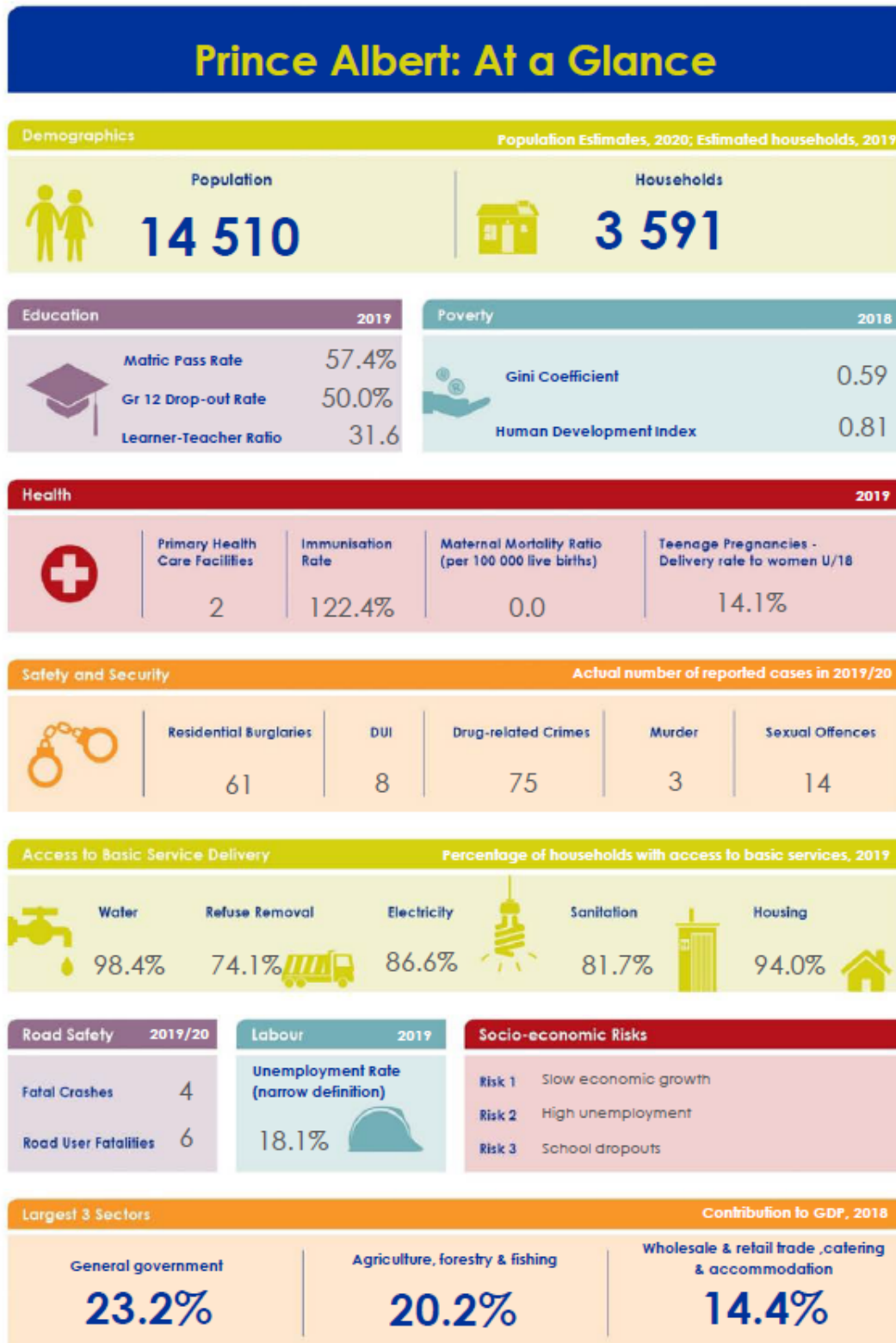
The following table reflects the number of households in the municipal area as well as the indigent households per financial year.

Households	2017/18	2018/19	2019/2020	2020/21
Number of households in municipal area	2 536	2 554	2 809	2820
Number of indigent households in municipal area	872	1060	1 210	1 166



### 1.3.3 Socio Economic Status

The following table reflects key socio-economic statistics of the area as per 2020 Socio Economic Provincial report.



## 1.4 Service Delivery Overview

### 1.4.1 Basic services delivery performance highlights

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

Highlights	Description
Successful drought management	Strict demand management has been implemented resulting in continuous water supply
Improvement of water security	Equipping of boreholes to improve water security
New Park for West End, Prince Albert	New health park for West End
Installation of speed calming devices	Erecting additional speed calming devices in wards
Improved efficiency on refuse removal	Utilisation of compactor truck for refuse removal
Building maintenance	Upgrade of Municipal Main Building Upgrade Municipal Building along the N1 Corridor in Leeu Gamka (LED Initiative) Poort Pourri (LED Initiative) Upgrading of EE centre in Prince Albert Upgrade of Thusong Centre New Municipal Buildings in Prince Albert & Leeu-Gamka
Transformer maintenance	Transformers send for maintenance
Skills transfer on EPWP program	EPWP workers trained in pot hole repair
Stand-by generators	All three towns was equipped with stand-by generators for the boreholes and pump stations
Electricity for Klaarstroom informal settlement	50 informal structures was connected to electricity in Klaarstroom informal settlement

**Table 5: Basic Services Delivery Highlights**

### 1.4.2 Basic services delivery challenges

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

Ward	Challenge	Actions to address
	Ageing municipal Fleet: Continuous breakdowns of operational vehicles needed for day to day basic service delivery	A fleet management replacement model was adopted by Council as a guideline to plan for the systematic replacement of ageing fleet. Provision

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

Ward	Challenge	Actions to address
		substantial work was executed due to the national COVID 19 Lockdown. Rehabilitation work will be executed during the 2020/2021 financial year with the focus to create air space for a further five years.
All	Lack of cash backed provision for rehabilitation of landfill site	Make cash backed budgetary provision for rehabilitation of all landfill sites
All	Waste Management: Management and Maintenance and Waste Transfer Stations in Prince Albert and Leeu Gamka.	<p>The possibility was explored to appoint local upcoming entrepreneurs to assist the municipality with the continuous maintenance of Waste Transfer Stations. The concept yielded no success due to the affordability.</p> <p>The focus of the municipality and community should shift towards recycling. An action plan to institutionalise recycling will be developed and promoted. Community and private sector buy in is crucial for any recycling initiative to succeed.</p> <p>Law enforcement actions on littering and related by-laws will be intensified.</p>
All	Sewerage Network Reticulation / Frequent Sewage Blockages as a result of network capacity and vandalism. Discharge of foreign objects in sewerage system	<p>Education of Community to limit acts of vandalism.</p> <p>Improve sewerage operational equipment. Provision has been made in the 2020/2021 financial year to procure a high-pressure sewerage jetting machine.</p>
All	Water Network Reticulation / Ageing Asbestos Water Pipes / Water Pipe Burst	Huge Capital investment is needed to systematically replace asbestos water pipes and valves.

**Table 6: Basic Services Delivery Challenges**

### 1.4.3 Proportion of Households with access to Basic Services

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

Proportion of Households with minimum level of Basic services					
Detail	2016/17 (%)	2017/18 (%)	2018/19 (%)	2019/20 (%)	2020/21
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
Transfer to Capital Replacement reserve	The municipality's available cash reserves were enough to enable a transfer to the CRR for funding of future capital projects
Municipal tariffs the cheapest in the Western Cape	A provincial study found that Prince Albert Municipality have the cheapest tariffs in the Western Cape

Table 8: Financial Viability Highlights

### 1.5.2 Financial Viability Challenges

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

Challenge	Action to address
Capacity constraints	Multi skilling of staff ; organogram to be reviewed to enable a split of oversight functions to improve control
mSCOA compliance	Financial support application
Debt collection – especially in Eskom areas;	Appointment of dedicated staff for debt collection
Increase in bad debt provision due to	Stringent compliance of debt collection

<b>Challenge</b>	<b>Action to address</b>
increase in outstanding water debtors	policy and measures
Tariffs not sustainable and not covering cost	Review of tariff structure
Failure to generate projected Revenue Budget on Traffic Fines	Filling of Superintendent Traffic Services position. Explore the possibility to acquire a speed device / camera via direct procurement or service level agreement.
Financial Sustainability / Limited revenue streams	Explore possible options for additional revenue streams. The establishment of a drivers license testing station. Review of all municipal tariffs.

**Table 9: Financial Viability Challenges**

#### 1.5.4 Financial Overview

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

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

**Table 10: Financial Overview**

The income is lower than projected as the electricity income reduced significantly due to loadshedding. The housing subsidy was significantly reduced and therefore the grant income was reduced. The expenditure was lower than projected due to savings and the fact that drought funding could not be spend due to supply chain challenges, the lack of environmental authorisation and the fact that one project was stopped before appointment on request of Province. In response to the COVID 19 Pandemic the municipality on instruction of government reprioritised MIG funding and identified new water and sewerage related projects which had to be subjected to a full blown MIG appraisal process. These projects were approved late in the financial year and could not be implemented as a result the municipality applied for the roll-over of these funds/projects to the 2020/2021 financial year. The Covid-19 lockdown

had an immense impact on the payment percentage towards services charges and taxes. The payment percentage reduced to under 50% during the lockdown period and Council was required to amend their budget to make provision for increased indigent support, while their expenses in terms of Plant, Property and Equipment (PPE) increased significantly to combat Covid-19.

### 1.5.5 Total Capital Expenditure

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

Detail	2016/17	2017/18	2018/19	2019/20	2020/21
	R'000				
Original Budget	8 701	8 528	15 700	22 131	15 505
Adjustment Budget	9 894	17 383	19 543	33 034	22 005
Actual	9 162	10 841	12 192	13 063	17 100
% Spent	93%	62%	62%	40.2%	77.7%

**Table 11: Total capital expenditure.**

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

## 1.6 Organisational Development Overview

### 1.6.1 Municipal Transformation and Organisational Development

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

Highlights	Description
Critical appointments made	Senior manager operations, Manager Community Services and Skills Development Facilitator was appointed
Workplace Skills Plan submitted	Submitted within timeframe
HR policies reviewed	Several HR policies reviewed
Organisational review	Organisational review undertaken

Highlights	Description
Vacancy rate	Vacancy rate at 23.76 % hampering service delivery.
Setting of service level standards	Establishing a culture of meeting service level standards according to Charter

**Table 12: Municipal Transformation and Organisational Development Highlights**

### 1.6.2 Municipal Transformation and Organisational Development Challenges

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

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

**Table 13: Municipal Transformation and Organisational Development Challenges**

## 1.7 Auditor General Report

### 1.7.1 Audited Outcomes

The following table reflects the audited outcomes for the last four financial years.

Year	2017/18	2018/19	2019/20	2020/21
<b>Opinion received</b>	Unqualified with matters	Unqualified without matters - clean audit	Unqualified without matters - clean audit	still awaiting outcome

**Table 14: Audit Outcome**



## 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 2020/21 financial year. The capital expenditure target of 90% could not be reached due to supply chain processes as well as challenges with covid-19 pandemic. 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	Municipal Achievement	Municipal Achievement	Municipal Achievement	Municipal Achievement
	2016/17	2017/18	2018/19	2019/20	2020/21
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	78.8%	74.7%	62.3%	40.2%	77.2%

Table 15: Capital budget spend

## 2.2 Performance Highlights - Good Governance and Public Participation

Below is a table that indicates the highlights pertaining good governance and public participation for the 2020/21 financial year:

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

**Table 16: Good Governance and Public Participation Performance Highlights**

### 2.3 Challenges - Good Governance and Public Participation

Below is a table that indicates the challenges pertaining good governance and public participation for the 2020/21 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
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 2020/21 financial year:

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

**Table 18: Council per political affiliation**

Below is a table which indicates the Council meetings attendance for the 2020/21 financial year:

<b>Meeting dates</b>	<b>Type of Council meeting</b>	<b>Council Meetings Attendance</b>	<b>Apologies for non-attendance</b>
10 July 2020	Special	90%	10%
21 July 2020	Special	100%	0%
28 July 2020	Special	100%	0%
30 July 2020	General	80%	20%
13 August 2020	Special	100%	0%
19 August 2020	Special	90%	10%
31 August 2020	Special	100%	0%
29 September 2020	General	100%	0%
30 October 2020	Special	80%	20%
10 December 2020	Special	100%	0%
14 December 2020	Special	100%	0%
29 January 2021	Special	100%	0%
22 February 2021	Special	100%	0%
10 March 2021	General	100%	0%
31 March 2021	Special	100%	0%
14 April 2021	Special	90%	10%
3 May 2021	Special	100%	0%
27 May 2021	Special	100%	0%
21 June 2021	Special	90%	10%
<i>Numbers between brackets indicate non-attendance without apology</i>			

**Table 19 Council meetings**

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

### **Executive Mayoral Committee**

Prince Albert Municipality has an Executive Mayor, 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 was under the chairmanship of Cllr G Lottering and deals with financial matters in the municipality.

Name of member	Capacity	Meeting dates
Cllr G Lottering	Chairperson	13/08/2020 09/10/2020 06/02/2021 10/03/2021
Cllr M Jafftha	Member	
Cllr S Botes	Member	
S Konthea	Member	
Cllr L K Jaquet	Member	
Cllr E Maans	Member	
Cllr S Piedt	Member	

**Table 20: Finance Committee**

ii) **Personnel and Transformation Committee**

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

Name of member	Capacity	Meeting dates
Cllr M D Jafftha	Chairperson	12/08/2020 09/10/2020 02/02/2021 10/03/2021
Cllr G Lottering	Member	
Cllr S Botes	Member	
Cllr S Konthea	Member	
Cllr L K Jaquet	Member	
Cllr E Maans	Member	
Cllr S Piedt	Member	

**Table 21: Personnel and Transformation Committee**

**iii) Civil Services Committee**

All councillors in Prince Albert Council form part of the respective Portfolio Committees. The Civil Service Committee is under the chairmanship of Cllr G Goliat 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
Cllr G Lottering	Chairperson	30/07/2020 25/09/2020 09/10/2020 02/02/2021 21/02/2021 10/03/20201
Cllr M D Jafftha	Member	
Cllr S Botes	Member	
Cllr S Koonthea	Member	
Cllr E Maans	Member	
Cllr S Piedt	Member	
Cllr L Jaquet	Member	

**Table 22: Civil Services Committee**

iv) **Community Services and Development Committee**

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

Name of member	Capacity	Meeting dates
Cllr S Piedt	Chairperson	12/08/2020
Cllr M Steyn/ S Konthea	Member	09/10/2020
Cllr M Jaffha	Member	02/02/2021
Cllr G Lottering	Member	10/03/2021
Cllr E Maans	Member	
Cllr S Piedt	Member	
Cllr S Botes	Member	

**Table 23: Community Services and Development Committee**

**2.4.2 Administrative Governance Structure**

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

Name of Official	Department	Performance agreement signed
		(Yes/No)
Anneleen Vorster	Municipal Manager	Yes
Jannie Neethling (Resigned on 31 October 2020)	Chief Financial Officer	Yes

**Table 24: Administrative Governance Structure**

**2.5 Intergovernmental Relations**

South Africa has an intergovernmental system that is based on the principle of cooperation between the three spheres of government – local, provincial and

national. While responsibility for certain functions is allocated to a specific sphere, many other functions are shared among the three spheres.

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

### **2.5.1 Provincial Intergovernmental Structures**

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

We participate in the following intergovernmental forums:

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



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

- ∞ Provincial ICT Forum where municipalities and provincial departments engage on ICT matters.
- ∞ Provincial Air Quality Management Forum where municipalities and province engage on air quality management.
- ∞ Provincial Head Planning Forum where the Heads of Planning of the municipalities and Province engage with each other on planning matters.
- ∞ Shared Service Forums where municipalities in the Central Karoo and Province engage with each other on Shared Service Functions.
- ∞ Central Karoo Disaster Management Forum where Municipalities in the Central Karoo engage on Disaster Management Matters.
- ∞ Chief Traffic Forum where the Chiefs of Traffic in the Western Cape, the Department of Public Transport, the Department of Justice and the Department of Community Safety engage on traffic law enforcement
- ∞ E-Natis Provincial Task Team where E-Natis users engage with each other on E-Natis management
- ∞ Central Karoo RIMS Forum where nominated law enforcement officials engage on law enforcement and incident management.
- ∞ 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:

<b>Nature and purpose of meeting</b>	<b>Date of events</b>	<b>Number of Participating Municipal Councillors</b>	<b>Number of Participating Municipal Administrators</b>
SMS messaging	Continuous	Not applicable	One
Bulk e-mail distribution	Continuous	Not applicable	Two
CWP Referencing Committee	Once every two months	All	Two
Stakeholder Engagement	Twice a year	Four	One
Ward committee summit	Once a year	Four	Two
IDP meetings	Twice a year	All	Four
Indigent registration	May/June 2020/21	All	Two
Water restrictions	Continuous	All	Three

Thusong Outreach	One a year	All	Five
Debt Collection Campaigns and indigent registrations	Continuous during reporting year	All	Four
Housing update	Once a year	All	Four
Water Forum	Once a quarter	All	Four
Kweekvallei Water Association meetings	Once a month	One	Two
Small Farmer engagements	Twice a year	One	Two

### 2.6.2 Ward Committees

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

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

Name of representative	Capacity representing	Dates of meetings
Cllr E Maans	Ward councillor	13 August 2020 ward committee meetings Door to Door in September 2019 11 October 2020 ward feedback
Anna Jonas	Block representative	
Ben Stols	Block representative	
R Lottering	Block representative	

Name of representative	Capacity representing	Dates of meetings
D Steenkamp	Block representative	meeting
P de Klerk	Block representative	December Door to Door meetings
K Vister	Block representative	15 January 2021 ward committee meeting
G Booysen	Block representative	Door to door meetings in February 2021
N Baadjies	Block representative	Block meetings in March 2021
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 2020 door to door outreach
A Goosen	Block representative	20 September 2020 block meetings
A Pienaar	Block representative	11 October 2020 ward committee meetings
J Plaatjies	Block representative	November and December 2019 door to door outreaches
S Makier	Business representative	19 January 2021 ward committee meetings
G van Hasselt	Farm representative	February door to door outreaches
P Gibson	Heritage representative	March block meetings
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 2020
Fransiena Januarie	Block representative	Block meetings 20 September 2020
Jo Anne Blou	Block representative	Ward Committee 1 October 2020
Enid Griebelaar	Block representative	Report Back meeting 11 October 2020
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 2021
Beaudine Tock	Block representative	
Vacancy	Block representative	
Vacancy	Block representative	

**Table 28: Ward 3 Committee Meetings**

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

Name of Representative	Capacity Representing	Dates of meetings
Cllr M D Jaffha	Ward Councillor	15 July 2020 Door to Door
H Pieterse	Block representative	15 August 2020 Door to Door
K Koonthea	Block representative	Block meetings 17 September 2020
G Abrahams	Block representative	Ward committee meeting 16 October 2020
J Pietersen	Block representative	November to January Door to door meetings
Y van Wyk	Block representative	
J du Toit	Block representative	

Name of Representative	Capacity Representing	Dates of meetings
J Pieterse 3 vacancies	Block representative	Block meeting in February 2021 Door to Door in March 2021

**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 2019 was tested during the reporting year and found to improve the functioning of the ward committee system. The ward committees undertook door-to-door visits in the first month, convene block meetings in the second and attend ward committee and ward feedback meetings in the third month. This assisted in improved mobilisation and information dissemination within the communities.

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

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

### 2.6.3 Functionality of Ward Committee

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

Table 30: Functioning of Ward Committees

### 2.6.4 Representative Forums

#### a) Labour Forum

The table below specifies the members of the Labour Forum for the 2020/21 financial year:

Name of representative	Capacity	Meeting dates
Cllr E Maans	Chairperson	29/08/2020
B May	IMATU	5/11/2020
M D Jaffha	Councillor	16/03/2021
A Vorster	Employer	23/06/2021
G van der Westhuizen	Employer	

Table 31: Labour Forum

It should be noted that Prince Albert Municipality have no SAMWU members. While IMATU remains the dominant union, MATUSA procured organisational rights at Prince Albert Municipality. They are, however not part of the Collective Bargaining

Agreement and therefore not a member of the Local Labour Forum. The Municipality only hold Local Labour Forum meetings if there are agenda items to discuss as proposed either by Imatu or the Employer.

## 2.7 Risk Management

The table below reflects the Risk Committee:

Member	Capacity	Department
1. A Vorster	Chairperson	Municipal Manager
2. A Badenhorst	Member	Internal Audit
3. D Vermeulen	Member	Audit Committee member
4. G van der Westhuizen	Member	Corporate and Community Services

*Table 32: Risk Committee*

## COMPONENT D: CORPORATE GOVERNANCE

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

### 2.8 RISK MANAGEMENT

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

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

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

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



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

For the 2020/21 financial year the top 5 strategic and operational risks identified are as follows:

### **2.8.1 Strategic Risks**

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

### **2.8.2 Operational Risks**

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

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

### 2.8.3 Anti-Corruption and Anti-Fraud

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

#### a) Developed Strategies

Name of strategy	Developed Yes/No	Date Adopted/Reviewed
Anti-corruption and Fraud Prevention strategy and Implementation plan	Yes	Reviewed in June 2018
Risk Management Policy	Yes	Reviewed in June 2020
Risk Management Strategy and Implementation Plan	Yes	Reviewed in June 2020

Table 32: Strategies

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

Name of representative	Capacity	Meeting dates
A Dippenaar	Chairperson	27 August 2020

Name of representative	Capacity	Meeting dates
D Vermeulen	Member	10 December 2020 5 February 2021 28 June 2021
JC van Wyk	Member	
A Badenhorst	Internal Auditor	

**Table 33: Members of the Audit Committee**

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 2020/21 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 2020/21 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:

<b>Policies developed/ revised</b>	<b>Date adopted</b>	<b>Public Participation Conducted Prior to adoption of policy Yes/No</b>
Order rules for Council	21 May 2021	No – internally via LLF
EPWP policy	21 May 2021	No – internally via LLF
Credit control policy	21 May 2021	No – internally via LLF
Budget Policy	29 May 2021	Yes
Credit Control policy	29 May 2021	Yes
Asset Management policy	29 May 2021	Yes
Tariff Policy	29 May 2021	Yes
Rates Policy	29 May 2021	Yes
Indigent Policy	29 May 2021	Yes
Capital Contribution Policy	29 May 2021	Yes
Borrowings Policy	29 May 2021	Yes
B and I Policy	29 May 2021	Yes
Consultants Policy	29 May 2021	Yes
Relief and charity fund policy	29 May 2021	Yes

**Table 36: Policies developed and reviewed**

## 2.11 Communication

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

accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

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

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

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

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

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

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

<b>Communication activities</b>	<b>Yes/No</b>
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:

<b>Documents published on the Municipal website</b>	<b>Published (Yes/No)</b>
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 2019/20	Yes
All service delivery agreements for 2020/21	No
All supply chain management contracts above the prescribed value for 2020/21	No
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2020/21	Yes
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2020/21	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%
D Sarelse	

Table 39: Attendance of members of bid specification committee

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

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

Table 40: Attendance of members of bid evaluation committee

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

Member	Percentage attendance
Mr JD Neethling (resigned 28 February 2021)	100%
Mr G van der Westhuizen	100%
Mr C Jaffa	100%

Table 41: Attendance of members of bid adjudication committee

The percentages as indicated above include the attendance of those officials acting in the position of a bid committee member. After the resignation of the former CFO, assistance was given by the CFO's of the Central Karoo District Municipality and Laingsburg Municipality, when a bid was adjudicated.

#### 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
45/2020	Construction of New Sidewalks in Noor Einde, Prince Albert and Bitterwater, Leeu Gamka for the Prince Albert Municipality	De Jagers Loodgieters Kontrakteurs	2 032 560,36
146/2020	Appointing of Consulting Engineers for various	SMEC : Transport	R4 445 095.00
		SMEC: Water	R 4 45 095.00

<b>Bid number</b>	<b>Title of bid</b>	<b>Successful Bidder</b>	<b>Value of bid awarded</b>
	municipal infrastructure and building projects	Urban Engineering Pty Ltd: Structural	R 4 045 930.00
		Niel Lynders and Associates: Electrical	R4 310 246.00
		Niel Lynders and Associates: Mechanical	R 4 475 731.00
		SMEC: Waste	R 4 445 095.00
147/2020	Supply, delivery, installation, maintenance and financing of office automation equipment for a contract period ending 30 June 2023	Konica Minolta	329 895,00
27/2021	Extension: Construction of Boundary wall at Leeu Gamka Sports Facility	Kgotla Holdings	R449 248.65
28/2021	Upgrading of Roads and Stormwater in Klarstroom and Upgrading of stormwater in North-End Prince Albert	Entsha Henra	R3 692 596.01
29/2021	Supply, Installation and Commissioning of Diesel driven standby Generators in Leeu Gamka, Prince Albert and Klarstroom	MDL Engineering	R3 106 810.07
37/2021	Upgrading of Roads and Stormwater in Leeu Gamka	De Jagers Loodgieters Kontrakteurs	R7 289 625.75
40/2021	Construction of a New 200KL portable Water	De Jagers Loodgieters Kontrakteurs	R2 142 239.30



Bid number	Title of bid	Successful Bidder	Value of bid awarded
	Storage Reservoir and Provision of Ablution blocks to the informal settlement of Klaarstroom		
43/2021	Supply , Delivery and Installation of an Electronic record, document and workflow system for a contract period of three (3) years	Bussiness Engineering	R397 865.40
44/2021	Provision of Professional services: Managing the short term insurance portfolio of Prince Albert Municipality for a contract period of three (3) years	Lateral Unison	R1 573 650.00
54/2021	Maintenance of the Reverse osmosis and ultra Filtration water treatment plant for Leeu Gamka	Quality Filtration Systems	R690 210.00
246/2021	Prince Albert:Extension of existing Thusong Centre for municipal offices	New Morning Construction	R4 599 251.93

**Table 42 Ten highest bids awarded by bid adjudication committee**

**a) Awards Made by the Accounting Officer**

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

**b) Appeals lodged by aggrieved bidders**

No appeals was received by the appealing authority for the reporting period

### c) Unsolicited bids

The municipality received an unsolicited bid from Re-Use Technologies South Africa. The bid was not successful, due to the complexity of the project and that such a process should follow a competitive bidding process.

#### 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	1	R 28 663.05	6.02%
Emergency	0	R 0	0%
Impractical	15	R R419 150.11	93.98%
<b>Total</b>	<b>16</b>	<b>R 447 813.16</b>	<b>100%</b>

Table 43: Summary of deviations

#### 2.14.3 Logistics Management

As at 30 June 2021, the value of stock at the municipal stores amounted to R605 249.

The system of disposal management must ensure the following:

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

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

### **Information on compliance with the B-BBEE Act**

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

# CHAPTER 3

## Introduction

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

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

## Component A: Basic Services

### Introduction to Basic Services

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

### 3.1 Water Provision

#### Introduction to Water Provision

Prince Albert Municipality is the water service provider for the towns of Klaarstroom, Prince Albert, Prince Albert Road and Leeu Gamka. Prince Albert's bulk water supply is provided from nine boreholes with varying supply levels. These boreholes draw water from the Table Mountain, Bokkeveld and Witteberg Group aquifers. The boreholes are in a good condition and frequent maintenance is carried out. The total licensed abstraction for these boreholes is 0.229 million m<sup>3</sup>/a.

In summary, municipal production boreholes have been developed in high groundwater potential, folded rocks of the Cape Supergroup. Production boreholes were developed in the Table Mountain Group (TMG) sandstones in the southern part of the well-field, while boreholes in the central part of the wellfield are developed in Bokkeveld Group shales. Directly south of Prince Albert town, boreholes have been developed in the Witteberg Subgroup shales and sandstones. The town of Prince Albert itself is located on low groundwater potential rocks of the Karoo Supergroup, namely the Dwyka and Ecca Groups. (Murray,2007)

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 m<sup>3</sup>/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. An extensive Groundwater Management and Artificial Recharge Feasibility Study was done by Groundwater Africa in 2007. This work forms the basis of the current geohydrological component of the investigation to ensure that recommendations made in their report are re-evaluated and implemented in the light of the current drought crisis. Follow up work was done by Groundwater Africa in 2010 in terms of amended abstraction rates in preparation of the 2010/2011 summer season. SRK Consulting has been appointed by the Central Karoo District Municipality for groundwater monitoring up to the end of May 2019. Reports that could be obtained from the municipality were referenced as part of the current investigations.

Leeu-Gamka and Klaarstroom have no surface water allocations and is solely dependent on its boreholes. The Municipality built borehole enclosure structures and security fencing around the boreholes to protect the borehole equipment. Flood damage to equipment and infrastructure in Prince Albert remains a high risk, and in future, the drilling of an alternative boreholes that is not so prone to flooding. The Transnet borehole was added to the Leeu Gamka water supply system with a potential abstraction rate of 300m<sup>3</sup> 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. This project was completed successfully.

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.

The Municipality, in the previous year, added two production boreholes in Prince Albert that was production boreholes. This assisted with consistent water production.

The Municipality wish to thank the Kweekvallei Water Board for their support and co-operation during the year. With the ongoing drought the partnership with the Kweekvallei Water Board is imperative. With the ongoing drought in the Western Cape and with the emergency declaration of previous years, it became imperative that the water from the irrigation furrow from the Dorpsriver had to be protected.

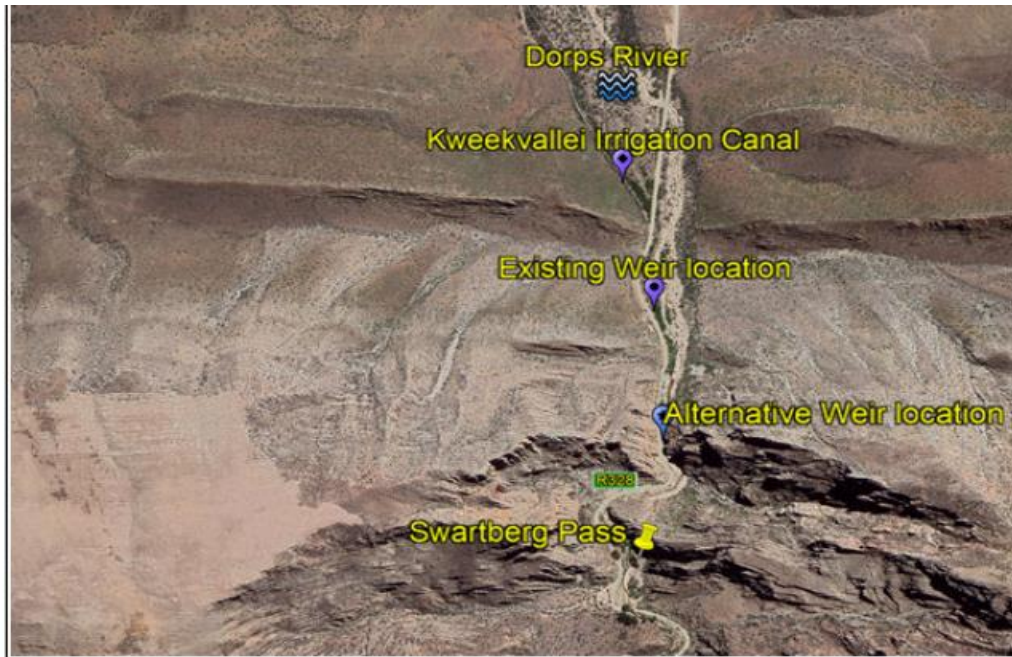
Prince Albert municipality is also a member of the Western Cape Drought Relief Action Plan (DRAP) which was launched on 11 April 2019 in Prince Albert by MEC Anton Bredell. With the Covid-19 security levels, quarterly in person meetings could not be held, but quarterly monitoring did take place virtually.

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.

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 undertake the piping of a section of the irrigation water from the Dorpsriver and connect it to the existing furrows as a measure to protect the watersources from leaks and evaporation. This project was initially delayed but will commence in the 2021/22 financial year. The project's location is indicated below and will be implemented in partnership with the Kweekvallei Water User's Association.



### Location of proposed project

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

- Prince Albert: Dorps River and nine boreholes.
- Leeu-Gamka: Three boreholes
- 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. The situation have not improved since.

Water losses are restricted to the minimum. Water losses for 2019/20's losses at 23.9%, with losses for the 2020/21 year at 32.6%. These losses are measured from the source to the sector meters and include the losses in the purification works. The Municipality must emphasise that the watering of the sport fields is not metered separately from the construction supply and is reflected as non-revenue water. A meter was installed at the sport facilities during the 18/19 financial year. The Municipality curbed water losses by means of a door to door campaign where they repaired water leakages on private property. This was done not only to curb water losses but to mitigate the drought conditions prevailing in the area. The water losses have increased significantly during the past two (2) financial years. The municipality is still investigating the high-water losses through the billing system as well as testing the accuracy of the data. The Municipality adjusted their policy to allow them to assist indigent families with water leaks inside the house in an effect to curb water losses and curb a loss of income as indigent people cannot afford to pay increased municipal accounts.

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

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

- (i) Drafted a Water Supply Emergency Intervention Plan to address the current water supply emergency situation and to ensure resilience with respect to water supply security into the future.
- (ii) The Municipality continues to implement water consumption restrictions within its jurisdiction. At present the water restrictions are at Level 4 with only 90 liters per of water per person per day allowed.
- (iii) Water leak detection and repair campaigns were undertaken continuously.
- (iv) Worked with the Provincial Department's appointed Geohydrologists to ensure continued water use and production monitoring to ensure continued water security to all towns.
- (v) The iron removal plant in Prince Albert has also been taken into commission.

**a) Water Service (piped water) Delivery Levels**

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

Description	2017/18	2018/19	2019/20	2020/21	
	Actual	Actual	Actual	Actual as per census – including farms	Actual as serviced by Municipality
	No.	No.		No	No
<b>Water: (above min level)</b>					
Piped (tap) water inside dwelling/institution	2536	2554	2820	2809	2819
Piped (tap) water inside yard	0	0	93	28	20
Piped (tap) water on community stand: distance less than 200m from	28	28	93	34	26
Minimum Service Level and Above sub-total	2564	2582	3 518	2871	2866



Description	2017/18	2018/19	2019/20	2020/21	
	Actual	Actual	Actual	Actual as per census – including farms	Actual as serviced by Municipality
	No.	No.		No	No
Minimum Service Level and Above Percentage	100%	100%	98.3%	100%	100%
<b>Water: (below min level)</b>					
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	0	0	0	0	0
Using public tap (more than 200m from dwelling), distance between 500m and 1000m (1km) from dwelling /institution	0	0	0	0	0
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	0	0	0	0	0
No access to piped (tap) water	0	0	0	0	0
Below Minimum Service Level sub-total	0	0	60	0	0
Below Minimum Service Level Percentage	0	0	0	0	0
Total number of households	2564	2582	2866	2871	2828
	<b>Included in the above table:</b> Formal residential, Informal residential, Traditional residential Farms, Parks and recreation Collective living quarters, Industrial Small holdings, Commercial <i>The above table 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	
2019/20	2020/21
2820	2828

**Table 45: Source: PAMUN SDBIP – 2020/21**

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 2020/21 financial year.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2020/21			Comment
					Target	Actual	R	
TL16	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	All	2 820	2 820	2 454		This KPI is based on new water connections to the water network that is billed.
TL17	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	1 092	1 400	1 166		
TL26	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klaarstroom	% of test results complying with SANS 241	All	87.3%	80%	88.4%		
TL28	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%	32.6%		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

**b) Employees: Water Services**

The following table depicts the staff deployment in respect of water services. As most of the staff in Prince Albert Municipality performs dual functions, these numbers cannot be reconciled perfectly. A permanent water process controller was appointed in Klaarstroom in March 2021 to assist with the monitoring and compliance of the water and waste water operations.

**a) Employees: Water Services**

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

Job Level	2018/19	2019/2020	2020/2021	Vacancies (as a % of total posts)
	Employees	Employees	Employees	
	No	No		
0 – 3	0	0	0	
4 – 6	1	2	3	
7 – 9	1	0	1	
10 – 12	0	1	1	
13 – 15	0	0	0	
16 – 18	0	0	0	
19 – 20	0	0	0	
<b>Total</b>	<b>2</b>	<b>3</b>	<b>5</b>	

Table 47: Employees: Water Services

**b) Capital: Water Services**

The following table reflects the municipality's capital expenditure for the 2020/21 financial year in respect of water services.

Capital Expenditure 2020/2021: Water Services				
R'000				
Capital Projects	2020/2021			
	Budget	Adjustment	Actual	Variance
		Budget	Expenditure	from original budget %

Water management	2 560	6 969	4 629	34%
Waste water management	3 750	6 590	3 728	43%
<b>Total</b>	<b>6 310</b>	<b>13 559</b>	<b>8 357</b>	<b>39%</b>

### 3.2 Waste water (sanitation) provision

#### Introduction to Sanitation Provision

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

#### Klaarstroom

The sanitation system for Klaarstroom comprises a full waterborne system. The Klaarstroom WWTW does not hold any permit or license but function under a general authorisation. Wastewater is screened in town and pumped to the WWTW. The works has a design capacity of 50 kl/day and was constructed in 1970. The design capacity has been increased to 120 kl/day. This WWTW was recently upgraded by the addition of a septic tank, an anaerobic pond, an oxidation pond and an effluent reservoir from which the final effluent is irrigated onto an adjacent field. The WWTW has also now been upgraded at a cost of R 5 360 548.82 and the Department of Water and Sanitation issued a license for the Klaarstroom Waste Water Treatment Works.

#### 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.

Engagements took place with both PRASA and Transnet on service delivery to these areas and to possibly eradicate the bucket system. Ownership of these areas must also be finalised.

#### Prince Albert

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

pond system. A serious case of sewerage spillage occurred at the Prince Albert Waste Water Treatment Works just after the closing of the reporting year. Assistance was procured from Saldanha Municipality and Misa to improve the management of the system and prevent any future spillage.

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

The sewerage tariff for the septic and conservancy tank removal was well below actual cost and therefore the tariff was increased with 15% for the 2020/21 financial year. Extensive public participation took place in preparation of the increase. This service is still subsidised by the Municipality and further increases is forthcoming.

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

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

Highlights	Description
Approvals and installations of new connections	More people connected to waterborne systems.
Upgrade of Prince Albert Waste Water Treatment Works	New aerators installed. Outlet allows for chlorinazation.
Upgrade of the Klaarstroom Waste Water Treatment Oxidation Ponds	New Oxidation Ponds and Reedbed System Constructed
License for sewerage water re-use in Prince Albert	A license for the re-use of treated sewerage water was procured in Prince Albert
Future planning for waterborne system	Costing of installation for a waterborne system in South End in Prince Albert completed. Currently sourcing funding
Water process controller appointed	Water Process Controller appointed in Klaarstroom in March 2021

**Table 49: Waste Water (Sanitation) Provision Highlights**

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

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

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

**Table 50: Waste Water (Sanitation) Provision Challenges**

### c) Sanitation Service Delivery Levels

The table below depicts the sanitation service levels for the 2020/21 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	2017/18	2018/19	2019/20	2020/21	
	Outcome	Outcome	Outcome	Actual as per Census 2011	Actual as Serviced by municipality
	No.	No.	No.	No.	No.
<b>Sanitation/sewerage: (above minimum level)</b>					
Flush toilet (connected to sewerage)	2085	2081	2411	2340	2340
Flush toilet (with septic tank)	315	330	330	361	361
Chemical toilet	0	0	0	3	0
Pit toilet with ventilated (VIP)	0	0	0	175	0
Pit toilet without ventilated	0	0	0	62	0
Other toilet provisions (above min.service level)	0	0	0	0	0
<b>Minimum Service Level and Above sub-total</b>	<b>2400</b>	<b>2411</b>	<b>2 741</b>	<b>3159</b>	<b>2701</b>
<b>Minimum Service Level and Above Percentage</b>	<b>98.9%</b>	<b>98.9%</b>	<b>98.7%</b>	<b>88%</b>	<b>98.0%</b>
<b>Sanitation/sewerage: (below minimum level)</b>					
Bucket toilet	36	36	36	148	36
Other	0	0	0	125	0
No toilet provisions	0	0	0	148	0
<b>Below Minimum Service Level sub-total</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>421</b>	<b>36</b>
<b>Below Minimum Service Level Percentage</b>	<b>1.2%</b>	<b>12%</b>	<b>1.3%</b>	<b>1.5%</b>	<b>1.3%</b>
<b>Total households</b>	<b>2436</b>	<b>3 580</b>	<b>98.70</b>	<b>2447</b>	<b>98.0%</b>

Households					
Description	2017/18	2018/19	2019/20	2020/21	
	Outcome	Outcome	Outcome	Actual as per Census 2011	Actual as Serviced by municipality
	No.	No.	No.	No.	No.
The above table 2020/21 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 2020/21			Comments
					Target	Actual	R	
TL18	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.	All	2 548	2701	2 663		This target was set incorrectly. Realistic targets will be set in future.
TL19	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	All	1 188	1 400	1 165		
TL27	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klarstroon)	% of Lab Results complying with SANS Irrigation standards.	All	79.9%	80%	79.6%		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	2019/2020	2020/2021			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No	%
0 – 3	3	6	3	3	
4 – 6	0	4	0	2	
7 – 9	1	1	1	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
<b>Total</b>	<b>4</b>	<b>11</b>	<b>4</b>	<b>5</b>	

Table 53: Employees Waste Water (Sanitation) Provision

## d) Capital: Sanitation Services

Capital Expenditure 2020/21: Sanitation Services					
R' 000					
Capital Projects	Budget	2020/21			
		Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
			budget		
Sanitation	3 750	6 590	3 728	43%	6 590
<b>Total</b>	<b>3 750</b>	<b>6 590</b>	<b>3 728</b>	<b>43,43%</b>	<b>6 590</b>

## 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. An electrical engineer from MISA is providing support to PAM in term of planning and maintenance.

The Municipality engaged extensively with Eskom to provide electricity to the residents of the Klaarstroom Transit area. Unfortunately due to Eskom's procurement challenges the area could not be accommodated during the reporting year, but work will commence in September 2021.

**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 10.9%
Power Factor Correction (PFC)	New PFC Unit has been installed
Notified Maximum Demand for Prince Albert	The NMD for Prince Albert has been increased from 2.4MvA to 3.5MvA

**Table 55: Electricity Highlights**

**b) Challenges: Electricity**

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

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

**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	2019/20	2020/21
	Actual as Serviced by municipality	Actual as Serviced by municipality
Electricity (at least min.service level)	246	267
Electricity - prepaid (min.service level)	1879	2326
<b>Minimum Service Level and Above sub-total</b>	<b>2125</b>	<b>2579</b>
<b>Minimum Service Level and Above Percentage</b>	<b>100</b>	<b>100</b>
Electricity (< min.service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
<b>Below Minimum Service Level sub-total</b>	<b>0</b>	<b>0</b>
<b>Below Minimum Service Level Percentage</b>	<b>0</b>	<b>0</b>
<b>Total number of households</b>	<b>2125</b>	<b>2625</b>

**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 2020/21			Comments
					Target	Actual	R	
TL12	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	All	2 583	2 578	2 599		
TL13	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	1 187	1 400	1 094		
TL29	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	12.9%	15%	10.9%		

Table 58: Electricity KPI's

### d) Employees: Electricity

Job Level	2017/18	2018/19	2019/2020	2020/2021			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0	0	
4 – 6	2	2	0	0	0	0	
7 – 9	1	1	1	1	1	1	
10 – 12	1	1	0	0	0	0	
13 – 15	0	0	0	0	0	0	
16 – 18	0	0	0	0	0	0	

Job Level	2017/18	2018/19	2019/2020	2020/2021			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No	No.	No.	No.	No.	%
19 – 20	0	0	0	0	0	0	
<b>Total</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	

**Table 59: Employees: Electricity services**

Capital Expenditure 2020/2021: Electricity Services					
R' 000					
Capital Projects	Budget	2020/2021			
		Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
		budget			
Increase in Capacity demand & other	1 100	4 227	924	78%	4 227
<b>Total</b>	<b>1 100</b>	<b>4 227</b>	<b>924</b>	<b>78%</b>	<b>4 227</b>

**Capital Expenditure 2020/21: 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 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. An unsolicited bid for a proposed waste to energy project in Leeu Gamka was investigated with the outcome to be determined in September 2021. Prince Albert Municipality also provided support to Beaufort West Municipality with the sharing of their compactor truck so that Beaufort West could address their backlog in this respect. Several cleaning initiatives were undertaken, but with the Covid levels it was difficult to continue with our community outreaches.

**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
Shared Service with Beaufort West	Providing a compactor and driver from Prince Albert to Beaufort West to help address their backlog
Unsolicited waste to energy bid	Unsolicited waste to energy bid considered
Reshaping and compacting of Prince Albert landfill site	At least two to three years were added to the landfill site's lifespan
Tourist refuse bins	Co-operating with local community to replace and beautify refuse bins in such a manner that it becomes a tourist attraction
Assendelft litigation	Municipality successfully defended the Assendelft litigation

**Table 60: Waste Management Highlights**

## Challenges: Waste Management

The challenges pertaining waste management for the 2020/21 financial year is depicted below with transport and recycling as matters that must be addressed with urgency.

Description	Actions to address
2 Bag system	An awareness campaign must be launched to increase public buy-in
Recycling	There are no recycling projects in Prince Albert municipal area at this stage except low volume plastic container recycling at the nursery; bio products recycled by the Dept Correctional Services and Spar's cardboard recycling.
Gate control and numerous entry points	Investigate security on premises.; Fencing of premises to deter uncontrolled access
Section 30 Nema contravention	Several occurrences of uncontrolled burning at landfill sites resulting in Section Nema contraventions
Illegal dumping	Stricter control measure needs to be implemented.
Litigation	Litigation was instituted against the Municipality – the Municipality won the case. The risk of litigation remains however
Windblown litter	Establish a Material Recovery Facility

**Table 61: Waste Management Challenges**

## Waste Management Service Delivery Levels

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

Description	2019/20	Census 2011	2020/21
	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

Description	2019/20	Census 2011	2020/21
	Actual	Actual	Actual as serviced by
	No	No.	No.
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
<b>Total number of households</b>	<b>2726</b>	<b>1989</b>	<b>2737</b>

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 2020/21 financial year. The recycling unit was destroyed in a fire and must be restored.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2020/21			Comments
					Target	Actual	R	
TL14	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of households for which refuse is removed at least once a week	All	2 729	2 720	2 729		Target achieved
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	All	1 187	1 400	1 166		Target is application based and not all applicants meet the minimum requirements. Target was set unrealistic.

### Employees: Waste Management

The table below reflects the staff component for solid waste management in the reporting year, compared to 2020/21. It must be noted that staff perform dual functions and thus the staffing table below cannot be read in isolation.

Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts)
		No.	No.	No.	%
0 – 3	3	7	3	4	
4 – 6	2	2	2	0	
7 – 9	0	0	0	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
<b>Total</b>	<b>5</b>	<b>9</b>	<b>5</b>	<b>4</b>	

Table 64: Employees: Waste Management Services

### Capital: Solid Waste Management

The table below indicates the capital expenditure on roads.

Capital Expenditure 2020/21: Waste Management					
R'000					
Capital Projects	Budget	2020/21			
		Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
Rehabilitation of Landfill Site	–	631	41	6%	631
<b>Total</b>	<b>–</b>	<b>631</b>	<b>41</b>	<b>6%</b>	<b>631</b>

### 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 1 342 applicants. Prince Albert Municipality did not build any houses during the reporting year. The Klaarstroom Transit area in Klaarstroom and Prince Albert have both been extended and provided with basic services. While the Klaarstroom Transit area now boast taps on each allocated plot and Eskom is planning to provide electricity to the area in September 2021, concern remains on stormwater channels in the area. High quality ablution facilities were also provided in Klaarstroom's transit area during the reporting year. Unfortunately the ablution facilities erected and repaired in the Prince Albert Tortelduif area, are repeatedly vandalised and compromising service delivery.

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

### **Klaarstroom**

The Klaarstroom Informal Settlement is the biggest in the municipal area with 52 structures as on 30 June 2021 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. Upgraded ablution facilities have been erected within the transit area to ensure that the Municipality complies with the ratio of households to ablutions. The municipality received a R209 900 grant to introduce relief measures in the fight of the COVID 19 Pandemic. These funds were successfully utilised to provide each informal structure with an individual standpipe. This was part of the municipality's approach to formalise the informal settlement. Some of the structures use solar panels for energy, but most use wood. Eskom was engaged to provide electricity to the Klaarstroom transit area but due to procurement challenges they could not do so during the reporting year. Eskom plans to commence with the electrification project in September 2021. 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.

### **Prince Albert**

Prince Albert Informal Settlement is situated in a street named Tortelduif. This is a crime hot spot area. While every plot has access to water and electricity, the informal structures do share ablution facilities. These ablution facilities are vandalised on a continuous basis and it is a big challenge especially during the stringent Covid-19 lockdown levels.

The Municipality is engaging with the Western Cape: Department of Human Settlements to further develop such structures and have identified Tortelduif Street and the outer boundary of North End for this development.

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

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

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

**Table 65: Housing Pipeline**

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

### Highlights: Housing

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

Highlights	Description
Updating of housing waiting list	Housing waiting list was updated in all towns with newest information
Data cleansing	Housing waiting list was cleansed and have no duplications
Improved ablutions in Klaarstroom Informal Settlements	Additional ablutions established in Klaarstroom
Repair of household ablutions in Tortelduif	Repair of ablutions done on continuous basis
PRASA and Transnet housing	Engagements with both Transnet and PRASA took place to discuss future transfer and service delivery

**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	Application to be prepared
Stormwater in Klaarstroom Transit Area	Stormwater may pose danger to housing

**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
2017/18	2 554	2456	98
2018/19	2878	2809	98
2019/20	2884	2820	98
2020/21	2911	2825	98
*Number of household where the municipality is responsible for basic services (financial stats)			

**Table 68: Households with access to basic housing**

The following table shows the decrease in the number of people on the housing waiting list. There are currently approximately 1342 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)
2017/18	1367	0%
2018/19	1102	(19.39%)
2019/20	1132	2.65%
2020/21	1342	195

**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			
2017/18	12 646	12 346	100%	243	243
2018/19	12 090	5 405	44.71%	0	100
2019/20	-	-	-	-	-
2020/21	-	-	-	-	58

**Table 70: Housing Funding spend**

### **3.6 Free Basic Services and Indigent Support**

#### **Introduction**

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

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

The table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than R3 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 2017/18 financial year whilst it increased to 29.63 % in the 2018/19 financial year; 37.50% in the 2019/20 financial year. 31.79% of households received indigent support during the 2020/21 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	%
2017/18	2 554	872	34.14%	2554	100%	872	34.14	872	34.14%
2018/19	2809	893	31.79	2487	100%	893	31.79	893	31.79
2019/20	2820	1092	100%	1092	100%	1092	100%	1092	100%
2020/21	2020	1210	100%	1210	100%	1210	100%	1210	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
2017/18	607	50	322	1 478	0	0	265	50	140
2018/19	629	50	374	1916	0	0	264	50	157
2019/20	629	50	374	1916	0	0	264	50	157
2020/21	1210	50	381	1916	0	0	249	50	164

Table 72: Free basic electricity services to indigent households

Water						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kl)	Value	No. of HH	Unit per HH (kl)	Value
			R'000			R'000
2017/18	872	6 kl	383	1 492	6 kl	656
2018/19	893	6kl	391	1594	6kl	698
2019/20	1092	6kl	478	1792	6kl	856
2020/21	1210	6kl	485	1799	3kl	864

Table 73: Free basic Water services to indigent households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2017/18	872	110.93	993	1539	0	0
2018/19	893	119.74	1048	1788	0	0

2019/20	1092	192.24	1205	1989	0	0
2020/21	1210	211.33	1335	1998	0	0

**Table 74: Free basic sanitation services to indigent households**

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Service per HH per week	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2017/18	872	67.83	570	1 608	0	0
2018/19	893	73.22	645	1833	0	0
2019/20	1092	84.33	824	1989	0	0
2020/21	10210	92.2	946	2009	0	0

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

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

**Table 76: Financial Performance 2020/21: Cost to Municipality of Free Basic Services Delivered**

Financial Performance 2020/21: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2019/20	2020/21			
	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%
<b>Total</b>	<b>3 313</b>	<b>4 345</b>	<b>4 345</b>	<b>4 206</b>	<b>1%</b>
<b>Table 76: Financial Performance 2018/19: Cost to Municipality of Free Basic Services Delivered</b>					

### Service delivery indicators

The following table shows the municipality's performance against the set targets in respect of indigent support for the 2020/21 financial year. The targets in the table below not reached can be contributed to the fact that the KPI's are application based. The Municipality launched several awareness campaigns and outreaches to reach the targets.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2020/21		
					Target	Actual	R
TL13	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	1 187	1 400	1 094	
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	All	1 187	1 400	1 166	
TL17	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	1 189	1 400	1 166	
TL19	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	All	1 188	1 400	1 165	

**Table 77: Indigent support performance**

### Component B: Roads

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

#### 3.7 Roads

##### Introduction to Roads

The primary road system in the Prince Albert municipal area consists of national and provincial roads. The N1 runs on a northeast-south-westerly axis and carries approximately 3012 vehicles per day. The N12 runs on a north-south axis through Klarstroom 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 Klarstroom 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 Klarstroom 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 2020/20 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. A comprehensive pavement management system must be developed to systematically improve road surfaces for long term sustainability.
Maintenance on gravel roads	Resources and capacity must be budgeted
Pavements in main road. Roots of trees lifting pavement making it dangerous	Pavements in main road to be upgraded.
No alternative drive through town than main road	Source funding to upgrade Mark street and/or De Beer Street. Long term solution.
Storm water channels old and do not cater to the need of the growing town	MIG application to be drafted for funding for upgrade of stormwater system

**Table 79: Roads Challenges**

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

Tarred Road Infrastructure: Kilometres					
Year	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2017/18	20.7	0	0	0	20.7
2018/19	20.7	3	0	0	23.7
2019/20	23.7	0	0	0	23.7
2020/21	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 2020/21: Roads					
R'000					
Capital Projects	2020/21				
	Budget	Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
		budget			
Upgrading of roads & stormwater in Bitterwater, Leeu-Gamka	–	3 692	3 692	96%	3 692
Upgrading of roads & stormwater in Klaarstroom and Prince Albert	–	-	7 289	0%	7 289
Supply, Installation & Commissioning of diesel driven standby generators in Leeu-Gamka, Prince Albert & Klaarstroom	–	515	2 592	0%	3 106
<b>Total</b>	<b>–</b>	<b>4 207</b>	<b>13 573</b>	<b>18%</b>	<b>14 087</b>

### c) Employees: Roads

The table below reflects the staffing component of the Roads department of the 2020/21 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	2019/20		2020/21		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No	No.	No.	No.	%
0 – 3	4	4	4	4	
4 – 6	2	3	2	2	
7 – 9	0	0	0	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
<b>Total</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	

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 SDF is still under review to ensure compliance with SPLUMA. The SDF will now include a capital expenditure framework.

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: Ashley America, George van der Westhuizen, Elma Vreken and Dalene Carstens. Ms. Vreken and Ms Carstens are staff members appointed by the Provincial government to serve on the tribunal of Prince Albert.

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

#### Highlights: Planning

The following highlights in respect of the planning division for the 2020/21 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
Improved building control	Building Inspections done as per legislation
GIS Shared Service	Initial engagements to utilise GIS as a shared service option within the CKDM

**Table 85: Planning Highlights**

**a) Challenges: Planning**

The table beneath reflect the challenges in respect of Planning for the 2020/21 financial year.

Description	Actions to address
Zoning scheme outdated	Zoning register to be drafted; Engagements on updating the information is already underway
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	Shared service agreement needed with CKDM ito a town planner.
Legal cost	A legal specialist to be appointed to handle litigation
Lack of GIS capabilities	Formalise the Shared Service option for GIS in the CKDM

**Table 86: Planning Challenges**

**Planning and development Indicators**

The table below reflects the planning division’s performance in respect of the 2020/21 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 2020/21		
					Target	Actual	R
TL30	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 2021	All	NEW KPI	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.

The possibility of having a Shared Service Agreement with the Central Karoo District Municipality to use the registered town planner for the Central Karoo has been discussed and must be formalised. Engagements took place with Provincial departments to update a land use register, zoning maps and GIS information. The possibility of establishing a GIS shared service option is investigated.

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 2020/21 financial year. The draft review of the SDF was adopted in June 2019. The final SDF was tabled to Council with the 2020/21 amended IDP in May 2021.

## **3.9 Local Economic Development**

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

The role of the Municipality is to facilitate economic development by creating a conducive environment for business development and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy. Government can obviously not plan or implement LED effectively if the private sector, who is the key driver of a local economy, is not included in such development processes. The Municipality fostered a positive relationship with Wesgro and facilitated invitations to webinars for business and interested parties on business opportunities and support during Covid-19. The Municipality provided with the assistance of SEDA, cleaning packages to spaza shops and also held a joint workshop on support packages available to business due to Covid-19.

The Municipality have worked towards establishing Prince Albert as a film destination, culminating in a film being shot in Prince Albert in September 2021 with an economic influx of 150-200 people for a three week period.

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. The Municipality provided support to local businesses with a debt write off offer of 30% on every 70% paid on arrears older than 90 days.

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

### **SMME Development**

The municipality commences and adopted two projects with a primary focus on small enterprise development. These projects are Klaarstroom Poort Pourri and the Leeu Gamka Enterprise area. The structures at both facilities were upgraded with municipal funding and while Klaarstroom already have identified a beneficiary group, the Leeu Gamka project must still go through this process.

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
<b>Total Prince Albert</b>	<b>100</b>	<b>418.5</b>	<b>4.1</b>	<b>3.2</b>	<b>4.1</b>	<b>3.8</b>	<b>4.3</b>	<b>4.6</b>	<b>1.1</b>	<b>-0.7</b>

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](http://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	229 employment opportunities were established via the EPWP program, while Council facilitated additional labour job opportunities during the establishment of the parks project mentioned above
Capacitating SMME's	Workshop held with emerging contractors and SMME's on support packages during Covid-19
Debt relief support	Municipality launched a programme of debt relief
Labour intensive capital projects	Municipality used labour intensive methods in all internal capital infrastructure projects
Establishing Prince Albert as film destination	Engagements to establish Prince Albert area as a film destination
Upgrades of entrepreneurial areas	Entrepreneurial areas in Klaarstroom (Poort Pourrie) and Leeu Gamka (House alongside N1)

**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 SBIPoor

Lack of title deeds for own property	Challenge remains to obtain title deeds of own property to alienate assets
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.

The Agri Parks project did not progress due to a lack of funding for expert viability studies.

It is a fact that the economy struggled immensely during Covid-19. Prince Albert saw an uptake in visitors from South Africa with the international border closing, but visitor numbers have now decreased again. The hospitality industry that forms the backbone of the Prince Albert economy have taken a big hit with Covid-19. Covid-19 also led to the average household that had to tighten its belts that led to a shedding of jobs in the informal sector. Household assistants, gardeners and caretakers lost their jobs, resulting in growing poverty and hardship.

The Municipality tried to fill the gap by providing temporary job opportunities via EPWP in the informal sector by making their capital infrastructure projects labour intensive. This provided some relief, but the situation is still very dire.

The Municipality commenced with an investigation into an unsolicited waste to water bid in Leeu Gamka. This process will conclude in September 2021.

The Municipality also embarked on an initiative to establish Prince Albert as an event and film destination. The fruits of this endeavour can be seen in the fact that a film will be shot in Prince Albert in September 2021 with a much needed influx of people.

## Local Economic Development 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 2020/21			Comments
					Target	Actual	R	
TL31	Implementation of the Local Economic Development Strategy	Number of LED interventions/ activities / programmes implemented	All	3	4	3		
TL25	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period.	Number of people temporary appointed to be in the EPWP programs	All	229	150	234		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 2019/20 financial year, compared to the 2020/21 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
2019/20	Infrastructure repair & Maintenance (Prince Albert, Klarstroom & Leeu Gamka) Roads & Stormwater Maintenance (Prince Albert, Klarstroom & Leeu Gamka) Parks & Town Beautification (Prince Albert, Klarstroom & Leeu Gamka) Waste Collection – Prince Albert Facility Maintenance – Prince Albert	178

Job creation through EPWP projects		
Details	EPWP Projects	Jobs created through EPWP projects
		# of Work Opportunities Created
2020/21	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	229

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 libraries in Prince Albert had to close on several occasions during Covid-levels 3, 4 and 5, leaving a big gap in terms of school support and leisure activities for the community.

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 2021	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	2018/19	2019/20	2020/21
Library members	4 050	5 080	3 000
Books circulated	84 508	75 386	57 768
Exhibitions held	24 per year	24 per year	24
Internet users	Average of 20 per day	Average of 12 per day	Average of 11 per day
New library service points or Wheelie Wagons	0	0	0
Children programmes	2 per month	2 per month	2 per month
Visits by school groups	Average 12 per month	Average 15 per month	Average 18 per month
Book group meetings for adults	4 per year	4 per year	4 per year
Primary and Secondary	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	2019/20	2020/21		
	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	-
<b>Total</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>-</b>

**Table 98: Employees: Libraries**

**Table 98: Employees: Libraries**

**3.12 Cemeteries**

**Introduction**

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

**a) Highlights: Cemeteries**

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

**Table 99: Cemeteries Highlights**



## b) Challenges: Cemeteries

The following challenges in respect of cemeteries were identified.

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

**Table 100: Cemeteries Challenges**

## c) Employees: Cemeteries

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

Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No	No.	%
0 – 3	0	6	0	2	
4 – 6	2	3	2	2	33%
7 – 9	0	0	0	0	
10 – 12	1	1	1	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
<b>Total</b>	<b>6</b>	<b>10</b>	<b>6</b>	<b>4</b>	<b>66%</b>

**Table 101: Employees: Cemeteries**

## Component E: Environmental Protection

### 3.14 Air Quality Control

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

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

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

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

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

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

**Highlights: Air Quality Management**

Highlights	Description
Air Quality Plan	Plan reviewed in May 2019
Noise control	Noise control is undertaken on an ad hoc basis
Air Quality Control Officer	Manager: Corporate and Community Services appointed
Environmental Intern	Environmental intern has been appointed for three years by National Department of Environmental affairs.

**Table 102: Cemeteries Highlights**

**Challenges: Air Quality Control**

The following challenges in respect of cemeteries were identified.

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

**Table 103: Air Quality Control Challenges**

### Component F: Health

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

### Component G: Security and Safety

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

#### 3.15 Law Enforcement

Law enforcement is currently performed by one permanent traffic officers who also operate the DLTC and are supported by one Clerk of the Court. The traffic officers is currently acting as the Management Representative. The other traffic officer position was filled in February 2021 and the officer resigned in June 2021, leaving the position vacant again. The recruitment and selection process will commence in July 2021.

There are three law enforcement officers appointed in a temporary basis. One of the officers is being utilised as a cashier at the DLTC and the remaining two is utilised outside the office. Eighteen (18) Peace Officers has been placed in the municipal area by the Western Cape Department of Community Safety, these officers are utilised in all three towns.

Details	2019/20	2020/21
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. The one traffic officers administers the DLTC, while we are in the process to fill the other vacant traffic officer position.

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 R1 663 729.90

##### a) Highlights: Traffic Services

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

Highlights	Description
Co-operation with provincial traffic	The co-operation between the Municipality's traffic and provincial officers improved
Regular scheduled meetings between role players	Regular scheduled meetings between SAPS, Provincial and municipal traffic as well as prosecutor to address challenges

Road Incident Management Steering Committee	Prince Albert forms part of the Road Incident Management Steering Committee where Mr A Meintjies represents the Municipality
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**Table 105: Traffic Services Highlights**

**b) Challenges: Traffic Services**

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

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

**Table 106: Traffic Services Challenges**

**c) Performance Service statistics for Traffic Services**

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

Details	2017/18	2018/19	2019/20	2020/21
Motor vehicle licenses processed	R1 3749 36.75	R1 584 505	R1 663 410.90	R1 663 729.90
Learner driver licenses processed	257	248	103	192
Driver licenses processed	260	267	234	223
Driver licenses issued	204	231	294	522
Fines issued for traffic offenses	12 192 100	R7 236 350	R6 732 600	R4 145 900
R-value of fines collected	1 620 310	R751 030	R3 168 463.66	R312 860
Roadblocks held	18	14	7	4
Complaints attended to by Traffic Officers	6	4	10	24

Awareness initiatives on public safety	2	2	1	0
Number of road traffic accidents during the year	27	24	21	2
Number of officers in the field on an average day	1	1	2	3
Number of officers on duty on an average day	1	2	4	4

**Table 107: Additional performance Service Statistics for Traffic Services**

#### d) Employees: Traffic Services

The table below indicates the traffic service staff establishment for the reporting year, in comparison with 2020/21

Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No	No.	No.	No.	%
0 – 3	0	0	0	0	
4 – 6	1	2	1	1	
7 – 9	0	0	0	0	
10 – 12	2	2	1	1	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
<b>Total</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>2</b>	

**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. The position is currently vacant, as the permanent fire fighter official has passed away during June 2021. Three temporary learner fire fighters were appointed in August 2020 and has strengthen the capacity within the unit . Protective clothing and sufficient equipment remain a challenge for these officials. Fire Services are delivered by means of a vehicle with 2 000 litre water tank and a fire- fighting Land Cruiser with a tank capacity of 600l liters. Several training exercises in collaboration with Breede-Valley Municipality and the Provincial Government were undertaken where the local firefighting officials received training.

Immense challenges were experienced during the winter months with fires starting in unapproved shacks on residential premises that then move to the houses, leaving families devastated as they do not have private insurance. It is imperative that fire fighting capabilities must be created in Leeu Gamka and Klaarstroom and that people adhere to building regulations and fire safety measures. Fire alarms were erected in the additional structures in the Klaarstroom informal site as a precaution. A Fire safety awareness programme was held at the local schools.

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 2021.

#### 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
Capacity needed in outer towns	Fire fighting capacity needed in Leeu Gamka and Klaarstroom
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

Awareness to be raised on fire safety	Awareness campaigns to be launched
Veld fires	An integrated approach towards veld fires (C-function) must be developed

**Table 110: Fire Services and Disaster Management Challenges**

**b) Service statistics for Fire Services**

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

Details	2017/18	2018/19	2019/20	2020/21
Operational call-outs	43	48	45	33
Reservists and volunteers trained	0	0	0	0
Awareness initiatives on fire safety	0	0	2	1
Total fires attended in the year	34	48	45	30
Total of other incidents attended in the year	0	0	0	0
Average turnout time - urban areas	Not measured	Not measured	Not measured	Not measured
Average turnout time - rural areas	Not measured	Not measured	Not measured	Not measured
Fire fighters in post at year end	1 full time	1 full time	1 Full time	1 Full time
Total fire appliances at year end	2	2	2	3
Average number of appliances off the road during the year	0	0	0	0

**Table 111: Fire Services and Disaster Management Data**

**c) Employees: Fire Services and Disaster Management**

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

Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	
4 – 6	0	0	0	0	
7 – 9	2	2	1	1	

Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total)
	No	No.	No.	No.	%
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
<b>Total</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	

Table 112: Employees: Fire services and Disaster Management

### Capital Expenditure

The table below indicates the capital expenditure on disaster management.

Capital Expenditure 2020/21 Disaster Management					
R'000					
Capital Projects	2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
None	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 83: Capital Expenditure 2020/21: 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 Klarstroom and Leeu Gamka sport fields
Upgrading of Klarstroom 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 Klarstroom – community asked to report vandalism

Overuse of facilities	Due to a lack of suitable facilities, some of the fields are overused – lighting needed
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**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	2019/20	2020/21
<b>Community Parks</b>		
Number of parks with play park equipment	7	7
Number of wards with community parks	4	4
<b>Sport fields</b>		
Number of wards with sport fields	4	4
Number of sport associations utilizing sport fields	3	3

**Table 115: Additional performance information for Sport and Recreation**

## Component I: Corporate Policy Offices and Other Services

### Introduction

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

### 3.18 Executive and Council

#### Executive and Council

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

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

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

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

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

**a) Highlights: Executive and Council**

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

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

**Table 117: Executive and Council Highlights**

**b) Challenges: Executive and Council**

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

**Table 118: Executive and Council challenges**

**3.19 Financial Services**

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

One of the biggest operations of the financial year 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 without 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 2019/20 and 2020/21 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. As the Municipality's Chief Financial Officer resigned in November 2020, the Municipality were not successful in attracting a suitable candidate to replace him. The CFO, Mr Jannie Neethling, acted up to February 2021. No appointment has been made. The Senior Accountant in the Finance Department, previously responsible for the drafting of the Annual Financial Statement, resigned in November 2020. The Accountant Income also resigned in 2020. The drafting of the AFS has been outsourced to Mubesko.

Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total)
	No	No.	No.	No.	%
0 – 3	0	0	0	0	
4 – 6	0	1	1	0	
7 – 9	1	3	3	0	
10 – 12	4	5	4	1	20%
13 – 15	1	0	1	1	100%
16 – 18	0	0	0	0	
19 – 20	1	1	0	1	100%
Total	7	10	9	3	26.66%

Table 122: Employees: Financial services

#### Service Delivery Indicators

The following table portrays the service delivery indicators.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2020/21			Comments
					Target	Actual	R	
TL12	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	All	2 583	2 578	2 599		

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2020/21			Comments
					Target	Actual	R	
TL13	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	1 187	1 400	1 094		Target is application driven, households will only qualify if they meet the minimum criteria. The municipality went on an extensive campaign for household to apply for the indigent subsidy.
TL14	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of households for which refuse is removed at least once a week	All	2 729	2 720	2 729		
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	All	1 187	1 400	1 166		Target is application driven, households will only qualify if they meet the minimum criteria. The municipality went on an extensive campaign for household to apply for the indigent subsidy.
TL16	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	All	2 571	2 820	2 454		This KPI could not be reached as it is dependent on new houses being built in the municipal area and being connected to the water network. Target was also set incorrectly.
TL17	Provide 6kl free basic water per household per month to registered indigent	No of registered indigent account	All	1 189	1 400	1 166		Target is application driven, households will

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2020/21			Comments
					Target	Actual	R	
	account holders	holders receiving 6kl of free water						only qualify if they meet the minimum criteria. The municipality went on an extensive campaign for household to apply for the indigent subsidy.
TL18	Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	Number of Households receiving sanitation services	All	2 548	2 701	2 663		This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future.
TL19	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	All	1 188	1 400	1 165		Target is application driven, households will only qualify if they meet the minimum criteria. The municipality went on an extensive campaign for household to apply for the indigent subsidy.

**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 May 2021
EPWP contracts concluded for 178 persons	Contract administration in respect of EPWP workers successfully undertaken
Improved oversight on over time	Stronger control measures implemented
8 Officials appointed	8 Appointments made
Water Process Controller in Klaarstroom appointed	WPC: Klaarstroom appointed in March 2021
Dispute resolution	All disputes resolved

**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
Individual performance agreements to be concluded for whole organisation	PMS agreements to be cascaded to all lower levels
Passing of HR Practitioner	HR Practitioner passed away due to Covid-19
COIDA administration	Coida payments were not up to date with no alert raised within the administration – very high risk
Covid-19 impact	Covid-19 have a negative impact on morale and production

**Table 125: Human Resources Challenges**

**Service Delivery Indicators**

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



Ref	KPI	Unit Measurement	of Wards	Previous Year Performance	Overall Performance for 2020/21			Comments
					Target	Actual	R	
TL10	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	% of training budget spent as at 30 June 2021	All	28.5%	100%	73.2%		The Covid-19 pandemic also had a negative impact on the spending of the training budget as all training was cancelled.
TL11	The number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data	Number of people employed (appointed)	All	2	3	1		This target is dependent on vacancies.

**Table 126: Service delivery indicators: Human Resources**

### Component J: Miscellaneous Municipal Farm

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

#### Summary of Agricultural Assets

Type of asset	Extent (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
<b>Total value</b>		<b>5 013 980</b>

**Table 128: Treintjiesrivier use**

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

## **Component K: Organisational Performance Scorecard**

### **Organisational Performance Management and Top-Level SDBIP Report**

#### **The performance system followed for 2020/21**

The performance management system that was implemented and followed for the 2020/21 financial year is described below:

##### **a) Approval of the Top Level SDBIP 2020/21**

The SDBIP for 2020/21 were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on 26 June 2020.

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 2020/21 IDP was approved together with the 2020/21 budget by Council on 30 May 2020. 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 2020/21 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 30 March 2020

### **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 2019/20	Municipal Achievement 2020/21	Comments
TL10	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	28.5%	73.2%	The target could not be reached as training was postponed due to covid-19.
TL11	The number of people from employment equity target groups employed in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data	2	1	Target was not reached – this is vacancy based and subject to applications.

Table 129: Municipal transformation and institutional development performance

### 3.21.2 Basic Service Delivery

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

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2019/20	Municipal Achievement 2020/21	Comments
TL12	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 583	2 599	
TL14	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	2 729	2 729	
TL16	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	2 571	2 454	This target was not achieved as it is dependent on new houses being build and connected to the water network.
TL18	Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	2 548	2 663	This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future.
TL26	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klarstroom.	88.0%	88.4%	
TL27	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klarstroom)	79.9%	79.6%	We have capacity constraints as we have no dedicated staff appointed at the WWTW.

TL28	Limit water losses to not more than 15% $\{(Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified - Number\ of\ Kiloliters\ Water\ Sold) / Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified \times 100\}$	23.9%	32.6%	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.
TL29	Limit electricity losses to not more than 15% $\{(Number\ of\ Electricity\ Units\ Purchased\ and/or\ Generated - Number\ of\ Electricity\ Units\ Sold) / Number\ of\ Electricity\ Units\ Purchased\ and/or\ Generated\} \times 100\}$	12.9%	10.9%	
TL32	Implementation of programs and initiatives held in terms of social welfare as per project plan signed off by MM	4	4	
TL33	Review the spatial development framework and submit to council by end June 2021	NEW KPI	0	SDF was referred back by Council and will be adopted with new five year IDP in May 2022.

**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 2019/20	Municipal Achievement 2020/21	Comment
TL25	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period.	178	234	The Municipality over performed on this KPI as the Municipality allocated additional funding at the adjustment budget.
TL31	Implementation of the Local Economic Development Strategy	3	3	Due to Covid-19 not all LED initiatives could be completed.

**Table 131: Temporary jobs created**

### 3.21.3 Municipal Financial Viability and Management

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

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2019/20	Municipal Achievement 2020/21	Comments
TL1	Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August	1	0	Draft performance report submitted was not submitted within timeframe due to extension granted by NT to submit by 31 October 2020.
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	40.2%	77.2%	Capital expenditure monitored through budget control. Due to capacity constraints not all projects allocated in the adjustment budget could be completed. The Covid-19 lockdown also had a major impact on projects being completed before end of June 2020.
TL5	The main budget is approved by Council by end of May 2021	1	1	The main budget was approved by the end of May 2021.
TL8	The adjustment budget is approved by Council by end of February 2021	1	1	The adjustment budget was approved by the end of February 2021
TL20	Maintain a Year to Date (YTD) debtor's payment percentage of 70%, excluding traffic services	76.5%	81.7%	The debtor's payment percentage could not be reached. As the payment % drastically drop during the Covid-19 lockdown period.
TL21	Maintain an financially unqualified audit opinion for the 2019/20 financial year	1	1	KPI was met, PAMUN received an unqualified audit opinion without matters.
TL22	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)	368	446	TBC with final AFS
TL23	Financial viability measured in terms of the outstanding	17%	9%	TBC with final AFS

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2019/20	Municipal Achievement 2020/21	Comments
	service debtors (Total outstanding service debtors/ revenue received for services)			
TL24	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	9.2	7.2	

**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 2019/20	Municipal Achievement 2020/21	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	0	The mid-year report was not submitted before the legislative timeframe.
TL4	Risk based audit plan approved by Audit Committee for 2020/21	0	0	Plan was only approved in June 2021.
TL6	Effective functioning of Council meetings	5	4	
TL7	Effective functioning of Councils committee system	4	4	Committee meetings were held regularly.
TL9	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	1	1	The TL SDBIP as approved within the allowed timeframe.
TL30	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.



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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

Ref	IDP Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-To-Date as at June 2021		
						Target	Actual	R
TL12		Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 583	2 258	2 578	2 599	
TL13		Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	1 187	1 400	1 400	1 094	
TL14		Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of households for which refuse is removed at least once a week	2 729	2 720	2 720	2 729	
TL15		Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	1 187	1 400	1 400	1 166	
TL16		Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	2 571	2 820	2 820	2 454	
TL17		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	1 189	1 400	1 400	1 166	

TL18	Provision of sanitation services to properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	Number of Households receiving sanitation services	2 548	2 701	2 701	2 663	
TL19	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	1 188	1 400	1 400	1 165	
TL26	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klarstroom	% of test results complying with SANS 241	88.0%	80%	80%	88.4%	
TL27	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klarstroom)	% of Lab Results comply with SANS Irrigation standards.	79.9%	80%	80%	79.6%	
TL28	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)	23.9%	15%	15%	32.6%	
TL29	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	12.9%	15%	15%	10.9%	
TL32	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	4	4	4	4	
TL33	Review the spatial development framework and submit to council by end June 2021	Reviewed SDF submitted to Council by end June	NEW KPI	1	1	0	

Table 134: Municipal performance according to Key Performance Indicators

### 3.22.2 Economic Development

Ref	Pre-determined Objectives	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2021		
						Target	Actual	R
TL25	To develop and grow LED and particularly SMME opportunities	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programs for the period.	Number of people temporary appointed to be in the EPWP programs	178	150	150	234	
TL31	To develop and grow LED and particularly SMME opportunities	Implementation of the Local Economic Development Strategy	Number of LED interventions/ activities / programmes implemented	3	4	4	3	

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

### 3.22.3 Financial sustainability & development

Ref	Pre-determined Objectives	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2021		
						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 31 August annually	1	1	1	0	

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 2020/21 financial year	40.2%	90%	90%	77.2%	
TL5	To promote a culture of good governance	The main budget is approved by Council by end of May 2021	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 2021	Approval of Adjustments Budget before the end of February 2021	1	1	1	1	
TL20	To implement mechanisms to improve debt collection	Maintain a Year to Date (YTD) debtors payment percentage of 70% excluding traffic services	Payment percentage (%) of debtors over 12 months rolling period	76.5%	70%	70%	81.7%	
TL21	To promote a culture of good governance	Maintain a financially unqualified audit opinion for the 2019/20 financial year	Financial statements considered free from material misstatements as per Auditor General report	1	1	1	1	
TL22	To implement mechanisms to improve debt collection	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	((Total operating revenue-operating grants received)/debt service payments due within the year)	368	767.6	767.6	446	
TL23	To improve financial reporting	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue	(Total outstanding service debtors/ revenue received for	17%	11%	11%	9%	

		received for services)	services)X100						
TL24	To improve financial reporting	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Available cash+ investments)/ Monthly fixed operating expenditure)	9.2	5.0	5.0	7.2		

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

### 3.22.4 Good governance and public participation

Ref	IDP Ref	Pre-determined Objectives	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2021		
							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 January 31 annually	1	1	1	0	
TL4		To promote a culture of good governance	Risk based audit plan approved by Audit Committee for 2020/21 by February	Risk based audit plan approved by February 2021	1	1	1	0	
TL6		To promote a culture of good governance	Ensure that all Council meet once every quarter	Number of ordinary council meetings	4	4	4	4	
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	4	

TL9		To improve financial reporting	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved by the Mayor within 28 days after the main budget has been approved	1	1	1	1	
TL30		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 2021	1	1	1	1	

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

### 3.22.5 Institutional development & transformation

Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2021		
					Target	Actual	R
TL10	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	% of training budget spent as at 30 June 2021	28.5%	100%	100%	73.2%	
TL11	The number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with Prince Albert Census Demographic statistical data	Number of people employed (appointed)	2	3	3	1	

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

### 3.23 Top-Layer Service Delivery and Budget Implementation (SDBIP) Scorecard: 2020/21 per Strategic Objectives

The following tables reflect the Municipality's performance for 2020/21 according to the Municipality's Strategic Objectives:

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

Ref	KPI	Unit of Measurement	Previous Year performance	Year-to-date as at June 2021				
				Target	Actual	R	Performance Comment	Corrective Measure
TL10	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	% of training budget spent as at 30 June 2021	28.5%	100%	73.2%		Target not reached	Training needs to be scheduled according to WSP.
TL11	The number of people from employment equity target groups employed (appointed) in the three highest levels of 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	Council will try to attract suitable candidates which meet the equity targets.

#### b) To enhance participatory democracy

Ref	KPI	Unit of Measurement	Previous year performance	Year-To-Date as at June 2021				
				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 31st January annually	1	1	0		Mid-Year report was not submitted by legislative timeframe	Ensure that Council meetings are scheduled in order to approve compliance documents in future.
TL4	Risk based audit plan approved by Audit Committee for 2020/21 by February	Risk based audit plan approved by February 2021	All	1	0		Plan was only approved in June 2021	Ensure that plans are approved as per the KPI.
TL6	Effective functioning of Council meetings	Number of Council general meetings	All	4	4			

TL7	Effective functioning of Councils committee system	Number of Council Section 80 committee meetings per operational area meet once every quarter	All	4	4		Council committee meetings held regularly.	None needed
TL9	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved by the Mayor within 28 Days after approval of Main Budget	All	1	1		SDBIP approved within timeframe	None needed
TL30	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 2021	1	1	1		Approved in May 2021	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 2021				
					Target	Actual	R	Performance Comment	Corrective Measures
TL32		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	4	4	4			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 2021				
					Target	Actual	R	Performance Comment	Corrective Measures
TL1	Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August	Draft annual performance report submitted by 31 August annually	All	1	1	0		Target could not be reached due to exemption given by NT to submit AFS & APR by no later than 31 Oct 2021.	Plan better in future to ensure targets are met timeously.
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 2020/21 financial year	All	40.2%	100%	77.2%		Target not reached due to capacity constraints	Commence earlier with capital projects
TL5	The main budget is approved by Council by end of May 2021	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	Approval of Adjustments Budget before the end of February 2021	All	1	1	1		Adjustment budget approved by Council by February 2021	None needed

	February 2021							
TL20	Maintain a Year to Date (YTD) debtors payment percentage of 70% excluding traffic services	Payment percentage (%) of debtors over 12 months rolling period	All	76.5%	70%	81.7%		Debt collection needs to be improved in outer towns
TL21	Maintain a financially unqualified audit opinion for the 2019/20 financial year	Financial statements considered free from material misstatements as per Auditor General report	All	1	1	1		Unqualified obtained (clean audit)
TL22	Financial viability measured in terms of the municipality's ability to meet it's 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	368	767.7	446		To be confirmed with AFS  More debt Awareness campaigns needs to be embarked on and ensure that Councils debt collection policy is implemented.
TL23	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	(Total outstanding service debtors/ revenue received for services)X100	All	13%	11%	9%		Achieved  None needed

TL24	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Available cash+ investments)/ Monthly fixed operating expenditure)	All	9.2	5.0	7.2		Municipality has sufficient cash to cover expenditure	None needed
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**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 2021				
					Target	Actual	R	Performance Comment	Corrective Measures
TL33	Review the spatial development framework and submit to council by end June 2021	Reviewed SDF submitted to Council by end June	All	New KPI	1	0		Province assisted the municipality with the drafting of the SDF. Council however didn't adopt the plan and has referred it back for refinements. Plan will be adopted with the five year IDP in May 2022.	The administration will have to better align their processes in future to ensure tabled items have been endorsed by section 80 committees before tabling such items to Council.

**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 2021				
				Target	Actual	R	Performance Comment	Corrective Measures
TL12	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	# of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 583	2 578	2 599			None needed
TL13	Provide 50kwh free basic electricity to registered indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	1 187	1 400	1 094		Target was not met.	Target is application driven, households will only qualify if they meet the minimum criteria. The municipality went on an extensive campaign for household to apply for the indigent subsidy.
TL14	Provide refuse removal, refuse dumps and solid waste disposal to households within the municipal area	Number of account holders for which refuse is removed at least once a week	2 729	2 720	2 729		.	
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	No of indigent account holders receiving free basic refuse removal monthly	1 187	1 400	1 166		Target was not met.	Target is application driven, households will only qualify if they meet the minimum criteria. The

								municipality went on an extensive campaign for household to apply for the indigent subsidy.
TL16	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	Number of formal residential properties that meet agreed service standards for piped water	2 571	2 820	2 454			This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future.
TL17	Provide 6kl free basic water per household per month to registered indigent account holders	No of registered indigent account holders receiving 6kl of free water	1 189	1 400	1 166		Target was not met.	Target is application driven, households will only qualify if they meet the minimum criteria. The municipality went on an extensive campaign for household to apply for the indigent subsidy.
TL18	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.	2 548	2 701	2 663			This KPI could not be reached as the target was set incorrectly. Realistic targets will be set in future.

TL19	Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets).	No of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	1 188	1 400	1 165		Target was not met.	Target is application driven, households will only qualify if they meet the minimum criteria. The municipality went on an extensive campaign for household to apply for the indigent subsidy.
TL26	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klarstroom	% of Lab Results complying with SANS 241.	88.0%	80%	88.4%		Lab Results for drinking water	Water process controllers appointed and in training
TL27	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klarstroom	% of Lab Results complying with SANS Irrigation standards.	79.9%	80%	79.6%		Target not reached due to capacity constraints	Water process controllers appointed and in training, SOP's to be developed
TL28	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)	23.9%	15%	32.6%		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.
TL29	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	12.9%	15%	10.9%		Target reached.	

		Generated) × 100						
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**g) To stimulate, strengthen and improve the economy for sustainable growth**

Ref	KPI	Unit of Measurement	Wards	Previous performance	Year-to-Date as at June 2020				
					Target	Actual	R	Performance Comment	Corrective Measures
TL25	The number of temporary jobs created through the municipality's local economic development EPWP projects, measured by the number of people temporary appointed to be in the EPWP programmes for the period.	Number of people temporary appointed to be in the EPWP programs	All	178	150	234		Target exceeded due to additional funding made available during the adjustment budget.	None needed
TL31	Implementation of the Local Economic Development Strategy	Number of LED interventions/ activities / programmes implemented		4	4	3		Due to Covid-19 pandemic not all LED initiatives could be completed	Some LED initiatives should be done virtually.

**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
New Morning Constructions	One Year	Extension of the Thusong Centre for Municipal Offices in Prince Albert	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	2 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
Lateral Unison	3Years	Short term insurance	Excellent Service		

**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
De Jager Loodgieter Kontrakteurs	2 Year	Upgrading of roads and stormwater in bitterwater, leeu-gamka	Excellent Services	n/a	n/a
SMEC Urban Engineering	When needed (3 Years)	Professional engineering services for multi-years	Excellent Service	n/a	
HENRA	2 Year	Upgrading of roads and stormwater in klaarstroom, and upgrading of stormwater in north-end, prince albert	Excellent Services		n/a
Cash Build	When needed	Supply & delivery of material & equipment	Excellent Services		n/a
MDL Engineering Company		Supply, installation and commissioning of diesel driven standby generators in leeu-gamka, prince albert and klaarstroom	Excellent Services		

Table 145: Service Providers Performance – Infrastructure Services

d) Corporate & Community Services

Description of services rendered	Term of contract	Performance Areas	Performance Rating	Performance Comment	Corrective measures
Bidvest Waltons	One year	Supply and delivery of stationary and ink cartridges	Good	n/a	n/a
Supa Quick	One year	Supply and fitment of tyres	Excellent	n/a	n/a

Kingpin Suppliers	One year	Supply and delivery of cleaning materials	Excellent	n/a	n/a
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**Table 146: Service Provider Performance – Strategic & Community Services**

## Chapter 4

### Organisational Development Performance

#### Component A: Introduction to the Municipal Personnel

##### Introduction

The Prince Albert Municipality currently employs 56 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of

the Municipality's objectives. Tables below includes 56 permanent employees, 16 contract workers, 5 financial interns and 4 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	0	0	0	0	1	1
Senior management	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid- management	0	2	0	0	0	0	0	1	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	22	0	0		23		0	45
Semi-skilled and discretionary decision making	0	5	0	1	0	0	0	0	6
Unskilled and defined decision making	0	14	0	1	0	1	0	0	16
Total permanent	0	33	0	2	0	20	0	1	56
Non- permanent employees	0	12	0	2	0	8	0	2	24
<b>Grand total</b>	<b>0</b>	<b>45</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>28</b>	<b>0</b>	<b>3</b>	<b>80</b>

Table: Occupational levels:

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

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

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	0	1	0	0	0	0	0	1	2
Strategic Services	0	13	0	0	0	15	0	1	29
Technical and Electrical Services	0	25	0	2	0	2	0	0	29
Financial Services	0	5	0	0	0	11	0	0	16
Total permanent	0	44	0	2	0	24	0	1	56
Non- permanent	0	12	0	2	0	4	0	2	24
<b>Grand total</b>	<b>0</b>	<b>56</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>28</b>	<b>0</b>	<b>3</b>	<b>80</b>

Department - Race

KPA & Indicators	Municipal Achievement	Municipal Achievement
	2019/20	2020/21
The number of people from employment equity target groups permanently employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	2	2
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	24%	28.8%

**National KPIs– Municipal Transformation and Organisational Development**

#### 4.2.1 Employment Equity

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

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

Occupational Categories	Male				Female				Total
	A	C	I	W	A	C	I	W	
Legislators, senior officials and managers	0	1	0	0	0	0	0	1	2
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	19	0	1	42
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	44	0	2	0	12	0	2	56
Non-permanent	0	12	0	2	0	5	0	0	24
<b>Grand total</b>	<b>0</b>	<b>56</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>30</b>	<b>0</b>	<b>2</b>	<b>80</b>

**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	1	0	0	0	0	0	1	2
Strategic Services	0	12	0	0	0	13	0	1	29
Technical and Electrical Services	0	25	0	2	0	2	0	0	29
Financial Services	0	5	0	0	0	7	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
<b>Grand total</b>	<b>0</b>	<b>44</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>3</b>	<b>76</b>

Department - Race

## 4.2.2 Vacancy Rate

The approved organogram for the municipality reflected 108 posts for the 2020/21 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 31 Posts were vacant at the end 2020/21 resulting in a vacancy rate of 28,7%

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

Per Task Level		
Task level	Filled	Vacant
MM & MSA section 57 & 56	1	1
Middle management (T14-T19)	6	1
Admin Officers (T4-T13)	36	11
General Workers (T3)	29	11
Grant remuneration outside TASK level	5	0
<b>Total</b>	<b>77</b>	<b>24</b>
Per Functional Level		
Functional area	Filled	Vacant
Office of the Municipal Manager	4	0
Corporate & Community Services	29	6
Technical and Electrical Services	28	15
Financial Services	11	3
Appointments from Grants	5	0
<b>Total</b>	<b>77</b>	<b>24</b>

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
2014/15	68	5	3	11.76
2015/2016	63	5	10	23.80
2016/17	72	22	12	16.66
2017/18	75	14	11	14.66
2018/19	76	8	13	17.91
2019/20	77	16	12	21.3
2020/21	79	2	0	7.3

**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.

<b>Approved policies</b>	
<b>Name of policy</b>	<b>Date approved/ revised</b>
Employment Policy	2003
Internal Conditions of Service	2003
Sexual harassment	REVIEWED 2019
Subsistence and Travelling	May 2017
Training & Development	2014
Language	2015
Support Staff	2007
Cell Phone	2018
Induction Training and Staff Orientation	2007
Internal control: Salaries and grants	2007
Bursary policy	2019
IT	2007
HIV/AIDS	2007
Induction programme	2008
Recruitment and Selection	2018
Employment Equity	2018
Incapacity / Ill-Health	2012
Substance Abuse	2018
Smoking Policy	2018
Overtime	June 2017
Retirement Planning	2012
Unauthorized Absence	2012
Uniform Protective Clothing	2018
Employment on 5/8 basis	2012
Policy on imprisoned employees	2012
Scarce skills policy	2012
Extended medical aid contribution policy	June 2017

**Table 155: HR policies and plans**

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

### **4.3 Injuries, Sickness and Suspensions**

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are

calculated according to the seriousness of the injury/disease. Occupational injury will influence the loss of man hours and therefore financial and productivity performance. The Municipality appointed Workplace Safety Representatives within the municipality for the respective departments as required by legislation. These employees are:

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

SALGA was requested to provide training to the officials in respect of workplace safety. Workplace health and safety training took place during the reporting year and awareness around occupational health and safety has improved among the work force. Four workplace injuries were reported during 2020/21, 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 2020/21 showed a significant increase and the majority of sick leave taken was due to an official suffering serious illness from Covid-19 and isolation.

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

Department	2019/20	2020/21
Office of the Municipal Manager	30	52
Strategic Services and Corporate	151	179
Technical and Electrical Services	175	202
Financial Services	54	118
<b>Total</b>	<b>410</b>	<b>551</b>

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 2021.

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>				
Accounting officer	0	0	0	0
Chief financial officer	position vacant			
Senior managers	0	0	0	3

Any other financial officials	7	<b>5 busy with MMC</b>	0	5
<b>Supply Chain Management Officials</b>				
Heads of supply chain management units	0	0	0	3
Supply chain management senior managers	2	2	0	1
<b>TOTAL</b>	<b>9</b>	<b>2</b>	<b>0</b>	<b>12</b>

**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	
2017/2018	19 429	67 478	28,79%
2018/2019	20 038	66 374	30,19%
2019/20	23 312	73 288	33.2%
2020/21	24 347	72 203	34.3%

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

Financial year	2019/20	2020/21		
		Actual	Original Budget	Adjusted Budget
Description	R,000	R,000	R,000	R,000
<b>Councillors (Political Office Bearers plus Other)</b>				
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		-	-	-
<b>Sub Total</b>	<b>2 928</b>	<b>3 086</b>	<b>3 086</b>	<b>3 033</b>
<b>% increase/ (decrease)</b>	<b>0,14%</b>	<b>5,11%</b>	<b>0,00%</b>	<b>-1,74%</b>
<b>Senior Managers of the Municipality</b>				
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	-
<b>Sub Total</b>	<b>2 790</b>	<b>3 026</b>	<b>3 016</b>	<b>2 361</b>
<b>% increase/ (decrease)</b>	<b>-2,32%</b>	<b>8%</b>	<b>0%</b>	<b>-28%</b>
<b>Other Municipal Staff</b>				
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
<b>Sub Total</b>	<b>16 640</b>	<b>18 909</b>	<b>18 919</b>	<b>17 677</b>
<b>% increase</b>	<b>-6,31%</b>	<b>12%</b>	<b>0%</b>	<b>-7%</b>
<b>Total Municipality</b>	<b>22 357</b>	<b>25 021</b>	<b>25 021</b>	<b>23 071</b>
<b>% increase/ (decrease)</b>	<b>-4,54%</b>	<b>11%</b>	<b>0%</b>	<b>-8%</b>
<b>Table 160: Personnel Expenditure</b>				

## CHAPTER 5: FINANCIAL PERFORMANCE

This chapter provides details regarding the financial performance of the municipality for the 2020/21 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 2020/21 financial year:

Description	2019/20	2020/21			2020/21 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
<b>Financial Performance</b>						
Property rates	3 980	4 746	4 846	4 919	3,7%	1,5%
Revenue cost of free services provided: Property rates	(237)	(268)	(268)	(915)	241,2%	241,2%
Services charges	29 017	31 522	32 236	32 732	3,8%	1,5%
Revenue cost of free services provided: Service charges	(4 712)	(6 327)	(5 051)	(5 042)	-20,3%	-0,2%
Investment revenue	3 359	2 900	2 300	2 321	-20,0%	0,9%
Transfers recognised - operational	30 947	31 104	34 542	34 294	10,3%	-0,7%
Other own revenue	6 058	5 676	5 259	10 265	80,9%	95,2%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>68 412</b>	<b>69 353</b>	<b>73 864</b>	<b>78 575</b>	<b>13%</b>	<b>6%</b>
Employee costs	23 041	22 709	26 107	24 347	7,2%	-6,7%
Remuneration of councillors	3 127	3 370	3 370	3 155	-6,4%	-6,4%
Debt impairment	8 630	6 534	6 534	9 542	46,0%	46,0%
Depreciation & asset impairment	4 618	3 984	3 984	5 365	34,7%	34,7%
Actuarial losses	32	-	-	-	#DIV/0!	#DIV/0!
Finance charges	674	1 344	1 344	724	-46,1%	-46,1%
Bulk purchases	11 377	12 000	13 282	12 098	0,8%	-8,9%
Inventory consumed	609	977	865	608	-37,7%	-29,7%
Contracted services	5 185	6 552	6 915	5 336	-18,6%	-22,8%
Transfers and grants	1 225	340	340	320	-5,9%	-5,9%

Other expenditure	11 376	11 534	11 111	10 707	-7,2%	-3,6%
<b>Total Expenditure</b>	<b>69 895</b>	<b>69 345</b>	<b>73 854</b>	<b>72 203</b>	<b>4%</b>	<b>-2%</b>
<b>Surplus/(Deficit)</b>	<b>(1 483)</b>	<b>8</b>	<b>10</b>	<b>6 372</b>	<b>75035%</b>	<b>61736%</b>
Transfers recognised - capital	12 723	14 104	22 048	17 972	27,4%	-18,5%
Contributions recognised - capital & contributed assets	–	–	–	–	#DIV/0!	#DIV/0!
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>11 240</b>	<b>14 112</b>	<b>22 059</b>	<b>24 344</b>	<b>73%</b>	<b>10%</b>
<b>Capital expenditure &amp; funds sources</b>						
Transfers recognised - capital	12 723	12 264	21 352	17 972	46,5%	-15,8%
Public contributions & donations	–	–	–	–	#DIV/0!	#DIV/0!
Borrowing	–	–	–	–	#DIV/0!	#DIV/0!
Internally generated funds	–	514	6 958	–	-100,0%	-100,0%
<b>Total sources of capital funds</b>	<b>12 723</b>	<b>12 778</b>	<b>28 310</b>	<b>17 972</b>	<b>40,6%</b>	<b>-36,5%</b>
<b>Financial Position</b>						
Total current assets	56 876	50 990	55 824	56 470	10,7%	1,2%
Total non current assets	167 103	186 693	182 972	185 265	-0,8%	1,3%
Total current liabilities	26 696	12 611	39 312	20 915	65,8%	-46,8%
Total non current liabilities	29 094	30 264	7 220	28 662	-5,3%	297,0%
Community wealth/Equity	168 189	<b>194 808</b>	<b>192 264</b>	192 158	-1,4%	-0,1%
<b>Cash Flows</b>						
Net cash from (used) operating	31 909	14 597	13 685	21 553	47,7%	57,5%
Net cash from (used) investing	(13 063)	(12 745)	(28 221)	(21 597)	69,5%	-23,5%
Net cash from (used) financing	40	10	10	14	50,0%	50,0%
<b>Cash/cash equivalents at the year end</b>	<b>51 970</b>	<b>28 233</b>	<b>37 456</b>	<b>51 937</b>	<b>84,0%</b>	<b>38,7%</b>
<b>Cash backing/surplus reconciliation</b>						
Cash and investments available	51 967	28 233	37 456	51 937	84,0%	38,7%
Application of cash and investments	27 889	2 784	12 061	16 078	477,4%	33,3%
<b>Balance - surplus (shortfall)</b>	<b>24 078</b>	<b>25 449</b>	<b>25 395</b>	<b>35 859</b>	<b>41%</b>	<b>41%</b>
<b>Asset management</b>						
Asset register summary (WDV)	152 237	186 615	182 972	170 403	-8,7%	-6,9%
Depreciation & asset impairment	4 618	3 984	3 984	5 365	34,7%	34,7%
Renewal of Existing Assets	–	–	–	–	#DIV/0!	#DIV/0!
Repairs and Maintenance	12 053	11 715	12 444	13 306	13,6%	6,9%
<b>Free services</b>						
Cost of Free Basic Services provided	–	6 327	5 051	–	-100,0%	-100,0%
Revenue cost of free services provided	–	268	268	–	-100,0%	-100,0%
<b>Households below minimum service level</b>						
Water:	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–

Energy:	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-
<b>Financial Performance 2020/21</b>						

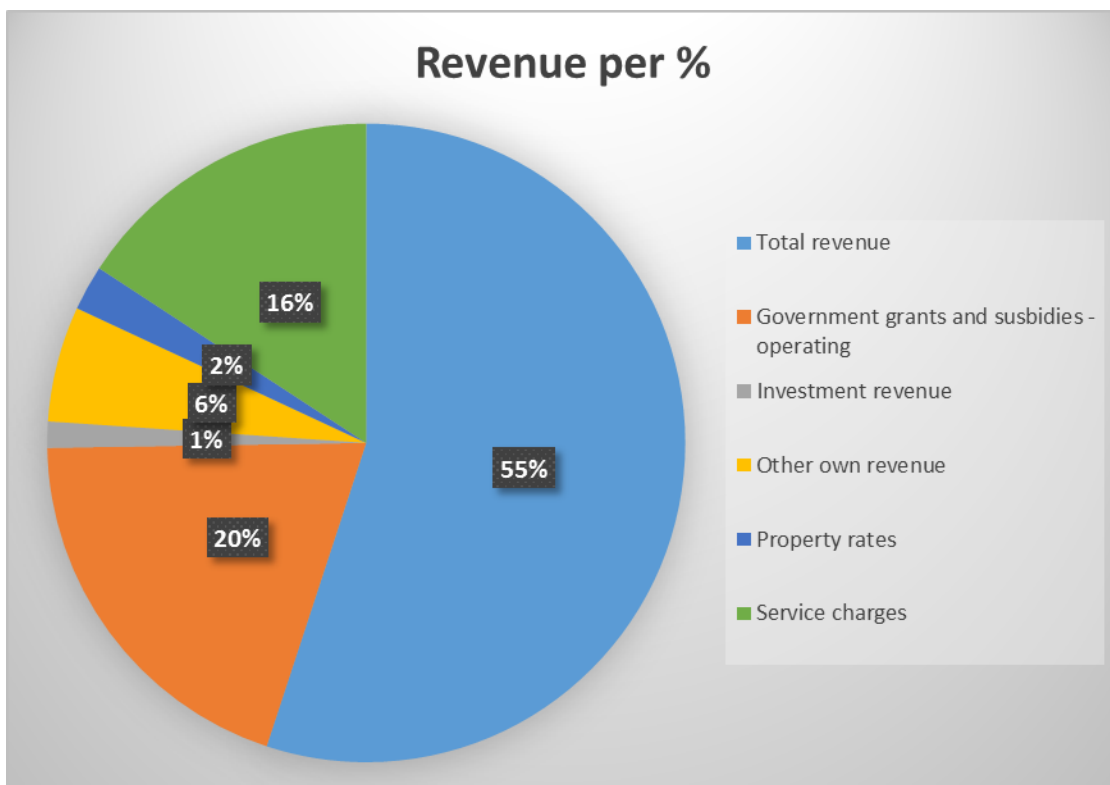
The table below shows a summary of performance against budgets:

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
(R'000)				(R'000)				
2015/16	86 419	72 120	(14 299)	-20%	59 527	50 635	(8 892)	-18%
2016/17	87 726	72 120	(15 606)	-22%	68 165	63 572	(4 593)	-7%
2017/18	82 191	76 471	(5 719)	-7%	71 161	67 478	(3 683)	-5%
2018/19	94 454	74 597	(19 857)	-27%	79 919	66 374	(13 545)	-20%
2019/20	72 370	68 032	(4 338)	-6%	73 288	69 229	(4 060)	-6%
2020/21	95 912	96 547	635	1%	73 854	72 203	(1 651)	-2%

Performance against budgets

The following graph indicates the various types of revenue items in the municipal budget for 2020/21

### Revenue per percentage



The following graph indicates the various types of expenditure items in the municipal budget for 2020/21

### 5.1.1 Revenue collection by Vote

The table below indicates the Revenue collection performance by Vote:

Vote Description	2019/20	2020/21			2020/21 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
1.1 - MUNICIPAL MANAGER	26 572	23 743	26 582	26 582	12%	0%
1.2 - COUNCIL GENERAL EXPENSES	32	4 524	6 024	2 330	-48%	-61%
2.1 - FINANCIAL SERVICES	8 269	7 290	6 810	6 815	-7%	0%
2.2 - PROPERTY RATES	3 743	4 478	4 578	4 004	-11%	-13%
3.1 - IDP	-	-	-	-	#DIV/0!	#DIV/0!
3.2 - STRATEGIC SERVICES	89	56	56	34	-39%	-39%
3.3 - CORPORATE SERVICES	2 028	507	457	1 474	191%	223%
4.1 - CEMETRIES	23	20	20	45	123%	123%
4.2 - LIBRARY	2 958	1 795	1 894	1 892	5%	0%
4.3 - DISASTER MANAGEMENT	830	15	415	617	4016%	49%
4.4 - COMMUNITY HALLS	102	200	200	50	-75%	-75%
4.5 - TRAFFIC CONTROL	4 223	3 526	2 879	3 910	11%	36%
4.6 - HOUSING	-	-	-	-	#DIV/0!	#DIV/0!
4.7 - SPORT AND RECREATION	13	22	2	3	-87%	38%
4.8 - TOURISM	-	-	-	-	#DIV/0!	#DIV/0!
5.1 - ELECTRICITY SERVICES	14 871	16 450	16 443	16 516	0%	0%
5.2 - WATER SERVICES	11 482	14 436	22 198	21 847	51%	-2%
5.3 - SEWERAGE	3 435	3 586	4 269	4 236	18%	-1%
5.4 - REFUSE	2 464	1 727	2 003	5 158	199%	158%
5.5 - PUBLIC WORKS	0	1 083	1 083	1 032	-5%	-5%
<b>Total Revenue by Vote</b>	<b>81 135</b>	<b>83 457</b>	<b>95 912</b>	<b>96 547</b>	<b>16%</b>	<b>1%</b>

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 2020/21 financial year:

Description	2019/20	2020/21			2020/21 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Property rates	3 980	4 746	4 846	4 919	3,7%	1,5%
Property rates - penalties & collection charges	(237)	(268)	(268)	(915)	241,2%	241,2%
Service charges - electricity revenue	15 717	17 372	17 365	17 352	-0,1%	-0,1%
Service charges - water revenue	5 536	5 880	6 360	6 797	15,6%	6,9%
Service charges - sanitation revenue	5 049	5 310	5 460	5 552	4,6%	1,7%
Service charges - refuse revenue	2 715	2 961	3 051	3 031	2,4%	-0,6%
Less: Subsidy to Indigent Households	(4 712)	(6 327)	(5 051)	(5 042)	-20,3%	-0,2%
Rental of facilities and equipment	489	397	397	416	4,7%	4,7%
Interest earned - external investments	3 359	2 900	2 300	2 321	-20,0%	0,9%
Interest earned - outstanding debtors	892	1 280	1 580	1 680	31,3%	6,3%
Dividends received	-	-	-	-	0,0%	0,0%
Fines, penalties and forfeits	3 936	3 332	2 775	3 509	5,3%	26,5%
Licences and permits	73	-	-	124	#DIV/0!	#DIV/0!
Agency services	218	200	110	281	40,5%	155,5%
Transfers and subsidies	30 947	31 104	34 542	34 294	10,3%	-0,7%
Other revenue	373	467	397	3 572	665,0%	799,8%
Gains	76	-	-	683	0,0%	0,0%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>68 412</b>	<b>69 353</b>	<b>73 864</b>	<b>78 575</b>	<b>13,3%</b>	<b>6,4%</b>

Variations 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 2020/21 financial year:

Financial Performance of Operational Services						
Description	2019/20	2020/21			2020/21 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
<b>Operating Cost</b>						
Water Management	4 593	4 481	4 569	6 481	44,6%	41,8%
Waste Water Management	3 622	3 569	3 873	3 832	7,4%	-1,1%
Energy Souces	13 425	14 191	15 613	14 248	0,4%	-8,7%
Waste Management	3 534	5 028	5 166	4 369	-13,1%	-15,4%
<b>Component A: sub-total</b>	<b>25 174</b>	<b>27 269</b>	<b>29 221</b>	<b>28 929</b>	<b>6,1%</b>	<b>-1,0%</b>
Road Transport	8 987	6 970	8 055	9 207	32,1%	14,3%
<b>Component B: sub-total</b>	<b>8 987</b>	<b>6 970</b>	<b>8 055</b>	<b>9 207</b>	<b>32,1%</b>	<b>14,3%</b>
Planning and Development	729	659	675	630	-4,3%	-6,7%
Housing	-	-	-	-	#DIV/0!	#DIV/0!
<b>Component C: sub-total</b>	<b>729</b>	<b>659</b>	<b>675</b>	<b>630</b>	<b>-4,3%</b>	<b>-6,7%</b>
Community and Social Services	2 462	2 537	3 056	2 718	7,1%	-11,1%
Executive and Council	7 987	7 874	7 900	6 686	-15,1%	-15,4%
Finance and Administration	18 324	19 007	19 556	18 132	-4,6%	-7,3%
Public Safety	4 975	3 560	4 068	4 634	30,2%	13,9%
Sport and Recreation	1 057	1 269	1 123	1 066	-16,0%	-5,1%
Corporate Policy Offices and Other	-	-	-	-	0,0%	0,0%
Tourism	200	200	200	200	0,0%	0,0%
<b>Component D: sub-total</b>	<b>35 005</b>	<b>34 447</b>	<b>35 903</b>	<b>33 436</b>	<b>-2,9%</b>	<b>-6,9%</b>
<b>Total Expenditure</b>	<b>69 895</b>	<b>69 345</b>	<b>73 854</b>	<b>72 203</b>	<b>4,1%</b>	<b>-2,2%</b>

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	2019/20	2020/21			Variance to Budget %
	Actual	Original Budget	Adjustments Budget	Actual	
	R'000				
<b>Total Operational Revenue</b>	16 520	14 436	22 198	21 847	-1,58%
<b>Expenditure:</b>					
Employees	972	1 123	1 168	1 269	8,61%
Materials and bulk purchases	297	320	320	268	-16,23%
Depreciation	890	720	720	1 145	59,01%
Other	2 434	2 317	2 361	3 799	60,91%
<b>Total Operational Expenditure</b>	<b>4 593</b>	<b>4 481</b>	<b>4 569</b>	<b>6 481</b>	<b>41,84%</b>
<b>Net Operational (Service)</b>	<b>11 927</b>	<b>9 956</b>	<b>17 629</b>	<b>15 367</b>	<b>-12,83%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	4 593	4 481	4 569	6 481	41,84%
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### 5.2.2 Waste Water (Sanitation)

Description	2019/20	2020/21			Variance to Budget %
	Actual	Original Budget	Adjustments Budget	Actual	
	R'000				
<b>Total Operational Revenue</b>	5 088	3 377	4 060	4 236	4,33%
<b>Expenditure:</b>					
Employees	733	835	1 071	827	-22,74%
Materials	18	29	29	18	-37,31%
Depreciation	773	770	770	1 214	57,71%
Other	2 097	1 936	2 003	1 772	-11,54%
<b>Total Operational Expenditure</b>	<b>3 622</b>	<b>3 569</b>	<b>3 873</b>	<b>3 832</b>	<b>-1,06%</b>
<b>Net Operational (Service)</b>	<b>1 466</b>	<b>(193)</b>	<b>187</b>	<b>404</b>	<b>115,87%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	3 622	3 569	3 873	3 832	-1,06%
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### 5.2.3 Electricity

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	16 719	16 450	16 443	16 516	0,45%
<b>Expenditure:</b>					
Employees	278	281	346	334	-3,34%
Materials	6	60	60	39	-35,30%
Bulk purchases	11 377	12 000	13 282	12 098	
Depreciation	256	182	182	243	33,33%
Other	1 508	1 668	1 743	1 535	-11,95%
<b>Total Operational Expenditure</b>	13 425	14 191	15 613	14 248	-8,74%
<b>Net Operational (Service)</b>	<b>3 295</b>	<b>2 259</b>	<b>830</b>	<b>2 268</b>	<b>173,27%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	13 425	14 191	15 613	14 248	-8,74%
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Financial Performance: Electricity

### 5.2.4 Waste Management

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	3 474	1 936	2 212	2 260	2,18%
<b>Expenditure:</b>					
Employees	904	941	1 142	978	-14,42%
Materials	134	399	335	220	-34,44%
Depreciation	671	1 039	1 039	1 111	6,88%
Other	1 826	2 648	2 650	2 061	-22,22%
<b>Total Operational Expenditure</b>	3 534	5 028	5 166	4 369	-15,44%
<b>Net Operational (Service)</b>	<b>(60)</b>	<b>(3 092)</b>	<b>(2 954)</b>	<b>(2 108)</b>	<b>-28,63%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	3 534	5 028	5 166	4 369	-15,44%
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### 5.2.5 Roads and storm water

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	0	1 083	1 083	1 032	-4,65%
<b>Expenditure:</b>					
Employees	5 164	4 368	5 412	5 549	2,52%
Materials	7	–	–	–	#DIV/0!
Depreciation	1 349	797	797	1 132	42,07%
Other	2 467	1 805	1 846	2 526	36,87%
<b>Total Operational Expenditure</b>	<b>8 987</b>	<b>6 970</b>	<b>8 055</b>	<b>9 207</b>	<b>14,30%</b>
<b>Net Operational (Service)</b>	<b>(8 987)</b>	<b>(5 888)</b>	<b>(6 973)</b>	<b>(8 175)</b>	<b>17,25%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	8 987	6 970	8 055	9 207	14,30%
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Financial Performance: Roads and storm water

### 5.2.6 Security and Safety

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	4 223	3 526	2 879	3 910	35,79%
<b>Expenditure:</b>					
Employees	775	722	1 309	1 097	-16,25%
Materials	–	–	–	–	#DIV/0!
Depreciation	252	75	75	–	-100,00%
Other	3 948	2 763	2 684	3 537	31,79%
<b>Total Operational Expenditure</b>	<b>4 975</b>	<b>3 560</b>	<b>4 068</b>	<b>4 634</b>	<b>13,90%</b>
<b>Net Operational (Service)</b>	<b>(752)</b>	<b>(34)</b>	<b>(1 189)</b>	<b>(724)</b>	<b>-39,11%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	4 975	3 560	4 068	4 634	13,90%
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Financial Performance: Security and Safety

## 5.2.7 Sport and Recreation

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	13	22	2	3	38,22%
<b>Expenditure:</b>					
Employees	779	984	897	984	9,65%
Materials	120	110	50	110	120,00%
Depreciation	-	-	-	-	#DIV/0!
Other	157	176	176	24	-86,17%
<b>Total Operational Expenditure</b>	<b>1 057</b>	<b>1 269</b>	<b>1 123</b>	<b>1 118</b>	<b>-0,46%</b>
<b>Net Operational (Service)</b>	<b>(1 043)</b>	<b>(1 247)</b>	<b>(1 121)</b>	<b>(1 115)</b>	<b>-0,52%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	1 057	1 269	1 123	1 118	-0,46%
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Financial Performance: Sport and Recreation

## 5.2.8 Executive and council

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	22 265	27 866	32 306	28 612	-11,43%
<b>Expenditure:</b>					
Employees	5 097	2 001	2 320	2 001	-13,76%
Materials	-	-	-	-	#DIV/0!
Depreciation	393	42	42	42	0,00%
Other	2 497	5 831	5 537	1 745	-68,48%
<b>Total Operational Expenditure</b>	<b>7 987</b>	<b>7 874</b>	<b>7 900</b>	<b>3 788</b>	<b>-52,04%</b>
<b>Net Operational (Service)</b>	<b>14 279</b>	<b>19 993</b>	<b>24 407</b>	<b>24 824</b>	<b>1,71%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	7 987	7 874	7 900	3 788	-52,04%
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Financial Performance: Executive and council

## 5.2.9 Financial and Administration

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	8 753	12 675	12 145	11 911	-1,92%
<b>Expenditure:</b>					
Employees	8 815	8 776	9 283	8 776	-5,46%
Materials	–	–	30	–	-100,00%
Depreciation	244	292	292	292	0,00%
Other	9 190	9 939	9 951	8 382	-15,77%
<b>Total Operational Expenditure</b>	18 248	19 007	19 556	17 450	-10,77%
<b>Net Operational (Service)</b>	<b>(9 495)</b>	<b>(6 331)</b>	<b>(7 411)</b>	<b>(5 538)</b>	<b>-25,27%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	18 248	19 007	19 556	17 450	-10,77%
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Financial Performance: Financial Services

## 5.2.10 Planning & Development (IDP)

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
<b>Total Operational Revenue</b>	89	56	56	34	-39,44%
<b>Expenditure:</b>					
Employees	549	514	534	514	-3,64%
Materials	–	–	–	–	#DIV/0!
Depreciation	–	–	–	–	#DIV/0!
Other	180	145	142	116	-18,12%
<b>Total Operational Expenditure</b>	729	659	675	630	-6,68%
<b>Net Operational (Service)</b>	<b>(640)</b>	<b>(603)</b>	<b>(619)</b>	<b>(596)</b>	<b>-3,71%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	729	659	675	630	-6,68%
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## 5.2.11 Community Services

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				%
<b>Total Operational Revenue</b>	3 913	2 030	2 529	2 604	2,97%
<b>Expenditure:</b>					
Employees	1 951	2 163	2 625	2 163	-17,58%
Materials	28	24	36	24	-33,70%
Depreciation	128	67	67	67	0,00%
Other	356	283	328	412	25,48%
<b>Total Operational Expenditure</b>	<b>2 462</b>	<b>2 537</b>	<b>3 056</b>	<b>2 666</b>	<b>-12,76%</b>
<b>Net Operational (Service)</b>	<b>1 450</b>	<b>(507)</b>	<b>(527)</b>	<b>(62)</b>	<b>-88,28%</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	2 462	2 537	3 056	2 666	-12,76%
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Financial Performance: Community Services

## 5.2.13 Operating Transfers and Grants

Description	2019/20	2020/21			2020/21 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>25 013</b>	<b>26 283</b>	<b>29 223</b>	<b>29 014</b>		
Local Government Equitable Share	21 355	22 985	25 925	25 925	12,8%	0,0%
Local Government Financial Management Grant	1 700	1 700	1 700	1 700	0,0%	0,0%
Expanded Public Works Programme	1 180	1 032	1 032	1 032	0,0%	0,0%
Municipal Infrastructure Grant	378	357	357	357	0,0%	0,0%
COVID-19 Pandemic Grant	400	209	209	-	-100,0%	-100,0%
<b>Provincial Government:</b>	<b>2 530</b>	<b>1 896</b>	<b>2 395</b>	<b>2 144</b>	<b>13,1%</b>	<b>-10,5%</b>
Financial Management Support (WC_FMGSG)	584	-	400	300	#DIV/0!	-25,0%
Library Grant	1 664	1 790	1 889	1 790	0,0%	-5,2%
Community Development Workers	89	56	56	34	-39,4%	-39,4%
Capacity Building	18	-	-	-	#DIV/0!	#DIV/0!
Thusong Service Centre	100	-	-	-	#DIV/0!	#DIV/0!
Road Maintenance	-	50	50	-	-100,0%	-100,0%



Infrastructure Skills Development Grant	76	-	-	20	#DIV/0!	#DIV/0!
<b>District Municipality:</b>	-	<b>401</b>	<b>400</b>	<b>400</b>	<b>-0,2%</b>	<b>0,0%</b>
SKDM Disaster Relief Grant	-	401	400	400	-0,2%	0,0%
<b>Other grant providers:</b>	<b>3 403</b>	<b>2 524</b>	<b>2 524</b>	<b>2 736</b>	<b>8,4%</b>	<b>8,4%</b>
Skills Development Fund Levy	32	24	24	25	4,9%	4,9%
Service in kind (Audit Fees)	3 371	2 500	2 500	2 711	8,4%	8,4%
<b>Total Operating Transfers and Grants</b>	<b>30 947</b>	<b>31 104</b>	<b>34 542</b>	<b>34 294</b>	<b>10,3%</b>	<b>-0,7%</b>
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

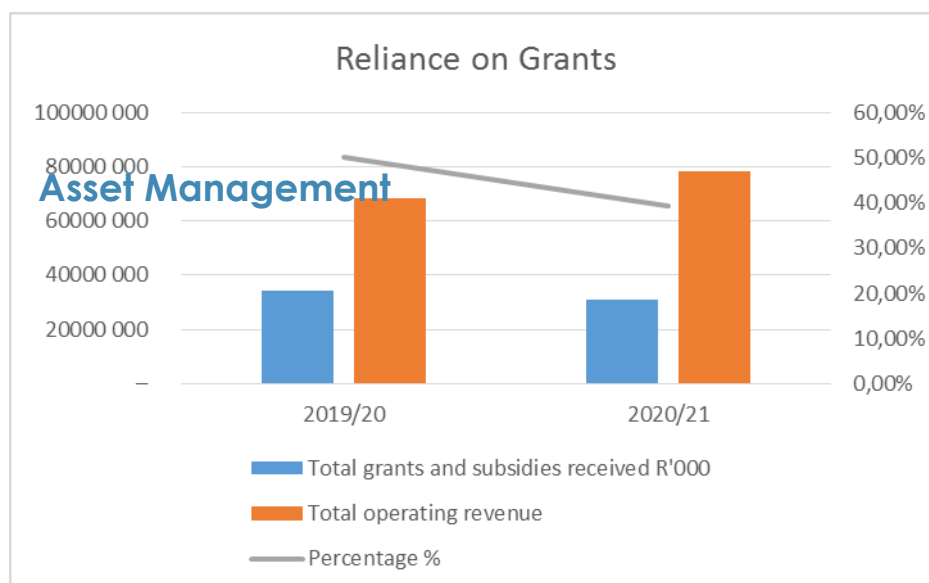
### 5.3.2 Reliance on grants

Financial year	Total grants and subsidies received	Total operating revenue	Percentage
	R'000		%
2017/18	34 617	76 471	<b>45,27%</b>
2018/19	34 417	74 597	<b>46,14%</b>
2019/20	30 980	67 962	<b>45,58%</b>
2020/21	30 947	78 575	<b>39,39%</b>

Reliance on grants)

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

### 5.4



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

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

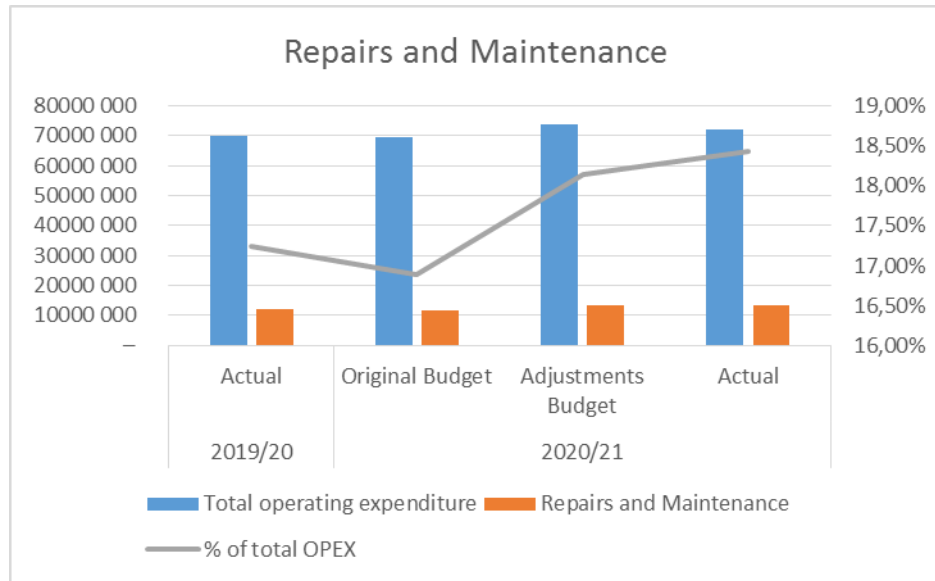
The key elements of the Asset Management Policy represent:

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

#### 5.4.1 Repairs and Maintenance

Description	2019/20	2020/21			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
Total operating expenditure	69 895	69 345	73 854	72 203	6,5%
Repairs and Maintenance	12 053	11 715	13 398	13 306	14,4%
% of total OPEX	17,24%	16,89%	18,14%	18,43%	

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	2018/19	2019/20	2020/21
		Audited outcome	Audited outcome	Audited outcome
Current Ratio	Current Assets / Current Liabilities	1,41	1,16	1,25
Current Ratio adjusted for aged debtors	Current Assets less debtors > 90 days / Current Liabilities	1,07	0,85	0,79
Liquidity Ratio	Monetary Assets / Current Liabilities	1,39	1,15	1,24

Liquidity Financial Ratio

### 5.5.2 Financial Viability Indicators

Description	Basis of calculation	2018/19	2019/20	2020/21
		Audited outcome	Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments – Unspent Grants)/monthly fixed operational expenditure	5,20	6,09	7,79
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0,63	0,71	0,81
Debt Coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) X 365	7423,62	6494,18	6207,82

Financial Viability

### 5.5.3 Employee costs

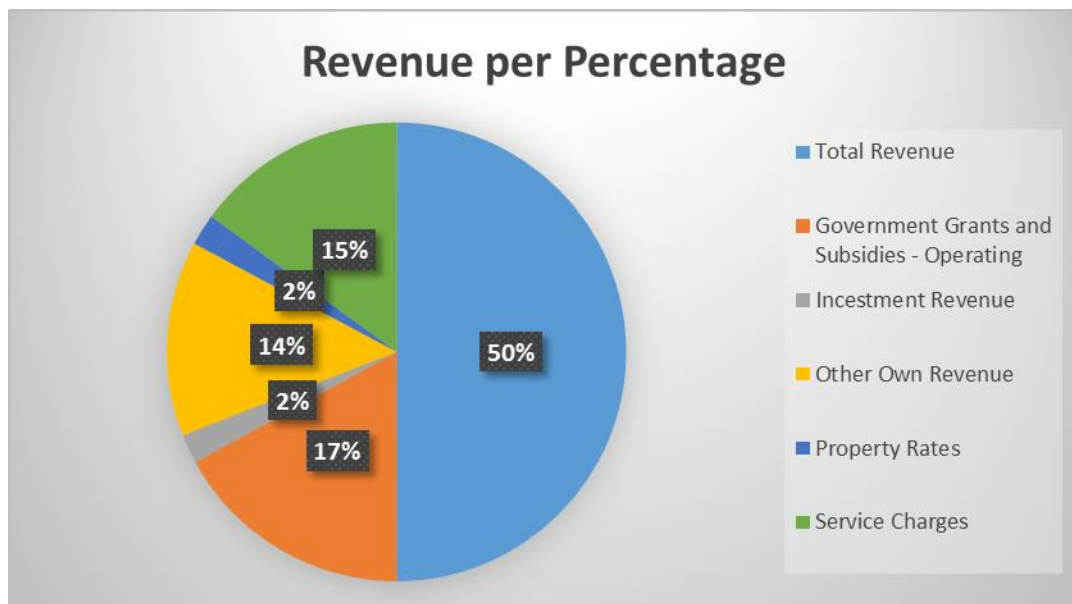
Description	Basis of calculation	2018/19	2019/20	2020/21
		Audited outcome	Audited outcome	Audited outcome
Employee costs	Employee costs / (Total Expenditure)	31%	33%	34%

Employee Costs

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.6 Sources of Finance

Source of Finance	2020/21
Total Revenue	96 547 277
Government Grants and Subsidies - Operating	34 542 300
Investment Revenue	2 321 430
Other Own Revenue	10 265 444
Property Rates	4 004 457
Services Charges	27 689 499
	78 823 130



## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Projects with the highest capital expenditure in 2020/21

Name of Project	2020/21				
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Water Management	2 608	9 917	5 969	-129%	-280%
Waste Water Management	1 337	3 686	1 366	-2%	-176%
Road Transport	4 468	4 153	4 217	6%	7%
Sport and Recreation	426	1 650	–	100%	-287%
Finance and Administration	3 938	5 592	–	100%	-42%

\* Projects with the highest capital expenditure in Year 1

### 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 2020/21 on Service backlogs					
Details	Budget	Adjustment Budget	Actual	Variance	
				Budget	Adjustment Budget
	R'000			%	
<b>Infrastructure - Road transport</b>	<b>5 972</b>	<b>4 633</b>	<b>4 217</b>	<b>-29%</b>	<b>-9%</b>
<i>Roads, Pavements &amp; Bridges</i>	4 991	3 633	3 633	-27%	0%
<i>Storm water</i>	–	–		%	%
<i>Drainage Collection</i>	981	1 000	584	-40%	-42%
<b>Infrastructure - Electricity</b>	–	–	–	%	%
<i>Generation</i>				%	%
<i>Transmission &amp; Reticulation</i>				%	%
<i>Street Lighting</i>				%	%
<b>Infrastructure - Water</b>	–	–	<b>5 969</b>	<b>100%</b>	<b>100%</b>
<i>Dams &amp; Reservoirs</i>			821	100%	100%
<i>Water purification</i>			600	100%	100%
<i>Reticulation</i>			4 548	100%	100%
<b>Infrastructure - Sanitation</b>	–	<b>1 510</b>	<b>1 366</b>	<b>100%</b>	<b>-10%</b>
<i>Reticulation</i>				%	%
<i>Sewerage purification</i>				%	%
<i>Waste Water Treatment Works</i>	–	1 510	1 366	#DIV/0!	-10%

<b>Infrastructure - Other</b>				%	%
Waste Management				%	%
Transportation				%	%
Gas				%	%
<b>Other Specify:</b>				%	%
				%	%
				%	%
				%	%
<b>Total</b>	<b>5 972</b>	<b>6 143</b>	<b>11 553</b>	%	%

\* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. 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	2019/20	2020/21		
	Audited Outcome	Original Budget	Adjustment Budget	Actual
R'000				
<b>Cash flow from operating activities</b>				
<b>Receipts</b>				
Property rates	3 381	3 134	3 204	3 910
Service charges	20 437	17 637	19 029	23 052
Other revenue	1 401	1 283	1 067	1 620
Government - operating	38 741	31 104	34 061	33 403
Government - capital	17 724	14 104	11 593	11 593
Interest	3 359	3 796	3 406	2 321
Dividends		–	–	
<b>Payments</b>				
Suppliers and employees	(51 909)	(56 062)	(58 277)	(54 016)
Finance charges		(59)	(59)	(11)
Transfers and Grants	(1 225)	(340)	(340)	(320)
<b>Net cash from/(used) operating activities</b>	<b>31 909</b>	<b>14 597</b>	<b>13 685</b>	<b>21 553</b>
<b>Cash flow from investing activities</b>				

<b>Receipts</b>				
Purchase of Property, Plant and Equipment				
Purchase of Intangible Assets				
Disposal of Fixed Assets				254
<b>Payments</b>				
Capital assets	(13 063)	(12 745)	(28 221)	(21 851)
<b>Net cash from/(used) investing activities</b>	<b>(13 063)</b>	<b>(12 745)</b>	<b>(28 221)</b>	<b>(21 597)</b>
<b>Cash flow from financing activities</b>				
<b>Receipts</b>				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits	45	10	10	65
<b>Payments</b>				
Repayment of borrowing	(5)			(51)
<b>Net cash from/(used) financing activities</b>	<b>40</b>	<b>10</b>	<b>10</b>	<b>14</b>
<b>Net increase/(decrease) in cash held</b>	<b>18 885</b>	<b>1 861</b>	<b>(14 526)</b>	<b>(30)</b>
Cash/cash equivalents at the year begin:	<b>33 084</b>	<b>26 372</b>	<b>51 982</b>	<b>51 967</b>
Cash/cash equivalents at the year-end:	<b>51 970</b>	<b>28 233</b>	<b>37 456</b>	<b>51 937</b>
<b>Source: MBRR SA7</b>				

## 5.10 Gross Outstanding Debtors per Service

Financial Year	Property Rates	Trading Services	Economic Services	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)		
R'000					
2019/20	1 740	8 217	6 557	2 499	19 012
2020/21	2 011	10 551	8 626	3 343	24 531
Difference	271	2 335	2 069	844	5 519
<b>% movement year on year</b>	<b>13,48%</b>	<b>22,13%</b>	<b>23,98%</b>	<b>25,26%</b>	

Gross outstanding debtors per service

## 5.11 Total Debtors Age Analysis

Financial Year	Current (0 - 30 days)	31 - 60 Days	61 - 90 Days	+ 90 Days	Total
	R'000				
2018/19	1 146	768	601	11 047	13 562
2019/20	1 024	1 100	947	15 941	19 012
2020/21	1 631	1 233	1 134	20 533	24 531
Difference	607	133	187	4 592	5 519
% growth year on year	37,22%	10,77%	16,52%	22,36%	22,50%
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	2018/19	2019/20	2020/21
	R'000		
Finance Leases	5	-	192

### 5.12.2 Municipal Investments

Instrument	2018/19	2019/20	2020/21
	R'000		
Deposits - Bank	33 084	51 967	51 937

Municipal Investments



## Component D: Other Financial Matters

### 6.13 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.

This chapter will be completed when the AG has issued the municipality with the final management report.